



Roxby Downs Council Annual Report 2015 - 2016



ACKNOWLEDGEMENT TO COUNTRY

The Municipal Council of Roxby Downs would like to acknowledge the Kokatha peoples, the traditional owners of the land on which we live today and pay our respect to the Elders past and present and extend that respect to other Aboriginal and Torres Strait Islander people who are present today.



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MESSAGE FROM THE ACTING ADMINISTRATOR

This Annual Report for FY16 details actual performance and highlights achievements for the period 1 July 2015 to 30 June 2016 and reflects our long term objectives for the town whilst maintaining efficiencies across Council. The Strategic Management Plan 2012-2017 together with the Annual Business Plan and Budget 2015-16 established the framework for progress and achievement during the year.

The Roxby Downs community continued to experience substantial change over the past year. Unplanned population loss resulted from operational changes at the Olympic Dam mine which also had flow on effects to local businesses and schools. The Annual Report details how Roxby Council continued to consolidate operations during this period of restraint. We were able to maintain services and programs through organisational restructuring and achieving cost efficiencies.

In February an independent Governance Review Committee was established to investigate options for the future governance of the Council. The Committee will finalise its report in August 2016 after considering input from: the community; BHP Billiton; Ombudsman SA; the Minister for Mineral Resources and Energy; and the Minister for Local Government.

In June Council's longstanding Administrator Bill Boehm resigned after 17 years of service. We wish to thank him for his commitment to the Roxby Downs community and his vision to build a world class mining town.

I would like to thank the staff and contractors of the council and to the many volunteers for their efforts in supporting the services, facilities and programs offered throughout the town and for ensuring the continued high standard of community asset enjoyed by all.

Geoffrey Whitbread
Acting Administrator (from 6 May 2016)



ROXBYP DOWNS PROFILE

Location	570 kms north-west of Adelaide in the Far North of South Australia.
Size of Municipality	110 km ²
Population	5,078 (30 June 2015) as calculated by the Australian Bureau of Statistics
Demographics	32% of population aged under 25 years Only 2.2% aged 60 years and over Median Age 30 years compared to 39 years for South Australia generally Over 40 Nationalities represented A number of mine employees live in residential camps and commute either by air or road from other home bases
Properties	1,727 residential properties



OVERVIEW

History

Roxby Downs was built in 1987/1988 to accommodate mine workers from the nearby Olympic Dam mine and their families. It is the last mining town in Australia to be purpose built to house a residential population.

The Olympic Dam Mine was originally a Joint Venture operation between Western Mining Corporation (WMC) and British Petroleum (BP). In the late 1980s the then WMC Resources acquired BP's share and operated the mine until BHP Billiton's successful acquisition in 2005.

Since its inception the mine and town have grown rapidly. A major expansion in 1996 increased the town's population from 2,700 to around 5,000 before a recent decline to around 4,000. A number of workers also work on a fly in/fly out or drive in/ drive out basis.

The community has grown rapidly to a size that the businesses and services offered also serve a large domestic base and that of the surrounding region. Demands for a fulfilling lifestyle are growing. The facilities and infrastructure are of high quality and the envy of most other towns. The community, however, faces many challenges as it is tied to the fortunes of Olympic Dam and the mining industry generally which is subject to boom and bust cycles.

Council Overview

The Municipality was established in 1982 through the enactment of the *Roxby Downs Indenture Ratification Act (1982)* (Indenture). This Act creates a governance structure that is unlike that of any other local government authority in South Australia.

Council operates with all the powers, functions and duties of traditional council but with a number of notable exceptions.

These include the:

- Requirement of elected Councillors has been suspended with an appointed "Administrator" performing all of the functions of Council.
- Operation of electricity and water authorities with Council operating them as separate business units.
- Requirement that State Government and BHP Billiton approve the Council budget and fund an annual operating deficit.
- Use of external contractors to carry out most of Council's construction, maintenance, horticulture and waste management functions.

When the Municipality was established in 1982, the intent of legislation was that the appointment of the Administrator would be only interim in anticipation of a possible future elected Council and population of around 9,000. This is the minimum number of residents required to financially sustain a fully independent and self-sufficient operation.

As the anticipated growth in population never occurred governance by an Administrator remains in force today. The Administrator is appointed by the State Government and is an officer of the Crown. The conditions of appointment of the Administrator are outlined in the Indenture. Any move to an alternative model would be a decision taken jointly by the State Government and BHP Billiton (as joint venture partners to the Indenture).

An external Governance Review Committee is currently considering a range of options for future governance arrangements with a report due for release in the latter half of 2016.

As well as providing electricity, water and sewerage services Council also delivers a wide range of traditional municipal services including roads, streets, footpaths, parks and gardens, and waste management. To support community life Council also manages various sport, recreation and cultural facilities including the roxbylink complex, community ovals and associated buildings as well as providing significant community cultural development activities.

Council is acting in a pro-active manner to build the social capacity of the community through a range of unique community development strategies as well as traditional asset management and service delivery roles.

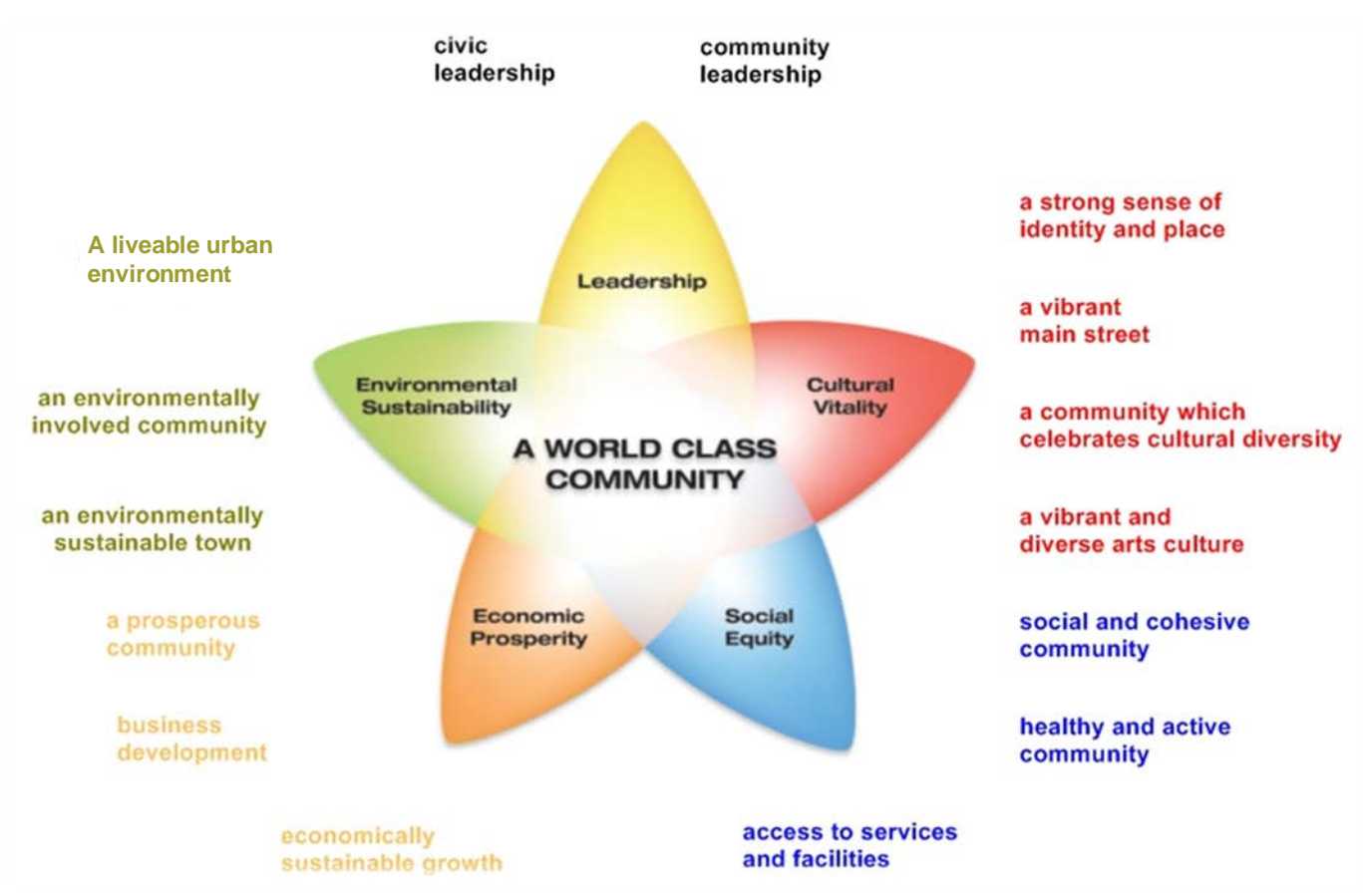
These roles are diverse and include such matters as; improving the quality of life of the community; planning at the local and regional level; local area environmental management; developing community resources; representing the interests of the wider community, and acting as a responsible decision maker.

OUR VISION

A World Class Community to support a World Class Mine

To be achieved through the five supporting pillars which are the foundation of various goals and objectives

- Leadership
- Cultural Vitality
- Social Equity
- Economic Prosperity
- Environmental Sustainability



ACHIEVEMENTS

A report on progress of actions outlined in the 2015/2016 Annual Business Plan

Actions Completed

- ✓ Funding received from the Office of Recreation and Sport to support employment of a StarClub Field Officer. Officer recruited in November 2015
- ✓ Installation of a second pedestrian crossing in Richardson Place adjacent the War Memorial
- ✓ Establishment of a Community Youth Centre including a community kitchen by extending existing Youth Centre building
- ✓ Construction of Waste Transfer Station at Opal Road Landfill site
- ✓ Filling in of remaining landfill trench and landfill rehabilitation works
- ✓ Reseal of Olympic Way from Callanna to Burgoyne including shoulder widening
- ✓ Maintenance and improvements to roxbylink complex including:
 - Installation of heating in the auditorium and cafe
 - Resurfacing and sealing floors in the stadium, auditorium, café and squash courts
 - Upgrading the kitchen to accommodate larger functions
 - Refurbishment of the green room
 - Refurbishment of the Gym
 - Refurbishment re-painting, installation of new flooring and new gym and AV equipment
 - Revamp of soda ash storage area at the swimming pool plant room and upgrade of chlorine gas system.

Actions on track for completion by December 2016

- ✓ Release of Masterplan for Sport and Recreation Facilities
 - ✓ Installation of the 25th Anniversary Time Capsule in partnership with BHP Billiton
 - ✓ Construction of a Splashpad to replace ageing Toddler Pool
 - ✓ Detailed design for minor improvements to Richardson Place using People for Places funding
 - ✓ Upgrade of Council's website.
-

LEADERSHIP

A responsible consultative and inclusive body

COUNCIL'S ROLE

Roxby Council, like other local government authorities, has many roles when serving the community. Council's financial commitment, therefore, varies according to the nature of the role and statutory responsibilities. In addition to being a direct provider of services and owner/custodian of facilities Council is also an advocate and facilitator/initiator on behalf of the community.

Advocacy involves lobbying various tiers of government and BHP Billiton on issues that affect the community. As a facilitator/initiator Council brings together and/or engages with individuals, community groups and government agencies to address issues affecting the community and to initiate new programs.

Council staff are members of a range of stakeholder groups ensuring that they are part of important community discussions.

These committees include:

- Roxby Downs Community Board Inc.
- Roxby Downs Health Forum
- Roxby Downs Area School Governing Council
- Port Augusta, Woomera and Roxby Downs Health Advisory Committee.

AGENT FOR GOVERNMENT SERVICES

To create additional income streams and to provide the community with access to government services locally, Council acts as a Service SA agent and key agent for Government Housing for the State Government.

Service SA

Council has a financial arrangement with the Department of Planning, Transport and Infrastructure to act as a rural agent for Service SA. Council's Customer Service Officers have delegated authority from the Minister for Transport to undertake Service SA transactions. Transactions that can be undertaken at the Council office include motor vehicle registration and licensing of drivers. Customer Service Officers are supported by staff at the Service SA branches located in Port Augusta and Port Pirie who are available to answer any queries by telephone.

Government Housing

Council's role as a key agent for the State Government's Building Management, Accommodation and Property Services division ensures there is a local presence for State Government employees (e.g. Police, Health and Education) moving into and out of government owned housing in Roxby Downs and Andamooka.

The Government Housing portfolio has grown from 52 houses in 2007 to the current allocation of 90 properties. In the 2015/2016 year 63 inspections were carried out, with most of these occurring during December and January, with many tenants choosing to vacate prior to Christmas and relocate before the new school year commences.

Currently 25 properties are vacant, these houses require regular inspections and monitoring. During periods of vacancy the Government may carry out larger

maintenance works (e.g. new kitchens). All maintenance reported from inspections is followed up and carried out by the Building Management Accommodation and Property Services division's appointed contractors.

COMMUNITY BOARD

Council has supported the Roxby Downs Community Board since it was established in 2006 as a separately incorporated Association. Support includes providing a staff member to act as Executive Officer of the Association to advise on governance and community development matters and to manage finances.

Council provides a small annual operating grant to the Board which assists with payment of public liability insurance, and administration expenses. In-kind support includes access to meeting spaces at no cost, assistance with publicity of events and activities and sharing of expertise from experienced staff.

Community Project Officers also act as a resource for some of the forums including: the Multicultural Forum; Environment Forum; Community Garden; and Sport and Recreation Forum.

EFFECTIVE DEVELOPMENT & PLANNING

Effective planning to meet the needs of the town requires assessment of all forms of development against the Roxby Downs (Municipality) Development Plan 2012 as well as the Building Code of Australia under the Development Act 1993 and associated regulations.

Regulations establish procedures which Council must follow in its assessment of applications including what level of public notification is required, and where applications must be referred to external authorities, such as the Environment Protection Authority. Fees are set by regulation and are standardised throughout the state.

Recent amendments to regulations have removed the requirement for minor residential development, including garages, carports, pergolas, sheds, fences and swimming pools to be notified to adjoining owners.

Further recent amendments to regulations allow for small scale residential development to be fast tracked through the approval process. This generally applies to

smaller structures under 40m² where they are built at the rear of houses. Shade sails require Council approval if they are positioned in front of the dwelling.

Development activity in Roxby Downs has been subdued over the past 12 months demonstrating that economic activity in Roxby Downs is strongly tied to the fortunes of BHP Billiton.

Positive announcements concerning ongoing incremental expansion to mining activity auger well for increased development activity in the town.

Redevelopment of industrial sites at Olympic Dam later in the year point to renewed confidence, while a number of sites within the Roxby Downs Industrial area underwent changes in use and expansion including extensive redevelopment of the service station site.

Item	2014/15	2015/16
Dwellings	0	1
Additions/alterations to dwellings	2	1
Carports, Outbuildings Verandas	27	13
Signs	2	0
Swimming Pools	5	2
Flats/Units	0	0
Business/ Commercial	1	5
Industrial	4	2
Other - Community	2	0
Land Division	1	2
Demolition	1	1
Total Applications	47	27
Estimated Expenditure	\$2.06m	\$0.4m



EFFECTIVE CONSULTATION

Council is committed to open, accountable and responsive decision making which is informed by effective communication and consultation between Council and the community.

Council staff regularly attend community meetings where they can listen to community concerns and discuss ideas. In addition to this Council also conducted formal community consultation sessions on the Draft Annual Business Plan, Dog Park and Toddler Pool Redevelopment.

Draft Annual Business Plan

Each year Roxby Council releases an Annual Business Plan which highlights the strategic direction for the coming year across a range of key areas. Before the document is finalised the Draft Annual Business Plan is released to the public for consultation.

Council held two sessions this year, an Information Session and a Public Meeting. This model has been used in previous years and worked well. The Information Session offered an opportunity for the community to find out about the key elements of the draft plan and to meet and talk to senior Council staff. This session was followed by a formal public meeting which is required under statute.

Proposed Dog Park

In response to strong community feedback, in particular to an online survey with over 320 participants, Roxby Council wanted to elicit more information from local dog owners about establishing a dog park in Roxby Downs.

Council initiated a brainstorming session to decide where a dog park could go, how a dog park would be funded and what a possible dog park would look like. A total of 20 residents came to the session held on 22 July 2015.

Feedback was collated and distributed to those involved. The feedback was then used to put together a proposal for the dog park which now sits with the newly formed Sport and Recreation Forum for further consideration.

Toddler Pool Redevelopment

At 27 years of age, the existing toddler pool is at the end of its expected life. Extensive maintenance has been carried out on the pool to extend its life over the past 10 years.

A proposal to redevelop the pool in the form of a Splashpad was rolled out for consultation to the community. Feedback from residents indicated that the proposal was popular and the concept was very well received.

Four sessions were held between the end of November 2015 and early December 2015 at various times hoping to capture most of the community allowing for different shift schedules. Sessions were held throughout roxbylink in the Dunes Café, Kiosk and the Community Library.

As part of the communication plan, a suite of media tools were used to market the sessions. Sessions were advertised in *The Monitor*, on RoxFM and on Facebook (using the Roxby Youth page).

Sport and Recreation Master Plan

A vision to guide growth and development of Sport and Recreation in Roxby Downs was the basis for One Eighty Sport and Leisure Solutions' Master Plan. The review took a holistic approach to existing infrastructure and the future needs of the community.

The Draft Master Plan was presented to the community with considerable anticipation. The consultation process consisted of various sessions facilitated by the team from One Eighty Sport and Leisure Solutions. The sessions were held both during the day and in the evening. The Master Plan consultation also included a staff briefing for all Roxby Council and roxbylink staff.

In total, 19 community responses were received. The feedback was then taken into consideration when drafting the Final Master Plan.

EFFECTIVE COMMUNICATION

Access to Information

Council's communication strategy involves using a number of touchpoints where the community can access council information.

These include:

- A weekly page in The Monitor Newspaper which is used to report the latest news on council activities
- Direct mail with information included in quarterly rates and utility notices
- Website
- Specific displays either in the council office, roxbylink or at events
- Council staff attending local community meetings
- The Vibe Radio show
- Membership of the Roxby Downs Community Board.

Future plans include the introduction of a Facebook page by the end of 2016.

Welcome Bag

Council has produced a welcome bag for new residents containing information about a range of council services. The bags also contain information on responsible pet ownership, joining the Community Forums and details of the Emergency Wildlife Hotline.

The purpose of these bags is to connect new residents to the community by promoting important community information and contact numbers.

BRANDING



Council Branding

The Council logo had a slight change at the beginning of 2016.

To further the 'young vibrant community' look and feel to our branding, the decision was made to change the intensity of the yellow within the logo and extend it to the logo text. The yellow colour used in the logo reflects the ever present outback Australian sun.

The logo font was also softened making the logo more appealing and consistent with the new roxbylink branding.

The logo will be progressively introduced when existing materials run out and signage needs to be replaced.



Recreation & Cultural Services Branding

In 2014 facilities and services operating under the Roxby Leisure banner were rebranded as roxbylink to create uniform branding across the entire cultural and recreation precinct including the library.

The roxbylink branding builds on the rationale that the facilities and services offered have a linking function:

- Library **links** people to information, knowledge and personal development
- Visitor Information Centre **links** tourists to local attractions, products and services
- Dunes Café **links** people to friends and family as well as good food and coffee
- Cinema **links** people to entertainment and social opportunities
- Art Gallery and Auditorium **link** people to arts and culture through events and exhibitions
- Recreation and Aquatics **link** people to fitness and healthy lifestyles
- As a meeting place and space the entire precinct **links** people from many cultures and age groups.

SUPPORTING COMMUNITY OWNED MEDIA

Council is a proud supporter of community owned media. Throughout the year Council provides both The Monitor Community Newspaper and RoxFM, which are independently incorporated not for profit associations, with in-kind assistance.

The Monitor Community Newspaper receives rent free space within the Council building and RoxFM is provided with space within the roxbylink complex.

The Vibe Radio Show

A key element of Council's communication strategy has been the development of a weekly one hour radio show at RoxFM called "The Vibe". Council staff have been trained to work on the air and in how to produce a radio show.

The Vibe airs every Friday at 1pm and highlights upcoming events and news. Guests from the local community groups are often invited to speak on air about their event or group in an effort to increase involvement and community participation.

The Vibe presenters also occasionally perform outside broadcasts during events.



CULTURAL VITALITY

A strong sense of place and identity

EVENTS

Council provided in-kind support to a number of community events throughout the year. Council staff assist various forums with the planning and running of their events. This support includes providing event management advice and coordination, marketing and promotion, financial management, volunteer management and infrastructure management. Events supported during the year included NAIDOC activities and the 2015 Red Earth Festival.

Roxby Power staff assist with electrical needs while members of the Municipal Works team and external contractors ensure that the main street and other council controlled event venues are well maintained before and after events in areas such as: waste management; road closures; rotating banners; and gardening. Staff at roxbylink support events taking place in the various venues located within the roxbylink cultural and recreation precinct.

At Christmas time Roxby Power staff install Christmas lights in the main street in time for the annual Christmas Pageant.

Australia Day Event and Awards

Council held the annual Australia Day Celebrations at the Roxby Downs Swimming Pool. This event includes the Australia Day Citizen of the Year Awards and Sport and Recreation Forum Sport Awards. We congratulate Citizen of the Year Scott Gaskin and Young Citizen of the Year Ines Badman as well as the Roxby Races for outstanding Community Event of the year.

Citizenship Ceremonies

Roxby Downs continues to welcome people from all over the world. Council's Administrator conducted 13 Citizenship Ceremonies during the year with a total of 21 adults and 16 children becoming Australian citizens.

OUTBACK CINEMA

Attendances at the 60 seat cinema increased by 13% during the financial year with families very positive about the discounted price of family tickets.

Several free community screenings were shown throughout the year including the NAIDOC week 'Black Screen Presentation' and the 'Colourfest Short Film Festival' to tie in with Harmony Day.

ART GALLERY

The Art Gallery held nine exhibitions with a mix of professional touring exhibitions as well as local and regional artists showcasing their works. Most exhibitions included a launch event for the general public with artists talking about their works and engaging with the community.

The Art Gallery has also hosted community based exhibitions including the Festival of Trees and the "Photographers of Roxby Downs" Exhibition for amateur photographers. Community based exhibitions create an outlet for local residents to connect with people of similar interests.





VISITOR INFORMATION CENTRE

The total of 4,719 visitors sought tourist and local information from staff at the VIC which was an increase of 18% compared to the previous financial year. The peak visitation period for this area is April to September when the weather is much milder. A guest book has been reintroduced to encourage visitors to leave their details and thoughts on their visit to Roxby Downs and our region.

An expanded Olympic Dam Discovery Tour was introduced this year which combined the tour of the Olympic Dam Surface operation with a tour of the Arid Recovery Reserve. This tour has proven to be extremely popular and regularly booked out during peak tourist periods. As the tour only runs on Wednesdays, visitors at other times can attend screenings of the Discovery Tour DVD in the cinema.

COMMUNITY LIBRARY

The library opening hours were extended to provide more options for people to visit outside of normal business hours. The library is now open until 6.30pm on Thursdays and until 1pm on Saturdays. The slight increase in hours has been well received.

The collection was assessed and modernised with some outdated non-fiction items added to donation boxes to make space for new and more current books.

The Library has 2,024 active library members with 1,543 residing in the council area. Of these 729 members are children. The library's collection of book stock totals 10,322 books evenly spread between Adult and Children's resources. During the financial year Adult borrowings totalled 4,262 compared to 11,271 for children's and teens. The Public Internet was well utilised with 3,020 bookings.

The library is well known locally for its children's programs with 19 school holiday programs and activities held and attended by 566 participants during the year. There were 89 Toddler Story time sessions with 3,466 participants. These sessions are run as a joint program with Strengthening Our Families and involves story and craft activities. This program has both literacy and social aims.

Library staff continue to work closely with local schools and the kindergarten with 41 class and group visits held involving 1,402 attendees.

The meeting room space continues to be well utilized by sporting and community groups for afterhours committee meetings with 164 bookings during the year.

Other activities include a library book club which is a popular program for book lovers to meet and discuss a monthly themed book.

CULTURAL FACILITIES

Auditorium

The 350 seat Auditorium hosted a number of major events during the year. In 2015 roxbylink staff handled both event setup and catering for the annual BHP Billiton Service Awards for the first time. Their efforts were rewarded with positive feedback received.

Other notable events held either as council initiatives or were community driven included: Isaac Lomman the Hypnotist, Mikado Co-Opera, Aboriginal All Stars, Police Ball and Seraphim Trio Performance.

Heating was installed in the Auditorium to improve the comfort of patrons and performers on cold nights.

Dunes Cafe

The Dune's Café provides a space where local residents and visitors can meet and eat in an informal setting. During the quiet period all wooden surfaces were resealed and heating was installed to make customers feel more comfortable during the cooler months. Additional improvements included an upgrade of the kitchen and its equipment which has created opportunities to accommodate larger functions previously outsourced to external contractors.

After hours the Dunes Café space is used by community groups for meetings as well as smaller functions.

The Café includes a Play Café which underwent a makeover to include improved matting and a play pen so that small children can play safely.

Healthy Food options were also introduced across the centre to complement the 'Grab and Go' initiative to meet the changing needs of our customers.



SOCIAL EQUITY

Community and resources are developed in an equitable and socially just manner to create a healthy, active community

COMMUNITY AND SPORTING FACILITIES

Works were completed on the old Youth Centre to create an upgraded, flexible community space. The new Community Youth Centre has commercial kitchen facilities and is home to the Youth Drop In, new Foodies program, Multicultural Forum and Youth Advisory Committee.

OVALS

The ovals have undergone significant changes since Council and the golf club jointly appointed a superintendent to manage both sites in 2014. Advice was sought from former Adelaide Oval groundskeeper Les Burdett to develop a management plan including aerating, scarifying, trimming the grass and regular

sprinkler checks. The ovals are now in pristine condition attracting a range of activities including soccer, rugby league, football, cricket, and Little Athletics.

The Football Federation SA Regional Round was held again for the third year and proved to be a great success attracting soccer fans and the general community.

PLAYGROUNDS

With improvements to the Curdimurka and Lions Park playgrounds completed in 2014/2015, the focus this year has been continued maintenance and safety. The playgrounds are inspected regularly and are a very popular gathering spot for families. The Roxby Downs Family Forum has been holding regular Neighbourhood Days at Curdimurka Park.

SPORT AND RECREATION

During the year a grant was secured from the Office of Recreation and Sport to undertake a Sport and Recreation Masterplan. Following extensive consultation the Masterplan was released in May 2016. The plan provides recommendations for when population levels reach 5,000, 7,500 and 10,000 people and will help shape future sport and recreation planning.

During the year Council also received funding from the Office of Recreation and Sport to support the employment of a Star Club Field Officer. This Officer was employed in November 2015 and is working closely with local sporting organisations to build capacity through training programs and to strengthen management processes and governance of their operations to ensure sustainability.



AQUATICS

Winter season numbers were down by 6.5% from the previous year due to cool windy weather and a decrease in the overall population. Summer memberships travelled well with a majority of users taking up either the \$50 single or \$200 family membership for the season. Pool plant operator training was completed this year with 5 more staff now trained.

Damage to the roof and interior of the outdoor plantroom due to rusted sheeting and box gutters was identified as a major issue. Repair works were completed to ensure the integrity of the building. This also included improving the soda ash mixing tank.

Minor repairs to the toddler pool were made to keep it serviceable for the 2016/2017 summer season, however, it has reached the end of its useful life due to the level of ongoing maintenance required. As a result Council commenced a community consultation and planning process for the installation of a Splash Pad. Construction will commence in 2016/2017.

The outdoor pool and surrounding areas are used for special events including the Australia Day Breakfast and end of year company Christmas parties. Usage of the indoor pool has increased to include baptism ceremonies.

SWIM SCHOOL

Swim school continues to be popular with strong attendances during the year. The program caters for children aged 6 months up to 13 years. A competitive strokes course was held to further train our instructors on racing techniques which has opened up the opportunity to offer competitive swimming classes for older students. Staff also provide assistance to Roxby Downs Swim Club when they have qualified volunteer shortages.

KIDS CLUB

Crèche

The roxbylink Crèche provides onsite support for parents attending Group Fitness classes, ladies netball and other recreation programs at the roxbylink complex. The Crèche continued to have steady numbers over the last 12 months even though many regulars left town. Staff promoted healthy eating in the room which encourages parents to have appropriate snacks for their children

Nippy Gym

Attendances fluctuated throughout the year with numbers unpredictable on a weekly basis. This in part was influenced by new kindergarten and school earlier age intake.

PULSE FITNESS

Gym

Attendances were down by 9% but this was expected with the population loss that occurred during the year. There was significant growth in junior attendance compared to previous years. A minor refurbishment has made positive changes to the space with a fresh coat of paint, new and upgraded gym equipment, new TV's and upgraded music equipment. Sales of water and Powerade, protein shakes and protein bars at the Gym were introduced which have proven popular.

Group Fitness

The range of fitness classes, times and availability were expanded to provide more options for patrons. Classes include Aqua, Butts and Guts, Pump, Yoga and Circuit. Staff are also working in partnership with the Royal Flying Doctor Service to run a "Beat It" Group Fitness program aimed at individuals with or at high risk of chronic illness such as diabetes or a heart condition. Improvements were also made to the group fitness room which included repainting and changing the layout to create more space for classes.

YOUTH DEVELOPMENT, PARTICIPATION & WELLBEING

In September a small group of enthusiastic young people put their creative talents to work to produce a mural for display at the outdoor entrance at the new community youth centre. The sessions were facilitated by street artist Jack Hodges and the vibrant and colourful mural is now proudly on display.

Council's Community Project Officer (Youth and Children) provides support, advice and guidance to the Youth Advisory Committee which ran a number of events and fundraising activities during the year.



PUBLIC HEALTH

Public Health Plan

As part of the responsibilities arising from the *South Australian Public Health Act 2011* Council is required to prepare and implement a regional health plan. The Act recognises that councils provide leadership and public health in their regions and also influence the health of their communities by what they do and do not do.

Many local government activities have links to public health. These community activities include: waste management, environmental health; building inspections; planning and development approvals, infrastructure (footpaths, parks, shade); animal management, sport and recreation; community services; emergency management; and environment.

The Roxby Healthy Community Plan was adopted in 2014 with goals aligned with the State Public Health Plan. Council staff are active members of the Roxby Downs Health Forum, the Alcohol and Substance Abuse Forum and other health related community committees which facilitates a whole of community response to health.



COMMUNITY HEALTH PROGRAMS

Community Foodies

The Community Foodies program launched in early 2016 as a partnership between Roxby Council, the RFDS Healthy Living Program and the SA Community Foodies program, being the first partnership of its kind. The Foodies are volunteers and act as agents of change supporting locals to make healthy food choices. Foodies are trained in basic nutrition and volunteer their time to promote healthy eating to community groups and schools and local residents. In early 2016, 14 Foodies were trained and graduated from the program. The Foodies are key drivers and share their knowledge with the community with the aim of promoting healthy lifestyles through healthy eating.

FOOD SAFETY

Roxby Downs Council has 29 food businesses which are assessed for compliance with the *Food Act 2001* and the Food Safety Standards. A total of 57 food inspections were undertaken in the last financial year which included 5 follow up inspections. An increase in the number of food business notifications has resulted from more home businesses providing food at the market days.

ENVIRONMENTAL HEALTH

Council's environmental health service is outsourced to the City of Salisbury with regular visits, inspections, investigations and training days conducted by Environmental Health Officers. Activities include:

- Health and food safety promotion with free literature on various subjects is available from the Council Office and the free on-line I'm Alert Food Safety

Training Program is made available for food handlers

- Public and limited access swimming pools are monitored daily by the relevant pool operators and are inspected by Environmental Health Officers on a regular basis when the pools are open for use. Pools inspected include those in the Roxby township and at Olympic Dam
- Hairdressers and Beauticians are inspected pursuant to the Public Health Regulations
- Legislation pursuant to the *Public Health (Legionella) Regulations 2013* requires all councils to register High Risk Manufactured Water Systems (Cooling Water and Warm Water Systems). One Warm Water System has been registered with Council and is inspected for compliance on an annual basis (via third party audits). Roxby Downs does not have any Cooling Water Systems.

ECONOMIC PROSPERITY

Commonality of purpose between Council, BHP Billiton and local business to support continued economic growth and development

AN ACTIVE BUSINESS COMMUNITY

Council continued to provide resourcing support to the Roxby Downs Business Forum which meets monthly. This is to ensure that the needs of local businesses are understood and responded to. A key project initiated by this forum with Council's support is the Totally Locally Campaign which encourages locals to shop with local businesses.

Council is also a resource partner with Regional Development Australia Far North in order to explore opportunities for business services to be delivered from within Roxby Downs.

TOURISM PROMOTION

Council operates an accredited Visitor Information Centre and staff promote local services and business to visitors to encourage them to stay longer in town.

During the year the VIC increased its range of retail items which included locally made jewellery and gift ware.

The region is promoted through annual advertising and promotion in the South Australian Tourism Commission Flinders Ranges and Outback Visitor Guide.



ENVIRONMENTAL SUSTAINABILITY

Responsible and cost effective management of our environment

WASTE MINIMISATION AND RECYCLING

Construction of a Waste Transfer Station at the Council's Opal Road landfill site was completed in March 2016. The Opal Road Landfill, commonly known as 'the dump' was closed in June 2015 after the site neared its capacity under Environmental Protection Authority (EPA) guidelines. The new transfer station heralded an innovative era of waste management and is being used by Council's contractor to safely and efficiently store and prepare the town's general and recyclable waste for transport to Adelaide.

GREEN ORGANICS

Following a review and community consultation Council decided to move to a single day green waste collection service from January 2016. Previously the town's green bins had been collected over a 4 day period. This change enabled the service to continue in a more cost effective manner. Usage and compliance continues to be monitored and the future service may be reviewed again if contamination and underutilisation occurs.

EFFECTIVE AND RESPONSIVE DOG & CAT MANAGEMENT

As part of Council's management responsibilities under the *Dog and Cat Management Act 1995* a range of formal activities and complaints were attended to. Figures are lower than previous years in the most part influenced by population loss during the year.

Item	2015/16	2014/15
Dog Registrations	699	820
Dog Expiations	10	32
Dog Complaints	57	66
Dog Impoundments	37	42
Dog Attack reports	1	2
Dog Expiation Income	\$873	\$4,067
Dog Registration Fees	\$26,132	\$31,442
Cat Registrations	111	143
Cat Expiations	0	8
Cat Registration Fees	\$3,607	\$4,606
Cat Nuisance Reports	20	22

EFFICIENT AND EFFECTIVE STORMWATER SYSTEM

Councils' storm water system comprises 240 storm water side entry pits connected to 12.5 km of various sized storm water pipes, 8.5km open drains, 10 storm catchments, detention and retention dams. The majority of the town is naturally drained but in some locations areas are drained with the aid of two small storm water pumping stations. The town has been well designed to ensure that for moderate storm events, storm water is contained within the storm water system. For larger rarer events some sections of road double as a minor floodway for short periods.

Annual clearing of silt and rubbish from pits and drains and storm water earth drains is undertaken. The challenge, however, is to manage debris associated with woodchip areas which from time to time are picked up into the storm water system and can cause minor blockages.



A SAFE COMMUNITY

Roxby Roadsafe

Council is proud to support Roxby Roadsafe which is a community road safety forum. With representation from key stakeholder groups including police and emergency services the committee aims to raise awareness of local road safety issues as well as long distance travel.

Footpaths and Road Crossings

During the year the annual reseal program continued. No footpath maintenance was required. A new wombat pedestrian crossing was installed adjacent the War Memorial to create a second place to safely cross Richardson Place.

Fire Prevention

The *Fire and Emergency Services Act 2005* stipulates that each rural Council must appoint a Fire Prevention Officer for its area. The Fire Prevention Officer's role includes the monitoring of residential and rural areas to ensure land owners take responsible steps to protect their property from fire, as required under the Act.

Inspections are carried out, leading up to and during the Fire Danger Season to assess compliance. Notices are issued where compliance has not been met. Section 105F Notices are issued pursuant to the Act, requiring landowners to maintain their properties to reduce the risk of fire. During 2015/2016 no Section 105F notices were issued.

Council also has the responsibility to ensure that reserves under its care and control are maintained to fire prevention standards.

Council's Fire Prevention Officer issued nine Schedule 10 Permits during the year which authorise the lighting of fires in open air on total fire ban days.

A CLEAN AND ATTRACTIVE ENVIRONMENT

Council continues to include streetscape improvements in public spaces and ensures that streets and public areas are regularly clean and swept.

Ten cent refundable beverage container recycling bins have been installed in Richardson Place as part of a litter control strategy. The main street is regularly maintained and monitored by Council's horticultural contractor to ensure a clean and attractive environment.

Corellas continue to be a seasonal problem impacting on local trees and vegetation as well as causing noise issues and white stains on pavements and buildings. This problem is not easily solved. Council has initiated whip cracking to scare the birds with some partial success.



COMMUNITY GARDEN

The Community Garden is located on the Council reserve linking Pioneer Drive, Mulgaria Crescent and Alberrie Street. Community Garden Volunteers, supported by Council's Community Projects Officer (Environment), have been very active over the last 12 months and significant progress has been achieved with the construction of raised garden beds, landscaping and new plantings of fruits, vegetables and herbs.

The raised garden beds (wicking beds) are designed to draw water up from a reservoir below the soil "wicking" water directly to the plant roots. This style of garden bed is especially suited to the arid climate of Roxby Downs.

Labour, materials and plants have all been donated. These efforts are continuing to beautify this major pedestrian thoroughfare which forms part of the Emu Walk. The Community Garden continues to be used as a site for education with regular visits from local school students to participate in hands-on learning about the environment.

ENVIRONMENTALLY INVOLVED COMMUNITY

Clean Up Australia Day

The Environment Forum with support provided by Council's Community Projects Officer (Environment) hosted the 2016 Clean Up Australia Day event. There were 25 volunteers that made the event a great success. They collected 25 large bags of rubbish and 30 bags of recycling.

Wipe Out Waste

Council's Community Projects Officer (Environment) worked with teachers and students at Roxby Downs Area School on a recycling program. The program was so successful that both the School and the Council were recognised for their environmental efforts at the Wipe Out Waste Awards. Council received the award for supporting school and early years waste education.

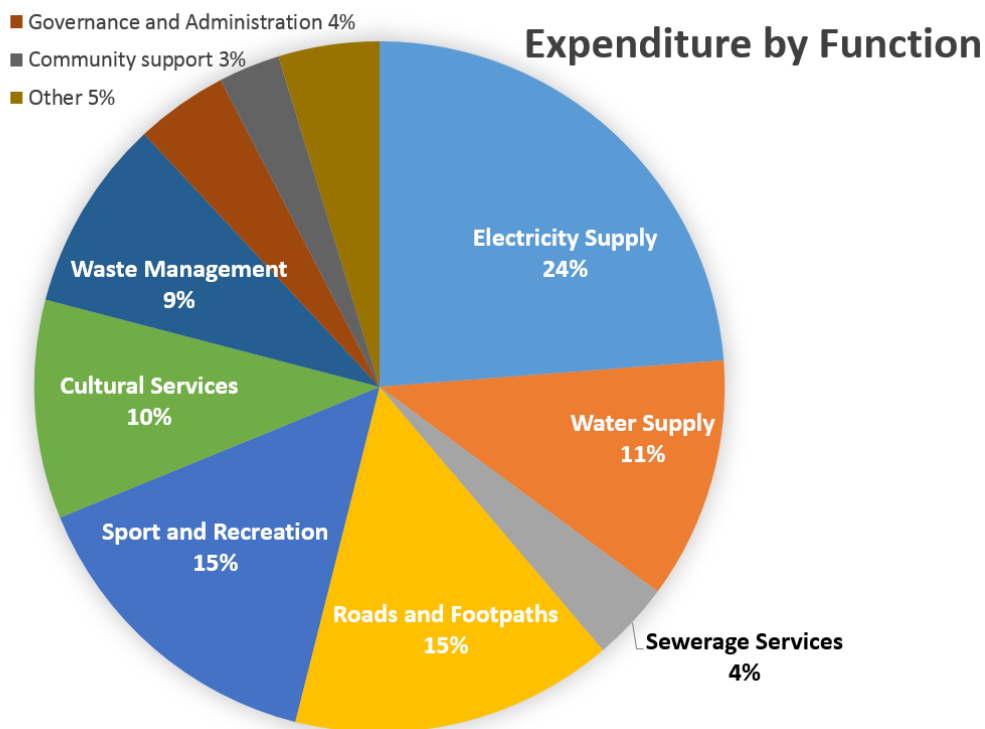
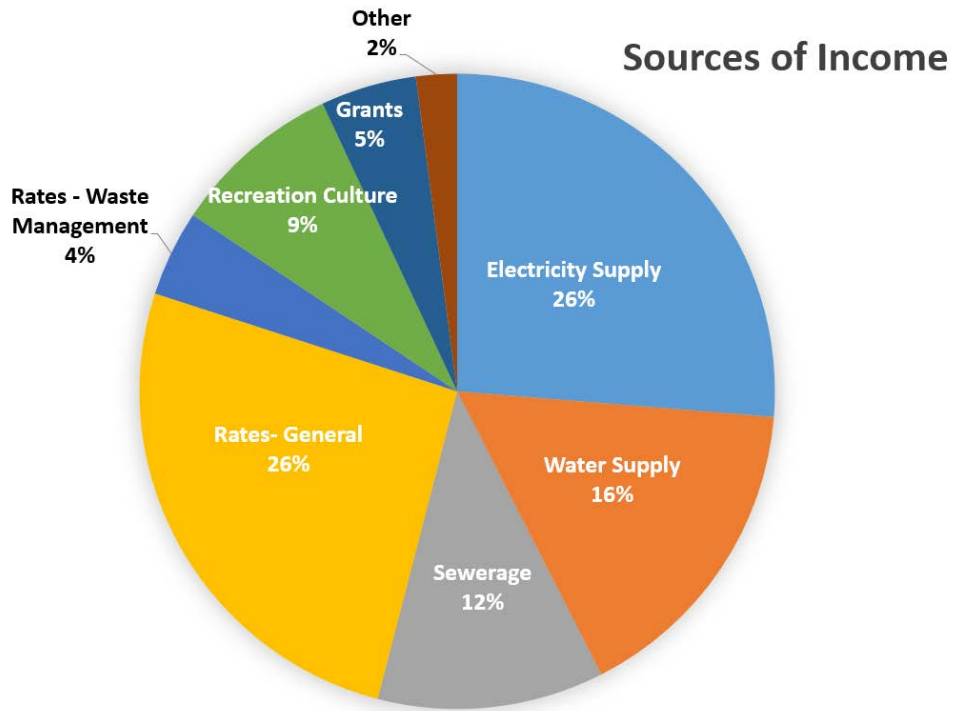
Buffel Busters

Buffel grass is a weed that was introduced in central Australia in the late 1800s with the arrival of Afghan camels. Buffel grass is highly flammable significantly increasing the likelihood of fire occurring and threatens local plants like Myall, Mulga and native pines in the area. It is a declared plant and is regulated under the *Natural Resources Management Act 2004*.

Buffel Busters is a group made up of various environmental stakeholders backed by Roxby Council. The initiative is a combined effort of residents, business and Council. The group was formed in 2012 and since then has significantly reduced the threat of buffel grass to the community. The group holds information sessions and infield demonstrations for contracting companies so that best management practices are put in place. Roadside signage has also been installed along major traffic routes around Roxby Downs to alert the public and urge them to report local infestations.

FINANCIAL PERFORMANCE

A financially sustainable and independent Council



FINANCIAL SUMMARY

Council's detailed financial statements are attached. The key highlights are:

Statement of Comprehensive Income

This year's total revenue of \$17.540m is practically unchanged from the 2015 financial results apart from the temporary reduction in Commonwealth grants of \$97k. User charges, which comprise 62% of Council's total revenue base, were better than expected in all result areas. Revenue from water and electricity is retained locally rather than being received by other entities such as SA Water or private electricity retailers. These funds are reinvested in maintaining local power and water infrastructure and make a contribution towards Council's operating costs.

Employee costs represented 29.7% of total income which is consistent with local government generally. Salary and Wages increased by \$1.5m as a consequence of directly employing permanent and casual recreation and cultural services staff who had previously been employed by an external contractor. This increase was offset by a corresponding decrease in external contractors by \$1.3m.

The net increase in material, contracts and other expenses was influenced by a wide range of factors. There were increased costs associated with waste collection, transfer station running expenses, HV switches and transformers, power purchases and general management advice. These were offset by reductions in expenses relating to street-scaping, power meter and maintenance, commercial land and oval expenses.

The operating surplus for the year was a deficit of \$577k compared to the original budget of \$22k surplus. It is expected that this deficit will be lower, or non-existent, in future years.

Balance Sheet

The Council continues to have a strong Balance Sheet with no long term borrowings and high quality assets. The provision for capping of Council's landfill has been disclosed as a non-current liability, consistent with previous years. It is expected that before the end of the 2017 financial year the Environmental Protection Authority will formally assess if the landfill has been adequately capped. If no more expenditure is required, the provision of \$1.12m will be written back.

RATING

All land within the Council area, except for land specifically exempted (e.g. unalienated Crown Land and Council occupied land) is rateable. Council continues to use capital value as the basis for valuing land within the Council area as this method is considered to provide the fairest method of distributing the rate burden across all ratepayers. There are 1,879 rateable properties within the municipality. Council raised \$5.335m in rates revenue for 2015/2016.

AUDITOR REMUNERATION

Dean Newbery and Partners Chartered Accountants have completed Council's audit as at 30 June 2016 and issued an unqualified opinion on the financial report of Council and on the Internal Controls maintained by Council. This means that the auditors are satisfied as to the Council's financial statements and systems under financial control. The total remuneration paid for undertaking the annual audit of Council's financial statements was \$33,750.

OUR PEOPLE

Skilled and committed staff
who work in a supportive
environment

WORKFORCE PROFILE

Type	Total	%	Male No.	%	Female No.	%
Full Time permanent	46	52%	19	41%	27	59%
Part Time permanent	3	3%	0	-	3	100
Fixed Term Contract	2	2%	2	100%	0	-
Casuals	35	39%	6	17%	29	83%
Trainees*	2	2%	0	-	2	100%
School Based Trainees*	2	2%	1	50%	1	50%
Total**	90	100%	28	31%	62	69%

*Trainees are employed via CEG

** Full Time Equivalent excluding trainees = 61 employees

SENIOR MANAGEMENT TEAM

The Senior Management Team is led by the Administrator and comprises:

- Administrator
- Manager Corporate Strategy and Governance
- Manager Water and Electrical Operations
- Manager Business Systems and Effectiveness
- Financial Accountant
- Operations Manager roxbylink

Salaries of the Senior Management Team range from \$95,337 to \$135,691 per annum. Additional salary packaging includes superannuation, mobile phone, full housing and may include full or partial access to a motor vehicle.

Major Employer

As a major employer in town the Council provides a range of employment opportunities for the partners and family members of mine workers. Casual staff are employed to meet the seasonal demands of recreation and cultural services. Council is committed to providing career opportunities for young people and during 2015/2016 embarked on a program of employing trainees to support the operations.

On 1 July 2015, following the cessation of external contracting arrangements, all casual staff working in cultural and recreation services were transferred into the employment of Council. This increased the number of employees but at the same time reduced external contracting costs.

There was a net increase of 8 full time permanent staff and a net loss of 5 part time staff during the year. These movements included two casual staff transferring to permanency, a maternity leave replacement, and new positions created in previously under resourced areas of IT and municipal works.

Regional Youth Traineeship Scheme

Council was successful in obtaining funding of \$29,000 from the Regional Youth Traineeship Scheme to support the employment of a Trainee for 2 years.

External Expertise

Council has a longstanding agreement with the City of Salisbury to provide Environmental Health Services and Building Surveying Services. Similarly Council uses the expertise of an External Planning Consultant – Stuart Payne. This has proven to be a cost effective method of accessing expertise without having to employ locally based officers due to relatively low volume of work in these areas. These personnel visit Roxby Downs every month and also provide advice when required via telephone.

Equal Employment Opportunity

Council follows equal opportunity employment principles across the organisation and the principles of anti-discrimination in all dealings with its employees. This ensures that the workplace is free from all forms of unlawful discrimination and harassment. Selection to fill any vacancies is based on merit including skills, experience and aptitude for the position.

Training & Development

Council continues to support training and development programs for staff despite the challenges of a remote location, lack of programs available locally and costs of travel.

Enterprise Agreement

Staff conditions of employment are reflected in the Roxby Downs Council Enterprise Agreement 2014 pursuant to Section 79 of the *Fair Work Act 1994*. This agreement maintains and refines various employment and welfare initiatives such as a Time off in Lieu (TOIL) system that provides staff with flexibility to combine work, personal and family commitments. The current three year agreement expires on 29 January 2017.

Code of Conduct

The Code of Conduct for Local Government Employees published by the Minister for Planning for the purpose of Section 110 (1) of the *Local Government Act 1999* outlines the principles that govern the conduct of council employees and details general behaviour and responsibilities.

Health and Wellbeing

The Council aims to provide and promote safe and healthy work environment that minimises the risk of injury or illness for all employees. In conjunction with the Corporate Health Group a variety of programs reinforcing the importance of maintaining personal health were provided during the year. These included: skin cancer screens; fitness assessment; back care; blood pressure; heart risk profile; nutritional profile; blood glucose and cholesterol checks.



OUR GOVERNANCE

A responsible consultative
and inclusive body
dedicated to good

DECISION MAKING STRUCTURE

Under the provisions of the *Roxby Downs (Indenture Ratification) Act 1982* the position of 'Administrator' is an Officer of The Crown subject to the direction of the Minister of Mineral Resources and Energy.

BHP Billiton is also formally recognised and along with the State Government contributes equally to fund Council's Municipal deficit. Whilst both partners must approve Council's budget, they have no formal control of the day to day operations of Council which is an independent legal entity.

As a result, the Administrator is effectively a combined "Chief Executive Officer/Mayor." Decisions of "The Administrator" become the decisions of "The Council," like any other Council in South Australia. Compliance with the *Local Government Act 1999* and other relevant legislation is still required, with some minor variations as set out in the Indenture. For practical purposes, where a formal statutory Council decision is required, then a formal resolution is recorded.

Development Assessment Panel

In relation to some decisions under the *Development Act 1993*, this Council, like a number of smaller councils, has obtained an exemption from the Minister for Planning and Local Government to have a Development Assessment Panel. All of Council's decisions under the *Development Act 1993* as a relevant authority are made by the Administrator following independent advice from Council's Planning Officer.

SECTION 270 REVIEWS

Council's Review of Council Decisions Procedure under section 270 of the Local Government Act 1999 provides a grievance process for any person wishing to have a council decision reviewed.

During 2015/2016 Council did not receive any requests for a review of a decision citing section 270 of the Local Government Act 1999.

PRESCRIBED COMMITTEES

Audit Committee

Subject to the overriding provisions of the Indenture, Council has established an Audit Committee pursuant to Section 126 of the *Local Government Act 1999*. This Committee is established to review financial reporting, internal controls and risk management systems and oversee the external audit. Council's current Audit Committee comprises David Powell (Chair) and members Trevor Starr and Warwick Koster.

The Council Administrator and Finance staff attend meetings but have no role in decision making. All decisions of the Committee become recommendations to Council. All committee members are paid an allowance. The Committee met formally on four occasions during the financial year.

SUBSIDIARIES

Council has not formed any subsidiaries pursuant to Section 42 of the Local Government Act 1999.

FREEDOM OF INFORMATION

Various Council documents and other information are available on Council's website without the need for a formal application under the *Freedom of Information Act 1991*. Some information may be available for viewing at no charge, whilst some items may be copied at a small charge, provided that copying does not infringe copyright. In some cases, where an extraordinary amount of staff time is required to comply with a request for information, charges may be imposed to recover costs. Requests for other information will be considered in accordance with the *Freedom of Information Act 1991*. Under this legislation, unless the applicant is granted an exemption, an application fee must be forwarded with the request to Council's Freedom of Information Officer.

Information Statement

An Information Statement in accordance with the requirements of the Act is published by the Council annually and is available for viewing on Council's website.

Amendment of Council Records

A member of the public may gain access to Council documents to make amendments concerning their personal affairs by making a request under the *Freedom of Information Act 1991*. A member of the public may then request a correction to any information about themselves which is incomplete, incorrect, misleading or out-of-date. To gain access to these Council records, a member of the public must complete a Freedom of Information application as detailed above, outlining the records that he/she wishes to inspect, and this application must be forwarded to Council.

Freedom of Information Applications

During the 2015/16 year Council did not receive any Freedom of Information applications.

COMMUNITY LAND

Under Section 193 of the *Local Government Act 1999*, all local government land owned by Council or under our care and control (excluding roads) is classified as community land. Council has completed a classification process and prepared community land management plans for each identified parcel of community land. The Community Land Register and copies of relevant management plans are available from Council.

NATIONAL COMPETITION POLICY

Council has an obligation under Clause 7 of the National Competition Policy to report on the application of competition principles. During 2015/2016 Council:

- has determined that it has no significant business activities as defined in the Clause 7 statement
- has no by-laws which place barriers on market entry, conduct or discriminates between competitors
- did not receive any complaints about our application of competitive neutrality
- is involved in public monopolies associated with the provision of electricity, water and sewerage services. These operate in accordance with the provisions of the *Roxby Downs (Indenture Ratification) Act 1982*.

COMPETITIVE TENDERING

Council works and purchases are sourced externally by a competitive tendering process in accordance with Council's Contracts and Tenders Policy. One assessment criteria includes consideration of the impact of service delivery approaches on local businesses.

For significant tenders Council will engage a Probity Auditor to overview the process and selection evaluation through a panel who will provide a report and recommendation to the Administrator.

LOCAL LAWS

Council has the following policy and bylaws in place:

1. Order Making Policy under the *Local Government Act 1999*.

This policy sets out the steps that Council will take in relation to making orders for the unsightly condition of land, hazards on lands adjoining a public place, animals that may cause a nuisance or hazard and inappropriate use of a vehicle.

2. By-law 1 - Penalties and Permits

This bylaw refers to the granting of permits and penalties associated with breaches of any bylaws

3. By-law 2 - Dogs and Cats under the *Dog & Cat Management Act*.

This bylaw relates to the management of cats and dogs in the council area.

COUNCIL POLICIES

Council has adopted a wide range of policies to assist in decision making and administrative processes. Council policies are available for viewing on the Council website and/or at the Council office.

The following policies are held as required by legislation:

- Internal Review of Council Decisions
- Contract and Tenders Policy
- Order Making Policy
- Public Consultation
- Prudential Management

Additional policies comprise:

- Asset Accounting Policy
- Bad Debt Policy
- Budget Management Policy
- Building Inspection Policy
- Business Units Financial Accounting Policy
- Children on Council Premises Policy
- Code of Conduct for Local Government Employees
- Contracts – Tendering Policy
- Credit Card Policy

- Customer Service Policy
- Maintenance of Road Verges Policy
- Dog and Cat Registrations Policy
- Electricity Water Rates Payments Policy
- Equal Opportunity, Discrimination, Harassment and Workplace Bullying Policy
- Expiation Fines Policy
- Fee and Charges Guidelines Policy
- Financial Internal Control Policy
- Fitness For Work Drugs and Alcohol Policy
- Flag Flying Policy
- Food Hygiene Policy
- Fraud and Corruption Policy
- Gifts and Benefits Policy
- Grievance Policy
- Induction of New Employee Policy
- Investment Policy
- Issue of Parking Expiation Notices Policy
- IT Electronic Communication Tools Policy
- Library Conditions of Use Policy
- Media Policy
- Microchip Scanner Use Policy
- Mobile Phone Policy
- Mobile Vendors Policy
- Municipal Rates Hardship Policy
- Municipal Rating Policy
- Order Making Policy
- Payments of Staff Personal Accounts in Rates, Water and Electricity
- Payroll System Policy
- Portable Computer and Storage Devices Policy
- Prudential Management Policy
- Public Consultation Policy
- Rate Debt Recovery Policy
- Records Management Policy
- Recruitment and Selection Policy
- Register of Staff Salaries- Benefits
- Roxby Link Policy
- Roxby Power Hardship Policy
- Roxby Water Customer Charter
- Roxby Water Hardship Policy
- Social Media Policy
- Street Tree Policy
- Town Oval Policy
- Travel and Accommodation Policy
- Vehicle Policy
- Volunteer Management Policy
- Waste Collection Policy
- Water Billing Policy.

REGISTERS

Local councils are required to maintain mandatory registers and Codes of Conduct and Codes of Practice. The following registers are maintained:

- Officers Register of Salaries
- Fees and Charges
- Community Land
- Public Roads
- By-laws.

The following items do not apply to this council:

- Members Register of Interests
- Members Register of Allowances and Benefits
- Members Code of Conduct
- Code of Practice for Access to Meetings and Documents
- Code of Practice for Meeting Procedures.

NON APPLICABLE ITEMS

The following prescribed items under Schedule 4 of the *Local Government Act 1999* relating to the content of the Annual Report are not applicable to our Council and not reported:

- Information on allowances paid to members of the council or a council committee
- A report on the use of the confidentiality provisions for council and council committee meetings and documents
- Representation quota, the average for similar councils, conduct of periodic reviews and information on procedures available for elector representation submissions
- Training and development activities for members of the council.

Other material and matters prescribed by *Local Government (General) Regulations 2013* that are not applicable and have not been reported.

- Report on the use of Section 90 (2) of the Act which relates to excluding the public from attendance at a council or council committee meeting and Section 90 (3) which relates to type of information that can be received, discussed and considered in confidence at such a meeting

- Report on the use of section 91(7) which relates to release of documents dealt with at council or council committee meeting on a confidential basis.

Other sections of the Act that are not applicable:

- Chapter 5 Members of Council
- *Local Government (Elections) Act 1999*.

RISK MANAGEMENT

During the financial year Council began the process of updating our Business Continuity Plan (BCP) in conjunction with Local Government Risk Services. The BCP will be completed by October 2016. The aim of the BCP is to have management strategies in place in the event that Council experiences a business interruption event.



ROXBY WATER

Efficient, reliable and cost efficient water supply and sewerage services



roxbywater
a division of roxby council

Council's appointment as a Water Distribution and Sewerage Authority for the Roxby Downs township arises as a result of Section 13 of the Schedule to the *Roxby Downs (Indenture Ratification) Act 1982*.

This Section requires Council to comply with standards normally applicable by SA Water, and specifies that Council should take practical efforts in sewerage effluent wastewater re-use, specifies how much we can pay for water and also that profits can be transferred back to the Municipality. Council operates water and sewerage services under the Roxby Water banner as a separate business unit.

In January 2013 amendments to the *Water Industry Act 2012* came into effect with Council requiring and obtaining a Water Industry Retail Licence issued by the Essential Services Commission of South Australia.

Water meters are read concurrently with electricity meters on a quarterly basis at the end of June, September, December and March each year.

WATER SUPPLY

Water for Roxby Downs, Olympic Dam and the mine site is sourced from the Great Artesian Basin near the southern and eastern areas of Lake Eyre. Water is pumped 200km south to a desalination plant on the BHP Billiton mining lease and is then cooled, desalinated and stored for later distribution. Water for the township is then pumped 10km to a covered water supply dam on the outskirts of town.

Roxby Water purchases water from BHP Billiton at a predetermined price set out in the Indenture. Council then distributes, checks the quality against water quality standards and if needed, chlorinates the water at our pump station before pumping to residents within the township via approximately 38km of pipe work.

Roxby's water quality is best described as being very soft, of high quality, having a small amount of natural fluoride and low in dissolved solids. Water has been tested and compared against a range of other urban water supplies and bottled water with favourable results.

In 2013 the *Safe Drinking Water Act* was introduced requiring all licensed water providers to develop and follow a Risk Management Plan. This ensures the water quality delivered to the customer meets Australian Quality Standards, that regular monitoring is carried out and to check that both operational and regulatory parameters are met. Council has developed a Risk Management Plan that has been approved by SA Health.

Water Rates

Council operates a three tiered incentive-based pricing structure for water. Charges are based on allocated access units according to the size of the water meter serving the property.

Water charges are set per calendar year. Rates effective from January 2016 are as follows:

All Properties	Charges per access unit per quarter
Supply Charge	\$57.50
First 34 kl	\$2.00 per kl
34 – 120 kl	\$3.90 per kl
Over 120 kl	\$5.90 per kl

These rates are analysed on a regular basis to see if some refinement is required.

Water Consumption

Roxby Downs has very low rainfall and high and ever increasing number of domestic swimming pools. Water consumption, however, continues to be moderate and compares favourably with other regional communities.

Under the Indenture a minimum allowance of 650 litres of water per head per day plus a reasonably sufficient quantity for parks & gardens and community parks, needs to be provided to the Town. Current and historical consumption remains well within this allowance.

Consumption statistics for 2015/2016

Volume of water sold to customers	675,000 kl
Average price per kilolitre	\$4.18 per kil
Total water per day per person	474 litres based on estimate population of 3,900

Water Related Works

Various maintenance activities were carried out during the year including the following:

- Street fire hydrants were cleaned out and checked. Nil maintenance required
- 1 minor water main repair on the corner of Gregory Street and Wirrda Street
- Bi-annual maintenance of the town water supply pumps and Chlorine injection system
- All bearings and seals in all 6 pumps at the Town Water Supply were replaced
- 91 water meter repairs
- The rolling five year water meter replacement program continued
- SCADA communication platform to the Town Water Supply was installed



SEWERAGE OPERATIONS

Roxby Water also provides a full sewerage system to all properties within the township. Sewage and sullage are transported through 35km of sewerage mains, manholes and nine pump stations and pumped to a series of lagoons to the west of the township.

This system represents good environmental practice and provides the community with a saving of many thousands of dollars in watering the golf course. Our high evaporation rate (approximately 3m per year), and reduced storage capacity means that sometimes re-used water needs to be restricted. Management issues can also arise when large influxes of stormwater enter the primary dams.

Water intended for re-use (i.e. irrigation purposes of the golf course) is pre-treated to meet guidelines for re-use of water. Regular testing is carried out in accordance with the EPA licence and Department of Health requirements.

Over the past ten years with the growth of the town and increase in grassed areas, the use of re-use water on Council's ovals has had to be rationalized. In 2012 all of Council's re-use water has been directed to the golf course. This allows for optimum and appropriate use with less possibility of public contact due to the nature of the use of the space.

Sewerage Charging

Since June 2000 Council has used the South Australian Local Government Association property unit system for the charging for sewerage. This followed a major review.

Sewerage charges effective from 1 January 2016 for all freehold properties abutting a sewerage main are \$230 per property unit per quarter (\$920 per annum). For residential premises, this is currently less than charges that are applied by SA Water in country South Australia for residential properties.

Sewerage Works

Sewerage works carried out during the year included the following:

- Primary dam 2 at the Sewer lagoons was de-sludged
- Bi-yearly maintenance checks of all pump stations, sewer lagoon recycling area and irrigation shed were conducted. Chlorine injector and regulators were overhauled at the treatment shed
- Sewer Lagoons were treated with Copper Sulphate for algae control.
- Samples and data were taken and recorded for Sewer Lagoon Licence and independent verification checks
- SCADA communication platform to all Pump Stations and Sewer Lagoons was installed.
- All Pump Station Chambers were cleaned 4 times during the year
- 3 blocked sewer mains were attended to during the year caused by tree root intrusion. Several sewer pumps were unblocked due to foreign objects such as hygiene products, underpants, tennis balls, parts of mop heads, tee shirts and fat intrusion.
- 2 Non Return Check valves at Pump Station G were installed along with 1 Non Return Check Valve at Pump Station D

ROXBY POWER

Efficient power distribution and utility services



Council's appointment as a power distribution authority for the Roxby Downs township arises as a consequence of Section 18 of the Schedule to the *Roxby Downs (Indenture Ratification) Act 1982*. This specifies the rationale and level of tariffs that can be charged for electricity.

As the Indenture preceded the introduction of the National Electricity market, Council is exempt from the provisions of the National Electricity Market which introduced full contestability into South Australia for all consumers on 1 January 2003. This situation also applies to BHP Billiton who is the sole licensee for retail and distribution of electricity to Roxby Downs and Olympic Dam.

Council holds a Notice of Exemption from the National Energy Retail Market by the Minister for Mineral Resources and is required to comply with specific licence conditions and various codes such as the Retail and Distribution Code. The electricity operations are run as a separate business unit under the Roxby Power banner. This includes the provision of public street lighting, which is separately charged to Council's Municipal operations.

BHP Billiton owns 275kV and 132kV power lines that transmit electricity from the national grid at Port Augusta to Olympic Dam. A 33kV line then serves the Roxby township where Roxby Power takes control.

Electricity meters are read concurrently with water meters on a quarterly basis at the end of June, September, December and March each year.

ELECTRICITY RETAIL

Audits and Annual Reports

Annual Safety and Operational Audit reports were completed for the Office of the Technical Regulator (OTR) and Essential Services Commission of SA (ESCOSA). Both the reports were accepted and approved.

Township Power Consumption

Total power consumption for 2015/2016 was 17,952 MW. This was a slight increase from the previous year (17,594).

Solar

From 1 July 2015 to 30 June 2016 Roxby Power connected 48 new domestic solar systems and 3 commercial systems, ranging in size from 5 kW up to 10 kW. We now have 1200 kW of solar systems connected to our network.

Electricity Tariffs

A summary of Roxby Power's tariffs (including GST) adopted from 1 January 2016 is shown below.

Customers < 160 MW.hr pa.	Supply Charge \$ per qtr.	Supply Rate Cents per kw.hr	
M – Domestic Light & Power	\$68.30	32.06	
C - Charitable Institutions	\$68.30	32.06	
J – Off Peak Hot Water	Nil	14.64	
SOLA – Solar Buyback		22.80	
S –General Supply	\$68.30	34.50 (first 7500 kw.hr per qtr) 36.22 (thereafter)	
D & N – General Supply Time of Use	\$68.30	40.32 (peak 7am to 9pm Mon – Fri) 21.02 (other times)	
Customers > 160 MW hr pa.	Annual Max Demand	Annual Max Demand Rate \$ per KVA	Supply Charge Supply Rate Cents per kw.hr
HVD – High Voltage Demand (<1 MVA)	First 150KVA Next 150KVA Next 750KVA Balance KVA Additional	\$20.829 \$14.414 \$10.495 \$10.360 \$6.272	\$15.00 supply charge per month 22.68 (peak 7am to 9pm Mon – Fri) 12.96 (other times)
LVD – Low Voltage Demand (>80KVA)	First 150KVA Next 150KVA Next 750KVA Balance KVA Additional	\$17.853 \$12.355 \$8.996 \$8.880 \$5.376	\$15.00 supply charge per month 23.81 (peak 7am to 9pm Mon – Fri) 12.78 (other times)
Monthly Service Charge	Customers > 160MW.hr pa including meter reading, access and communications fee.		\$140.00
New Customer Bond	Retained for 2yrs		Up to 37.5% of estimated annual bill

ELECTRICITY OPERATIONS

The Roxby Downs electrical distribution system is highly reliable in its operation. It includes 6.5km of 11kV overhead mains, 19km of 11kV underground mains, 30.6km underground Low Voltage Mains, 35 x 11kV Pad mount Transformers and a range of township street lights.

Electrical Works Undertaken

- A number of service pillars were damaged by vehicles and needed replacement
- Live Line – taps were installed on the RD1 11kv overhead line to assist in switching operations and eliminating the need for glove and barrier work to isolate the power. It can now be done quicker and safer.

Outages and Disruptions

The BHP Billiton township feeder suffered one outage during the year to facilitate maintenance. There were other general planned outages to connect new supplies, and undertake general maintenance on plant and equipment.

Street Lighting

Roxby Power undertook maintenance programs throughout the year. A combination of light fitting changes and globe replacements constituted the majority of the maintenance undertaken. Continue the ongoing upgrade of walkway ball lights to LED also continued.

Other Electrical Works

Other community projects included the provision and installation of Christmas lights in Richardson Place, and power supplies for the World Food and Music Festival and other main street events.

Planning is underway for the two-yearly maintenance of HV equipment as required under our distribution licence.



FINANCIAL STATEMENTS

MUNICIPAL COUNCIL OF ROXBY DOWNS

General Purpose Financial Reports for the year ended 30 June 2016

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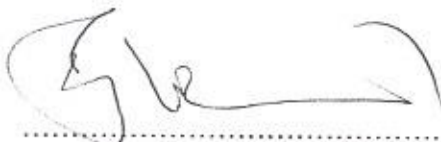
MUNICIPAL COUNCIL OF ROXBY DOWNS

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2016

CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Council 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 Council's financial position at 30 June 2016 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Council's accounting and other records.



Geoffrey Whitbread
ACTING ADMINISTRATOR

Date: 23/07/16

MUNICIPAL COUNCIL OF ROXBY DOWNS
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2016

	Notes	2016 \$'000	2015 \$'000
INCOME			
Rates	2	5,335	5,214
Statutory charges	2	47	63
User charges	2	11,025	11,029
Grants, subsidies and contributions	2	855	1,053
Investment income	2	37	60
Reimbursements	2	119	124
Other income	2	122	122
Total Income		<u>17,540</u>	<u>17,665</u>
EXPENSES			
Employee costs	3	5,216	3,548
Materials, contracts & other expenses	3	10,326	11,731
Depreciation, amortisation & impairment	3	2,555	2,563
Finance costs	3	20	22
Total Expenses		<u>18,117</u>	<u>17,864</u>
OPERATING SURPLUS / (DEFICIT)		(577)	(199)
Asset disposal & fair value adjustments	4	21	32
Amounts received specifically for new or upgraded assets	2	14	56
NET SURPLUS / (DEFICIT)		<u>(542)</u>	<u>(111)</u>
transferred to Equity Statement			
Other Comprehensive Income			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Changes in revaluation surplus - infrastructure, property, plant & equipment	8	123	(164)
Total Other Comprehensive Income		<u>123</u>	<u>(164)</u>
TOTAL COMPREHENSIVE INCOME		<u>(419)</u>	<u>(275)</u>

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

MUNICIPAL COUNCIL OF ROXBY DOWNS

STATEMENT OF FINANCIAL POSITION

as at 30 June 2016

	Notes	2016 \$'000	2015 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	5	577	1,872
Trade & other receivables	5	2,827	3,237
Inventories	5	<u>27</u>	<u>21</u>
Total Current Assets		<u>3,431</u>	<u>5,130</u>
Non-current Assets			
Infrastructure, property, plant & equipment	6	<u>129,501</u>	<u>128,197</u>
Total Non-current Assets		<u>129,501</u>	<u>128,197</u>
Total Assets		<u>132,932</u>	<u>133,327</u>
LIABILITIES			
Current Liabilities			
Trade & other payables	7	1,834	1,873
Borrowings	7	233	-
Provisions	7	<u>330</u>	<u>496</u>
Total Current Liabilities		<u>2,397</u>	<u>2,369</u>
Non-current Liabilities			
Provisions	7	<u>1,178</u>	<u>1,182</u>
Total Non-current Liabilities		<u>1,178</u>	<u>1,182</u>
Total Liabilities		<u>3,575</u>	<u>3,551</u>
NET ASSETS		<u>129,357</u>	<u>129,776</u>
EQUITY			
Accumulated Surplus		28,478	29,020
Asset Revaluation Reserves	8	<u>100,879</u>	<u>100,756</u>
TOTAL EQUITY		<u>129,357</u>	<u>129,776</u>

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

MUNICIPAL COUNCIL OF ROXBY DOWNS

STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2016

2016	Notes	Accumulated Surplus \$'000	Asset Revaluation Reserve \$'000	Other Reserves \$'000	TOTAL EQUITY \$'000
Balance at end of previous reporting period		29,020	100,756	-	129,776
Restated opening balance		29,020	100,756	-	129,776
Net Surplus / (Deficit) for Year		(542)			(542)
Other Comprehensive Income					
Gain on revaluation of infrastructure, property, plant & equipment	8		123		123
Transfers between reserves		-		-	-
Balance at end of period		28,478	100,879	-	129,357
2015					
Balance at end of previous reporting period		23,420	100,920	5,711	130,051
Restated opening balance		23,420	100,920	5,711	130,051
Net Surplus / (Deficit) for Year		(111)			(111)
Other Comprehensive Income					
Changes in revaluation surplus - infrastructure, property, plant & equipment	8		(164)		(164)
Transfers between reserves	8	5,711		(5,711)	-
Balance at end of period		29,020	100,756	-	129,776

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

MUNICIPAL COUNCIL OF ROXBYP DOWNS

STATEMENT OF CASH FLOWS

for the year ended 30 June 2016

		2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES	Notes	\$'000	\$'000
<u>Receipts</u>			
Rates - general & other		5,266	5,232
Fees & other charges		51	63
User charges		12,668	11,004
Investment receipts		22	104
Grants utilised for operating purposes		919	1,053
Reimbursements		131	124
Other revenues		547	139
<u>Payments</u>			
Employee costs		(5,141)	(3,442)
Materials, contracts & other expenses		(12,270)	(11,918)
Finance payments		(20)	(28)
Net Cash provided by (or used in) Operating Activities		2,173	2,331
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		14	56
Sale of replaced assets		-	32
Sale of surplus assets		48	
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(331)	(63)
Expenditure on new/upgraded assets		(3,432)	(4,270)
Net Cash provided by (or used in) Investing Activities		(3,701)	(4,245)
Net Increase (Decrease) in cash held		(1,528)	(1,914)
Cash & cash equivalents at beginning of period	9	<u>1,872</u>	<u>3,786</u>
Cash & cash equivalents at end of period	9	<u>344</u>	<u>1,872</u>

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

MUNICIPAL COUNCIL OF ROXBY DOWNS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

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*.

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 Council'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 thousand dollars (\$'000).

2 The Local Government Reporting Entity

The Municipal Council of Roxby Downs was established under Roxby Downs (Indenture Ratification) Act 1982 and has its principal place of business at Richardson Place Roxby Downs.

These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

The principal activities and entities conducted other than in the Council's own name that have been included in these consolidated financial statements are: Roxby Power, Roxby Water and Roxby Leisure.

The Act prescribes requirements regarding the management of power and water assets, including for cost recovery from consumers (Refer Note 2 User Charges)

Power and Water assets owned by the Council are disclosed in Note 6 Infrastructure, Property, Plant and Equipment and revaluation increments are separately disclosed in Note 8 Reserves.

MUNICIPAL COUNCIL OF ROXBYP DOWNS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 1 - Significant Accounting Policies (cont)

3 Income recognition

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

Where grants, contributions and donations recognised as incomes during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in these notes. Also disclosed are the amount of grants, contributions and receivables recognised as income in a previous reporting period which were obtained in respect of the Council's operations for the current reporting period.

In recent years the payment of untied financial assistance grants has varied from the annual allocation as shown in the table below:

	Cash Payment Received	Annual Allocation	Difference	
2013/14	\$126,910	\$179,037	+ / -	-\$87,316
2014/15	\$279,052	\$182,018	+ / -	\$97,034
2015/16	\$82,444	\$179,035	+ / -	-\$97,034

Because these grants are untied, the Australian Accounting Standards require that payments be recognised upon receipt. Accordingly, the operating results of these periods have been distorted compared to those that would have been reported had the grants been paid in the year to which they were allocated.

The Operating Surplus Ratio disclosed in Note 13 has also been calculated after adjusting for the distortions resulting from the differences between the actual grants received and the grants entitlements allocated.

The actual amounts of untied grants received during the reporting periods (including the advance allocations) are disclosed in Note 2.

4 Cash, Cash Equivalents and other Financial Instruments

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

Receivables for rates and annual charges are secured over the subject land, and bear interest at rates determined in accordance with the Local Government Act 1999. Other receivables are generally unsecured and do not bear interest.

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

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

5 Inventories

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

MUNICIPAL COUNCIL OF ROXBY DOWNS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 1 - Significant Accounting Policies (cont)

6 Infrastructure, Property, Plant & Equipment

6.1 Land under roads

Council has elected not to recognise land under roads acquired prior to 1 July 2008 as an asset in accordance with AASB 1051 Land under Roads. Land under roads acquired after 30 June 2008 has not been recognised as in the opinion of Council it is not possible to reliably attribute a fair value.

6.2 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 Council 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.

6.3 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Council for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are given in Note 6. No capitalisation threshold is applied to the acquisition of land or interests in land.

6.4 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. Further detail of existing valuations, methods and valuers are provided at Note 6.

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

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

Major depreciation periods for each class of asset are shown in Note 6. Depreciation periods for infrastructure assets have been estimated based on the best information available to Council, 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.

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.

MUNICIPAL COUNCIL OF ROXBY DOWNS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 1 - Significant Accounting Policies (cont)

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 Council assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

8 Employee Benefits

8.1 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.

Weighted average discount rate	1.71% (2015, 2.34%)
Weighted average settlement period	1 year (2015, 1 year)

No accrual is made for sick leave as Council 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. Council does not make payment for untaken sick leave.

8.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Local Government Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 15.

9 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.

10 Pending Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2016 reporting period and have not been used in preparing these reports.

AASB 7	Financial Instruments – Disclosures
AASB 9	Financial Instruments
AASB 15	Revenue from Contracts with Customers
AASB 124	Related Party Disclosures

Standards containing consequential amendments to other Standards and Interpretations arising from the above - AASB 2010-7, AASB 2014-1, AASB 2014-3, AASB 2014-4, AASB 2014-5, AASB 2014-6, AASB 2014-7, AASB 2014-8, AASB 2014-9, AASB 2014-10, AASB 2015-1, AASB 2015-2, AASB 2015-3, AASB 2015-4, AASB 2015-5, AASB 2015-6 and AASB 2015-7.

(Standards not affecting local government have been excluded from the above list.)

MUNICIPAL COUNCIL OF ROXBY DOWNS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 1 - Significant Accounting Policies (cont)

Council is of the view that none of the above new standards or interpretations will affect any of the amounts recognised in the financial statements, but that they may impact certain information otherwise disclosed.

The Australian Accounting Standards Board is currently reviewing AASB 1004 *Contributions*. It is anticipated that the changes resulting from this review may have a material effect on the timing of the recognition of grants and contributions, but the financial consequences cannot be estimated until a revised accounting standard is issued.

Accounting Standard AASB 16 *Leases* may have a material effect on the amounts disclosed in these reports, particularly in relation to Infrastructure, Property, Plant & Equipment, but does not commence until the 2019/20 financial period, and it is not Council's intention to adopt this Standard early.

MUNICIPAL COUNCIL OF ROXBYP DOWNS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 2 - INCOME

	Notes	2016 \$'000	2015 \$'000
RATES REVENUES			
<u>General Rates</u>		4,548	4,456
Less: Discretionary rebates, remissions & write offs		(115)	(108)
		<u>4,433</u>	<u>4,348</u>
<u>Other Rates</u> (including service charges)			
Natural Resource Management levy		103	101
Waste collection		768	744
		<u>871</u>	<u>845</u>
<u>Other Charges</u>			
Penalties for late payment		19	8
Legal & other costs recovered		12	13
		<u>31</u>	<u>21</u>
		<u>5,335</u>	<u>5,214</u>
STATUTORY CHARGES			
Development Act fees		11	18
Animal registration fees & fines		32	42
Parking fines / expiation fees		4	3
		<u>47</u>	<u>63</u>
USER CHARGES			
Commercial Activity Revenue		1,542	1,526
Landfill Fees		17	62
Electricity Charges		4,606	4,667
Water Charges		2,841	2,877
Sewer Charges		2,019	1,897
		<u>11,025</u>	<u>11,029</u>
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		37	60
		<u>37</u>	<u>60</u>
REIMBURSEMENTS			
- employees reimbursement for accomodation		0	3
- for insurance/workcover		116	118
- other		3	3
		<u>119</u>	<u>124</u>

MUNICIPAL COUNCIL OF ROXBYP DOWNS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

NOTE 2 - INCOME (continued)

	Notes	2016 \$'000	2015 \$'000
OTHER INCOME			
Sundry		122	122
		<u>122</u>	<u>122</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets		14	56
Other grants, subsidies and contributions			
Untied - Financial Assistance Grant		61	279
Roads to Recovery		164	56
Youth Grants		2	3
Library & Communications		28	29
Municipal Deficit Funding		600	600
Sundry		0	86
		<u>855</u>	<u>1,053</u>
		<u>869</u>	<u>1,109</u>

The functions to which these grants relate are shown in Note 10.

Sources of grants

Commonwealth government	269	509
State government	300	300
BHP	300	300
	<u>869</u>	<u>1,109</u>

MUNICIPAL COUNCIL OF ROXBY DOWNS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 3 - EXPENSES

	Notes	2016 \$'000	2015 \$'000
EMPLOYEE COSTS			
Salaries and Wages		4,120	2,614
Employee leave expense		357	389
Superannuation - defined contribution plan contributions	15	379	249
Workers' Compensation Insurance		175	124
Other		185	172
Total Operating Employee Costs		5,216	3,548
Total Number of Employees		61	44
<i>(Full time equivalent at end of reporting period)</i>			
<p>During the financial year Council paid a separation benefit to the former Administrator of Council, in fulfilment of separation arrangements agreed between the State Government and the former Administrator, and the provisions of section 12(4) of the Roxby Downs (Indenture Ratification) Act 1982. The payment has been fully recognised in the 2016 financial year.</p>			
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		34	32
Bad and Doubtful Debts		-	36
Subtotal - Prescribed Expenses		34	68
<u>Other Materials, Contracts & Expenses</u>			
Contractors		7,008	8,326
Landfill (capping Rehabilitation Refer Note 7 for provisions)		52	52
Purchase of Power		1,412	1,485
Purchase of Water		752	829
External Houses		363	332
Insurance		332	340
Legal Expenses		132	125
Levies paid to government - NRM levy		114	82
Sundry		127	92
Subtotal - Other Materials, Contracts & Expenses		10,292	11,663
		10,326	11,731
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Buildings & Other Structures		545	524
- Roads		402	404
- Footpaths		105	104
- Kerbing and Guttering		114	112
- Car Parks		15	16
- Parks and Gardens		103	91
- Power Infrastructure		622	610
- Water Infrastructure		183	181
- Sewerage Infrastructure		215	195
- Stormwater Drainage		79	80
Plant and Equipment		152	227
Furniture & Fittings		20	19
		2,555	2,563

MUNICIPAL COUNCIL OF ROXBYP DOWNS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 3 - EXPENSES

	Notes	2016 \$'000	2015 \$'000
FINANCE COSTS			
Interest		<u>20</u>	<u>22</u>
		<u>20</u>	<u>22</u>

MUNICIPAL COUNCIL OF ROXBY DOWNS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	Notes	2016 \$'000	2015 \$'000
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		-	32
Less: Carrying amount of assets sold		-	-
Gain (Loss) on disposal		<u>-</u>	<u>32</u>
<i>Assets surplus to requirements</i>			
Proceeds from disposal		48	-
Less: Carrying amount of assets sold		27	-
Gain (Loss) on disposal		<u>21</u>	<u>-</u>
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS		<u>21</u>	<u>32</u>

MUNICIPAL COUNCIL OF ROXBY DOWNS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 5 - CURRENT ASSETS

	Notes	2016 \$'000	2015 \$'000
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		20	42
Deposits at Call		557	386
Short Term Deposits & Bills, etc		-	1,444
		577	1,872
 TRADE & OTHER RECEIVABLES			
Rates - General & Other		380	311
Rates postponed for State Seniors		-	-
Electricity Charges Outstanding		1,068	1,112
Water & Sewerage Charges Outstanding		1,098	1,123
Accrued Revenues		33	18
Debtors - general		185	656
GST Recoupment		53	5
Refundable Expenses (Insurance Claims & Bonds)		10	12
		2,827	3,237
 INVENTORIES			
Roxby Leisure		27	21
		27	21

Aggregate write-downs and other losses recognised as an expense, and reversals of these, were not material in amount in either year. All such reversals occurred principally as a result of clerical inaccuracies during stores operations.

MUNICIPAL COUNCIL OF ROXBYP DOWNS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

		2015 \$'000				2016 \$'000			
		AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
	Fair Value Level								
Land	2	7,657	-	-	7,657	7,657	-	-	7,657
Land	3	7,601	-	-	7,601	7,601	-	-	7,601
Buildings & Other Structures	2	4,191	-	(2,298)	1,893	4,191	-	(2,262)	1,929
Buildings & Other Structures	3	16,162	2,148	(7,775)	10,535	16,160	5,204	(8,233)	13,131
Infrastructure		-	-	-	-	-	-	-	-
- Roads	3	23,227	2,712	(3,687)	22,252	23,227	2,946	(4,089)	22,084
- Footpaths	3	4,424	540	(657)	4,307	4,423	645	(762)	4,306
- Kerbing and Guttering	3	7,934	-	(883)	7,051	7,934	-	(997)	6,937
- Car Parks	3	787	213	(155)	845	787	213	(170)	830
- Parks and Gardens	3	1,574	1,523	(708)	2,389	1,523	1,687	(811)	2,399
- Power Infrastructure	3	34,176	3,736	(10,531)	27,381	34,176	3,768	(11,154)	26,790
- Water Infrastructure	3	16,843	644	(3,951)	13,536	16,843	666	(4,135)	13,374
- Sewerage Infrastructure	3	14,599	4,697	(3,343)	15,953	14,599	5,114	(3,558)	16,155
- Stormwater Drainage	3	6,289	32	(1,355)	4,966	6,289	32	(1,434)	4,887
Plant and Equipment		-	2,756	(1,771)	985	-	2,827	(1,874)	953
Furniture & Fittings		-	458	(363)	95	-	457	(382)	75
Capital Work in Progress		-	751	-	751	-	393	-	393
Reinstatement costs		-	-	-	-	-	-	-	-
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		145,464	20,210	(37,477)	128,197	145,410	23,952	(39,861)	129,501
<i>Comparatives</i>		145,316	16,202	(34,927)	126,591	145,464	20,210	(37,477)	128,197

This Note continues on the following pages.

MUNICIPAL COUNCIL OF ROXBY DOWNS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2015 \$'000	CARRYING AMOUNT MOVEMENTS DURING YEAR \$'000							2016 \$'000
	CARRYING AMOUNT	Additions		Disposals	Depreciation	Transfers		Net Revaluation	CARRYING AMOUNT
		New/Upgrade	Renewals			In	Out		
Land	7,657	-	-	-	-	-	-	-	7,657
Land	7,601	-	-	-	-	-	-	-	7,601
Buildings & Other Structures	1,893	-	-	-	(90)	169	(43)	-	1,929
Buildings & Other Structures	10,535	2,457	-	-	(455)	640	(169)	123	13,131
Infrastructure	-	-	-	-	-	-	-	-	-
- Roads	22,252	-	234	-	(402)	-	-	-	22,084
- Footpaths	4,307	104	-	-	(105)	-	-	-	4,306
- Kerbing and Guttering	7,051	-	-	-	(114)	-	-	-	6,937
- Car Parks	845	-	-	-	(15)	-	-	-	830
- Parks and Gardens	2,389	113	-	-	(103)	-	-	-	2,399
- Power Infrastructure	27,381	31	-	-	(622)	-	-	-	26,790
- Water Infrastructure	13,536	21	-	-	(183)	-	-	-	13,374
- Sewerage Infrastructure	15,953	263	-	-	(215)	154	-	-	16,155
- Stormwater Drainage	4,966	-	-	-	(79)	-	-	-	4,887
Plant and Equipment	985	147	-	(27)	(152)	-	-	-	953
Furniture & Fittings	95	-	-	-	(20)	-	-	-	75
Capital Work in Progress	751	393	-	-	-	-	(751)	-	393
Reinstatement costs	-	-	-	-	-	-	-	-	-
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	128,197	3,529	234	(27)	(2,555)	963	(963)	123	129,501
<i>Comparatives</i>	126,591	4,270	63	-	(2,563)	1,888	(1,888)	(164)	128,197

This Note continues on the following pages.

MUNICIPAL COUNCIL OF ROXBY DOWNS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 6 (cont.) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

Valuation of Assets

General Valuation Principles

Accounting procedure: Upon revaluation, the current new replacement cost and accumulated depreciation are re-stated such that the difference represents the fair value of the asset determined in accordance with AASB 13 *Fair Value Measurement*: accumulated depreciation is taken to be the difference between current new replacement cost and fair value. In the case of land, fair value is taken to be the current replacement cost.

Highest and best use: For land which Council has an unfettered right to sell, the "highest and best use" recognises the possibility of the demolition or substantial modification of some or all of the existing buildings and structures affixed to the land.

Much of the land under Council's care and control is Crown land or has been declared as community land under the provisions of the Local Government Act 1999. Other types of restrictions also exist.

For land subject to these restrictions, the highest and best use is taken to be the "highest and best use" available to Council, with a rebuttable presumption that the current use is the "highest and best use". The reason for the current use of a large proportion of Council's assets being other than the "highest and best use" relates to Council's principal role as the provider of services to the community, rather than the use of those assets for the generation of revenue.

For buildings and other structures on and in the land, including infrastructure, "highest and best use" is determined in accordance with the land on and in which they are situated.

Fair value hierarchy level 2 valuations: Certain land, and the buildings and structures thereon, are shown above as being based on fair value hierarchy level 2 valuation inputs. They are based on prices for similar assets in an active market, with directly or indirectly observable adjustments for specific advantages or disadvantages attaching to the particular asset.

Fair value hierarchy level 3 valuations of land: Valuations of Crown land, community land and land subject to other restrictions on use or disposal, shown above as being based on fair value hierarchy level 3 valuation inputs, are based on prices for similar assets in an active market, but include adjustments for specific advantages or disadvantages attaching to the particular asset that are not directly or indirectly observable in that market, or the number and / or amount of observable adjustments of which are so great that the valuation is more fairly described as being based on level 3 valuation inputs.

Fair value hierarchy level 3 valuations of buildings, infrastructure and other assets: There is no known market for these assets and they are valued at depreciated current replacement cost. This method involves:

The determination of the cost to construct the asset (or its modern engineering equivalent) using current prices for materials and labour, the quantities of each being estimated based on recent experience of this or similar Councils, or on industry construction guides where these are more appropriate.

The calculation of the depreciation that would have accumulated since original construction using current estimates of residual value and useful life under the prime cost depreciation method adopted by Council.

This method has significant inherent uncertainties, relying on estimates of quantities of materials and labour, residual values and useful lives, and the possibility of changes in prices for materials and labour, and the potential for development of more efficient construction techniques.

Capitalisation thresholds used by Council 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	\$500
Other Plant & Equipment	\$500
Buildings - new construction/extensions	\$1,000
Park & Playground Furniture & Equipment	\$1,000
Road construction & reconstruction	\$1,000
Paving & footpaths, Kerb & Gutter	\$1,000
Drains & Culverts	\$1,000
Reticulation extensions	\$1,000
Sidelines & household connections	\$1,000
Artworks	\$5,000

Estimated Useful Lives: Useful lives are estimated for each individual asset. In estimating useful lives, regard is had to technical and commercial obsolescence, as well as legal and other limitations on continued use. The range of useful lives for a representative range of assets is shown below, although individual assets may have an estimated total useful life of greater or lesser amount:

Plant, Furniture & Equipment	
Office Equipment	5 to 10 years
Office Furniture	10 to 20 years

MUNICIPAL COUNCIL OF ROXBYP DOWNS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 6 – Property, Plant & Equipment (cont)

Vehicles and Road-making Equip	3 to 8 years
Other Plant & Equipment	3 to 20 years
Building & Other Structures	
Buildings – masonry	20 to 60 years
Buildings – other construction	20 to 60 years
Playground equipment	5 to 15 years
Benches, seats, etc	5 to 15 years
Infrastructure	
Sealed Roads – Surface	18 to 38 years
Sealed Roads – Structure	20 to 99 years
Unsealed Roads	10 to 34 years
Paving & Footpaths, Kerb & Gutter	25 to 72 years
Drains	40 to 70 years
Flood Control Structures	6 to 60 years

Land & Land Improvements

Council being of the opinion that it is not possible to attribute a value sufficiently reliably to qualify for recognition, land under roads has not been recognised in these reports. Land acquired for road purposes during the year is initially recognised at cost, but transferred to fair value at reporting date, effectively writing off the expenditure.

Council's Land Assets were valued as at 30 June 2014 using the South Australian Valuer-General Valuation.

Buildings & Other Structures

Level 3 Building assets have been valued at written down replacement cost for 30 June 2014. These assets were revalued as at 30 June 2012 by Tonkin Consulting.

Fair Value hierarchy Level 2 Building Assets were revalued by Herron Todd White as at 30 June 2015.

The value of Buildings and Other Structures has been increased by \$122,759.45 in 2016 and because this occurred as a result of a revaluation the Asset Revaluation reserve has been adjusted by the same amount.

Infrastructure

Roads, Footpaths, Kerb & Guttering and Car Parks were valued by Tonkin as at 30 June 2012 at the Written Down Replacement Cost. A condition assessment was also carried as part of revaluation.

Water assets were revalued by Tonkin as at 30 June 2012 at the Written Down Replacement Cost. A condition assessment was also carried as part of revaluation.

Sewer assets were revalued by Tonkin as at 30 June 2012 at the Written Down Replacement Cost. A condition assessment was also carried as part of revaluation.

Stormwater assets were revalued by Tonkin as at 30 June 2012 at the Written Down Replacement Cost. A condition assessment was also carried as part of revaluation, in order to gain the accurate life expectancy and revaluation was performed primarily on the surface visible assets which included assets like: side entry pits, head walls, wing walls and junction boxes.

Power assets were revalued by Tonkin as at 30 June 2012 at the Written Down Replacement Cost. A condition assessment was also carried as part of revaluation.

Plant, Furniture & Equipment

These assets are recognised on the cost basis.

Work in Progress

In June 2015 Council has recognised an amount of \$195,713 as Work in Progress that related to redevelopment of the Cultural and Leisure Centre. Subsequent to June 2015 Council decided not to proceed with this project and that amount has been treated as an expense and transferred out of Work in Progress.

MUNICIPAL COUNCIL OF ROXBY DOWNS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 7 - LIABILITIES

	Notes	2016		2015	
		\$'000		\$'000	
TRADE & OTHER PAYABLES		Current	Non-current	Current	Non-current
Goods & Services		1,096		1,572	
Accrued expenses - employee entitlements		261	-	49	-
Accrued expenses - other		246	-	68	-
Deposits, Retentions & Bonds		24	-	29	-
Other		207	-	155	-
		<u>1,834</u>	<u>-</u>	<u>1,873</u>	<u>-</u>
BORROWINGS		Current	Non-current	Current	Non-current
Bank Overdraft		233		-	
		<u>233</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>All interest bearing liabilities are secured over the future revenues of the Council.</i>					
PROVISIONS		Current	Non-current	Current	Non-current
Employee entitlements (including oncosts)		330	56	496	27
Future reinstatement / restoration, etc		-	1,122	-	1,155
		<u>330</u>	<u>1,178</u>	<u>496</u>	<u>1,182</u>

MUNICIPAL COUNCIL OF ROXBY DOWNS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 8 - RESERVES

ASSET REVALUATION RESERVE	1-7-2015	Net Increments (Decrements)	Transfers, Impairments	30-6-2016
Notes	\$'000	\$'000	\$'000	\$'000
Land	13,110	-	-	13,110
Buildings & Other Structures	331	123	-	454
Roads	19,422	-	-	19,422
Footpaths	3,558	-	-	3,558
Kerbing & Guttering	6,696	-	-	6,696
Car Parks	893	-	-	893
Parks & Gardens	1,698	-	-	1,698
Power Infrastructure	26,231	-	-	26,231
Water Infrastructure	13,328	-	-	13,328
Sewerage Network	10,092	-	-	10,092
Stormwater Drainage	5,397	-	-	5,397
TOTAL	100,756	123	-	100,879
<i>Comparatives</i>	<i>100,920</i>	<i>(164)</i>	<i>-</i>	<i>100,756</i>

PURPOSES OF RESERVES

Asset Revaluation Reserve

The asset revaluation reserve is used to record increments and decrements arising from changes in fair value of non-current assets (less any subsequent impairment losses, where applicable).

MUNICIPAL COUNCIL OF ROXBY DOWNS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

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	2016 \$'000	2015 \$'000
Total cash & equivalent assets	5	577	1,872
Less: Short-term borrowings	7	(233)	-
Balances per Cash Flow Statement		<u>344</u>	<u>1,872</u>

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

Net Surplus (Deficit)		(542)	(111)
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		2,555	2,563
Net increase (decrease) in unpaid employee benefits		75	106
Grants for capital acquisitions treated as Investing Activity		(14)	(56)
Net (Gain) Loss on Disposals		(21)	(32)
		<u>2,053</u>	<u>2,470</u>
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		410	118
Net (increase) decrease in inventories		(6)	(1)
Net increase (decrease) in trade & other payables		(251)	(61)
Net increase (decrease) in other provisions		(33)	(195)
Net Cash provided by (or used in) operations		<u>2,173</u>	<u>2,331</u>

(c) Financing Arrangements

Unrestricted access was available at balance date to the following lines of credit:

Bank Overdrafts	267	500
Corporate Credit Cards	10	10
LGFA Cash Advance Debenture facility	2,500	2,500

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

MUNICIPAL COUNCIL OF ROXBY DOWNS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 10 - FUNCTIONS

INCOMES, EXPENSES AND ASSETS HAVE BEEN DIRECTLY ATTRIBUTED TO THE FOLLOWING FUNCTIONS & ACTIVITIES										
INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)		
ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL					
2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Corporate Services	5,182	5,541	6,546	6,806	(1,364)	(1,265)	635	760	25,766	26,950
Culture	541	578	1,155	1,539	(614)	(961)	-	-	3,026	3,115
Infrastructure	1,420	1,070	2,634	2,440	(1,214)	(1,370)	190	264	35,992	37,045
Community Services	26	42	446	185	(420)	(143)	-	-	3,601	2,744
Sport & Recreation	859	930	2,314	2,416	(1,455)	(1,486)	30	29	4,614	5,939
Regulatory Services	46	63	145	84	(99)	(21)	-	-	-	-
Electricity Supply	4,606	4,667	2,883	2,567	1,723	2,100	-	-	30,344	30,271
Water Supply	2,841	2,877	1,317	1,386	1,524	1,491	-	-	15,016	14,994
Sewerage Services	2,019	1,897	677	441	1,342	1,456	-	-	14,573	12,269
					-	-				
TOTALS	17,540	17,665	18,117	17,864	(577)	(199)	855	1,053	132,932	133,327

Revenues and expenses exclude net gain (loss) on disposal or revaluation of assets, net gain (loss) from joint ventures & associated entities, amounts received specifically for new or upgraded assets and physical resources received free of charge.

Municipal Council of Roxby Downs

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 10 (cont) - COMPONENTS OF FUNCTIONS

The activities relating to Council functions are as follows:

Corporate Services

General operations, Council offices, rates, governance, participating in Local Government Associations, general grants.

Culture

Art Gallery, Visitors Information Centre, cinema, auditorium, Community Library, Cultural Centre administration.

Infrastructure

Roads and transport, Parks and Gardens, off road tracks, stormwater, footpaths, streetscaping, skate park and public street lighting, landfill & recycling maintenance and disposal fees, garbage collection and charges, environmental protection, litter control, vandalism.

Community Services

Youth Centre operation and services, community development support, volunteer support, family support, festivals, community board activities, health, media, business support and tourism promotion.

Sport and Recreation

Operations and maintenance of Leisure Centre, swimming pool, tennis and netball courts, community ovals plus other support to sport and recreation groups.

Regulatory Services

Dog and cat control, Development Act, planning and building fees and charges, environmental health expenses, emergency services support.

Electricity Supply

Retail and distribution of electricity, power purchases and electricity infrastructure maintenance.

Water Supply

Retail and distribution of water, water purchases and water infrastructure maintenance.

Sewerage Services

Sewerage infrastructure and lagoons maintenance, recycled effluent and sewerage service charges.

MUNICIPAL COUNCIL OF ROXBYP DOWNS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 11 - FINANCIAL INSTRUMENTS

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

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned. Terms & conditions: Deposits are returning fixed interest rates between 1.75% and 2.5% (2015: 2% and 2.5%). Carrying amount: approximates fair value due to the short term to maturity.
Receivables - Rates & Associated Charges (including legals & penalties for late payment) Note: These receivables do not meet the definition of "financial instruments" and have been excluded from the following disclosures.	Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable. Terms & conditions: Secured over the subject land, arrears attract interest of 0.6041% (2015: 0.65%) Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State. Carrying amount: approximates fair value (after deduction of any allowance).
Receivables - Fees & other charges	Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable. Terms & conditions: Unsecured, and do not bear interest. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries. Carrying amount: approximates fair value (after deduction of any allowance).
Liabilities - Creditors and Accruals	Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council. Terms & conditions: Liabilities are normally settled on 30 day terms. Carrying amount: approximates fair value.

MUNICIPAL COUNCIL OF ROXBYP DOWNS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 11 (cont) - FINANCIAL INSTRUMENTS

Liquidity Analysis

2016	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets					
Cash & Equivalents	577			577	577
Receivables	2,447	-	-	2,447	2,447
Total	3,024	-	-	3,024	3,024
Financial Liabilities					
Payables	1,327	-	-	1,327	1,327
Current Borrowings	233	-	-	233	233
Total	1,560	-	-	1,560	1,560
2015					
	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets					
Cash & Equivalents	1,872			1,872	1,872
Receivables	2,923	-	-	2,923	2,926
Total	4,795	-	-	4,795	4,798
Financial Liabilities					
Payables	1,756	-	-	1,756	1,756
Total	1,756	-	-	1,756	1,756

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

	30 June 2016		30 June 2015	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$'000	%	\$'000
Overdraft	3.75%	233		-
		<u>233</u>		<u>-</u>

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 Council.

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 Council is the carrying amount, net of any allowance for doubtful debts. All Council investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 & 6 in relation to individual classes of receivables, exposure is concentrated within the Council'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 Council'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 Council 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. Council 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. Council 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.

MUNICIPAL COUNCIL OF ROXBY DOWNS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 12 - COMMITMENTS FOR EXPENDITURE

	<u>Notes</u>	2016 \$'000	2015 \$'000
Capital Commitments			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Splash Pad		800	-
Richardson Place Redevelopment		180	-
Water Infrastructure		130	-
Electricity Infrastructure - Transformers		70	-
Sewerage Network		-	320
Buildings		-	2,456
Roads & Footpaths		-	65
		1,180	2,841
These expenditures are payable:			
Not later than one year		1,180	2,841
		1,180	2,841
Other Expenditure Commitments			
Other non-capital expenditure committed at the reporting date but not recognised in the financial statements as liabilities:			
Waste Management		432	1,296
Other		1,280	2,220
Audit		40	34
		1,752	3,550
These expenditures are payable:			
Not later than one year		1,089	1,956
Later than one year and not later than 5 years		663	1,594
		1,752	3,550

MUNICIPAL COUNCIL OF ROXBY DOWNS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 13 - FINANCIAL INDICATORS

2016 2015 2014

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

The Information Paper was revised in May 2015 and the financial indicators for previous years have been re-calculated in accordance with the revised formulas.

Operating Surplus Ratio

<u>Operating Surplus</u>	(3.0%)	(1.0%)	(2.0%)
Total Operating Revenue			

This ratio expresses the operating surplus as a percentage of total operating revenue.

Adjusted Operating Surplus Ratio

	(3%)	(2%)	(1%)
--	------	------	------

*In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. The **Adjusted Operating Surplus Ratio** adjusts for the resulting distortion in the disclosed operating result for each year.*

Net Financial Liabilities Ratio

<u>Net Financial Liabilities</u>	1%	-9%	-21%
Total Operating Revenue			

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

Asset Sustainability Ratio

<u>Net Asset Renewals</u>	13%	1%	74%
Infrastructure & Asset Management Plan required expenditure			

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.

MUNICIPAL COUNCIL OF ROXBY DOWNS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 14 - 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 Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.

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

	2016 \$'000	2015 \$'000
Income	17,540	17,665
less Expenses	<u>18,117</u>	<u>17,864</u>
Operating Surplus / (Deficit)	(577)	(199)
less Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	331	63
Depreciation, Amortisation and Impairment	(2,555)	(2,563)
Proceeds from Sale of Replaced Assets	<u>-</u>	<u>(32)</u>
	(2,224)	(2,532)
less Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	3,432	4,270
Amounts received specifically for New and Upgraded Assets	(14)	(56)
Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	<u>(48)</u>	<u>-</u>
	3,370	4,214
Net Lending / (Borrowing) for Financial Year	<u>(1,723)</u>	<u>(1,881)</u>

MUNICIPAL COUNCIL OF ROXBY DOWNS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 15 – SUPERANNUATION

The Council 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 2015/16; 9.50% in 2014/15). No further liability accrues to the Council 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. Council 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 2014/15) of "superannuation" salary.

In addition, Council 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), Council does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, A C Miller, FIAA, of Russell Employee Benefits Pty Ltd as at 30 June 2014. 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

Council 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 Council.

MUNICIPAL COUNCIL OF ROXBY DOWNS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 16 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE BALANCE SHEET

The following assets and liabilities do not qualify for recognition in the Balance Sheet but knowledge of those items is considered relevant to user of the financial report in making and evaluating decisions about the allocation of scarce resources.

1. LAND UNDER ROADS

As reported elsewhere in these Statements, Council is of the opinion that it is not possible to attribute a value sufficiently reliably for these assets to qualify for recognition, and accordingly land under roads has not been recognised in these reports. Land acquired for road purposes during the year is initially recognised at cost, but transferred to fair value at reporting date, effectively writing off the expenditure.

2. BANK GUARANTEES

Council has not guaranteed any loans.

Municipal Council of Roxby Downs

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

Note 17 - EVENTS OCCURRING SUBSEQUENT TO BALANCE DATE

There have been no events after balance date.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MUNICIPAL COUNCIL OF ROXBY DOWNS

We have audited the accompanying financial report of the Municipal Council of Roxby Downs, which comprises the Statement of Financial Position as at 30 June 2016, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Certification of Financial Statements statement.

The Responsibility of the Chief Executive Officer for the Financial Report

The Chief Executive Officer of the Municipal Council of Roxby Downs is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Local Government Act 1999 and Local Government (Financial Management) Regulations 2011. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud and error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Chief Executive Officer, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Local Government Act 1999 and Local Government (Financial Management) Regulations 2011. We confirm that the independence declaration required by the Local Government Act 1999 and Local Government (Financial Management) Regulations 2011 provided to the Chief Executive Officer, would be in the same terms if provided to the Chief Executive Officer as at the date of this auditor's report.

Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of the Municipal Council of Roxby Downs as of 30 June 2016, and its financial performance and cash flows for the year then ended in accordance with the Local Government Act 1999, Local Government (Financial Management) Regulations 2011 and the Australian Accounting Standards (including Australian Accounting Interpretations).

DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS



SAMANTHA ALLARD
PARTNER

Signed on the 21st day of October 2016
at 214 Melbourne Street, North Adelaide, South Australia 5006.

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North Adelaide SA 5006

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INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF THE MUNICIPAL COUNCIL OF ROXBY DOWNS

We have audited the Internal Controls of the Municipal Council of Roxby Downs (the Council) under the requirements of *Section 129(1)(b) of the Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2015 to 30 June 2016 have been conducted properly and in accordance with law.

The Council's Responsibility for the Internal Controls

The Council 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 Council's compliance with *Section 129(1)(b) of the Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures have been conducted properly and in accordance with law. 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 Council has complied with *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls specified above for the period 1 July 2015 to 30 June 2016. 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 on Use

This report has been prepared for the members of the Council 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 Council, or for any purpose other than that for which it was prepared.

Limitations of Controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and operating effectively, the control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected.

An assurance engagement on internal controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

Independence

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

Opinion

In our opinion, the Council 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 Council relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with law for the period 1 July 2015 to 30 June 2016.

**DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS**



**SAMANTHA ALLARD
PARTNER**

Signed on the 21st day of October 2016
at 214 Melbourne Street, North Adelaide, South Australia, 5006

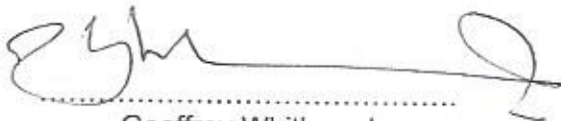
MUNICIPAL COUNCIL OF ROXBY DOWNS

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2016**

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Municipal Council of Roxby Downs for the year ended 30 June 2016, the Council's Auditor, Samantha Allard, 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*.



Geoffrey Whitbread
ACTING ADMINISTRATOR



David Powell
**PRESIDING MEMBER
AUDIT COMMITTEE**

Date: 21/06/16

Certification of Auditor's Independence

I confirm that, for the audit of the financial statements of the Municipal Council of Roxby Downs for the year ended 30 June 2016, 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*.

DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS



SAMANTHA ALLARD
Partner

Dated this 19th day of October 2016