



ANNUAL REPORT 2022 2023



Food and Garden Organics

83,000

FOGO BINS

within our
Constituent Councils

48,000

TONNES

of kerbside collected material
processed by Peats



32,793

TONNES

of kerbside FOGO material
collected from residents

8,000

TONNES

collected via our RRCs
and processed by Peats

Contents

NAWMA

Annual Report

2022-2023

- 2** About NAWMA
- 3** Report from the Independent Chairperson
- 5** Report from the Chief Executive Officer
- 7** NAWMA Governance
- 9** Resource Recovery Centres
- 10** Each Year NAWMA...
- 11** Material Recovery Facility (MRF)
- 12** NAWMA Services Map
- 13** Food and Garden Organics
- 14** Constituent Council Tonnages Collected
- 15** Uleybury Balefill and Renewable Energy Park
- 16** Hard Waste Service
- 17** Education and Community Engagement
- 19** Customer Service
- 21** Audited Financial Report





About **NAWMA**

Northern Adelaide Waste Management Authority (NAWMA) provides local waste management and resource recovery services as well as infrastructure of global significance. We do this as a regional subsidiary formed under the *Local Government Act (SA) 1999*, on behalf of our Constituent Councils; City of Salisbury, City of Playford and Town of Gawler.

The local waste, recycling and resource recovery operations that NAWMA undertakes have significant environmental, economic, and social benefits for current and future generations. NAWMA represents not only excellence in environmental leadership, but testament to Councils working collaboratively as a Regional Waste Management Subsidiary to deliver economies of scale and efficiencies in service and infrastructure delivery.

NAWMA facilities and services include:

- Coordination of three-bin kerbside collection services (general waste, household recycling and green organics) for more than 120,000 residential properties in its three Constituent Council areas
- On-demand hard waste collection service
- Operation of two Resource Recovery Centres (Edinburgh North and Pooraka)
- Reveal and processing of municipal waste at its Edinburgh North Waste Processing Facility
- Operation of the Uleybury landfill (balefill)
- Operation of its 20 tonne/hr Materials Recovery Facility
- Facilitation of hazardous waste drop-off days
- Facilitation of community engagement and education programs

Mission

Our mission is to deliver world-class recycling and waste management services to our Constituent Councils, and Client Councils.

Report from the Independent Chairperson

In FY2023 with the global pandemic interruptions largely behind us and with new and refreshed leadership with the appointment of our new CEO Toby Terlet; NAWMA has continued to respond quickly and effectively to our local communities. We should take pride in the delivery of a high level of service to the residents in our Constituent Councils as well as many Rural and Regional Councils.

Our CEO has outlined in his Report an impressive list of some of the key highlights of the FY2023 reporting period as NAWMA continues to successfully adapt to the growth within each of our Constituent Councils and the needs of our communities. What has, and is, being achieved by NAWMA's management and staff group has been best in class for Australian recycling and resource recovery initiatives, supported by contemporary and continually improving waste practices, infrastructure, and facilities. In this Report, however, I only have space to refer to several key priorities and work

streams and express my appreciation to very many people in NAWMA and our Constituent Councils.

The FY2023 year saw the NAWMA Board and Management team working hard to continue to reduce operating costs, generating greater revenues, and working on new recycling initiatives. Major impacts to our financial result in FY2023 have been NAWMA's overdue investment in our people and their capacity and our special project referred to below. Of course, NAWMA is subject to commercial returns from selling sorted recyclables (particularly paper and cardboard) into domestic (Australian)





Report from the **Independent Chairperson**

and valid global recycling reprocessors and whilst these markets proved less volatile than the previous year, they still yielded lower revenues than we have seen in the past.

A key priority this year, however, has been the acceleration of a special project which began in 2018 to identify and prove up the world's best technology to divert and treat residual waste from the three Constituent Councils which would normally be destined for landfill. As described in previous Annual Reports, our Board, CEO and Management team have considered options available for red-lid bin (non-recyclable) waste for when the Uleybury Balefill and Renewable Energy Park is closed in circa 2026/27. That critical work has required much additional effort from our Board, CEO and Senior Management team, who have worked with highly skilled independent parties that specialise in technical/environmental, procurement, probity, social licensing, and community consultation.

It has meant an increased financial investment from NAWMA this year which is expected to continue into the next few years, but which will be critical to our Constituent Councils and more broadly, the state of South Australia. NAWMA looks forward to presenting the outcomes of this significant work to our Constituent Councils and residents soon.

Another of NAWMA's key priorities is working with our communities on increased diversion and reduced contamination of our domestic waste. At the coal face, our targeted face to face engagement trials have proven that this can be achieved, and our responsive call centre and the provision of helpful information accessed through our website as well as other forms of social and community communication will ultimately result in successfully reducing contamination.

When we succeed, the flow on benefits of reducing costs to our Constituent Councils are significant. In addition, NAWMA has provided increased service offerings with hard waste collections plus our Resource Recovery Centres continue to support our communities and their efforts in building the circular economy in the north of Adelaide.

From the perspective of new infrastructure, a new Paper Polishing Plant will be built, pending Board approval, adjacent to our Material Recovery Facility to further sort out impurities from paper and cardboard recovered from resident's yellow top bins and meet the impending environmental policy changes. The new plant is targeted to be operational in 2024/25. The Plant will consolidate NAWMA's leadership position in Australia's circular

economy and from a local perspective, the Plant will help to secure the future of our kerbside yellow-lid bin system, while creating a potential 60 construction jobs and further on-going employment opportunities for the Northern Region.

NAWMA certainly has an exciting future ahead!

As I have advised the CEOs of the Constituent Councils and the NAWMA Board and Management Team, this is my last Report as Chair of NAWMA as I retire from a role which I have enjoyed immensely over the last 8 years. I want to take the opportunity to thank many people within NAWMA and stakeholders associated with NAWMA for their strong support over such a long period of time.

Firstly, to the NAWMA Board - many thanks for your continued support, guidance, leadership, and astute decision making over a long time. The Board has overseen much change over the past 8 years which sees the organisation recognised Australia wide for its outstanding work and leadership in the circular economy. To the CEOs of our Constituent Councils, particular thanks for your personal support (when I needed it) and of course your great commitment to NAWMA. To the Mayors and Elected Members and Administrations of the Constituent Councils who provide very strong support and trust to our organisation, again many thanks. The NAWMA Audit Committee who do excellent work have also been great allies and very valued advisors and I thank them on behalf of all the NAWMA community. There are also many other advisors to NAWMA to thank but a particular mention to Norman Waterhouse Chair Sean Keenihan is very much deserved for his advice, guidance, and support.

On behalf of all the above who are involved in governing and advising NAWMA, I want to thank Toby Terlet for his leadership in his first year as NAWMA's Chief Executive Officer and his excellent Senior Management Team. Finally, but certainly most importantly, I thank our NAWMA staff for their

terrific efforts again this year. We are fortunate to have such a quality team of people working with us for our Councils and communities across the state.

I commend to you the FY2023 Annual Report.



Brian Cunningham
Independent Chairperson



Report from the Chief Executive Officer

NAWMA continues to excel, working in partnership with Constituent Councils and key waste management and recycling sector stakeholders, achieving Circular Economy outcomes through waste diversion and resource recovery, responding to changing community behaviour.

Over the past 12 months NAWMA has focused on creating a 'great place to work' culture and importantly a safe place to work. This was evident in the results of the staff satisfaction survey with particular strengths emerging in the following two areas - strong safety culture and strong culture of respect.

The objectives of NAWMA seek to ensure our Constituent Council communities and householders (Town of Gawler, City of Playford, City of Salisbury) are serviced through a range of contemporary recycling and resource recovery initiatives and facilities, embracing the South Australian Waste Strategy 2020-2025 waste diversion targets.

To achieve increased diversion and reduced contamination in domestic waste streams NAWMA works closely with our 110,000 households through community engagement and education, underscoring increased participation in the three-bin system and encouraging councils to increase green bin (Food and Organics) diversion from landfill.

The NAWMA Board, Audit Committee, Management Leadership Team and Staff have delivered responding to ongoing local challenges while also contributing to NAWMA's strategic drive to become more innovative and deliver on its circular economy ambitions.





Report from the Chief Executive Officer

NAWMA continues to support 30 councils across rural and regional South Australia, and we collaborate closely with such authorities to maximize resource recovery and reduce the impact of the State Solid Waste Levy. A significant cost to regional councils is borne through transport fees, and the waste levy, further impacted due to limited resources and scale of economy. NAWMA demonstrates significant value add collaborating with these organizations and contributing support to the overall South Australian transition to a Circular Economy.

Key highlights of the FY2023 reporting period include;

- Planning for future growth as the Northern Region heads towards an additional 20,000 + houses and estimated 130,000 population increase by 2035
- Responding to an average 320 calls per day via the NAWMA Customer Service centre
- Over 30,000 bins delivered (new and repaired)
- Recovering over 8,000 tonne glass fines improving the quality of paper exports and supporting council and industry procurement and re-manufacturing opportunities
- Providing over 44,000 hard waste services across NAWMA's three Constituent Councils
- Recovering 36,000 tonne food and organic material (FOGO and green waste) processed into quality compost products
- Investment to upgrade Pooraka Resource Recovery Centre will be an important project in 2024, improving customer access and safety diverting Construction, Building and Industrial waste from landfill
- Completed the Prudential Review for design and construction of the Paper Polishing Plant through Government Modernisation Grants funding
- Delivered education and engagement services and continued implementation of the next stage Resident Engagement Strategy household door knocking initiative of over 450 households
- Commenced planning and initiating next stage of Uleybury civil works as NAWMA heads towards 2026/2027 landfill closure
- NAWMA's Renewable Energy Park utilising landfill gas and 11,000 solar panels produced 8,468,401kwh of generation over the year
- Key meetings continue with key stakeholders such as Hon. Susan Close Deputy Premier, Minister for Climate, Environment and Water, Minister

for Defence and Space Industries, Minister for Industry, Innovation and Science, the newly appointed EPA Chief Executive Dr Jon Gorvett and various local MPs

- NAWMA Senior Leadership Strategic Workshop conducted focusing on NAWMA adopting a growth and continual improvement mindset as we head towards an exciting future.

Financial management of NAWMA requires diverse governance and oversight across a dynamic budget which continues to grow in line with NAWMA's Business Plan and sustained increase in household services participation.

Additional aspects of overall administration and due diligence during the year included review and adoption by the NAWMA Board of Procurement Policies.

The FY2023 NAWMA Annual Report contains detailed information and overview of the scope of services and activities demonstrating performance outcomes.

In the Annual Report, NAWMA also highlights the job that is ahead of us ALL, as consumer packaging continues to add challenges to ensure cleaner resource recovery and achieve less waste to landfill, reduce contamination in the three bin system, especially within the green and organics, FOGO bin which currently contributes to 40% contamination of the red lidded bin, and our ongoing commitment to improve overall environmental footprint and sustainability objectives.

NAWMA continues to progress its project to deliver a robust, proven, sustainable and cost-effective solution for treating 100,000 tonne of residual waste per annum. We look forward to sharing this exciting and innovative response to diverting residual waste from landfill inline with the Constituent Councils strategic plan objectives.



Toby Terlet
Chief Executive Officer

NAWMA

Governance

NAWMA is administered by a Board, in accordance with the requirements of the Local Government Act (1999), the NAWMA Charter and various other policies. The Board is responsible for the overall governance, management and strategic direction of the Authority.

As defined by the NAWMA Charter, the membership of the Board comprises of ten (10) Directors – three (3) Directors appointed by each of the Constituent Councils (executive or Elected Member), and one (1) independent person appointed by the Board with endorsement from each of the Constituent Councils who acts as Chair.

The Board appoints a Chief Executive Officer who

is responsible for implementing decisions made by the Board and the day-to-day operations of the Authority. The Board held five (5) formal meetings over the FY2023, in addition to several other matters being resolved by Circular Resolution outside of meeting frequency.

The table below details Board Directors attendance at the five (5) meetings.



Mr Brian Cunningham
Independent Chair
5 of 5 meetings



Cr Paul Koch[#]
Deputy Chair Town of Gawler
5 of 5 meetings



Cr Clint Marsh*
Deputy Chair City of Playford
2 of 5 meetings



Mr Sam Green
City of Playford
5 of 5 meetings



Cr David Kerrison^{2§}
City of Playford
0 of 1 meetings



Cr Shirley Halls^{1%}
City of Playford
4 of 4 meetings



Mr Charles Mansueto
City of Salisbury
5 of 5 meetings



Cr Julie Woodman²
City of Salisbury
1 of 1 meetings



Cr Graham Reynolds²
City of Salisbury
1 of 1 meetings



Cr Chad Buchanan¹
City of Salisbury
3 of 4 meetings



Cr Kylie Grenfell^{1@}
Town of Salisbury
4 of 4 meetings



Mr Henry Inat
Town of Gawler
5 of 5 meetings



Cr Isaac Solomon¹
Town of Gawler
3 of 4 meetings



Cr Paul Little²
Town of Gawler
1 of 1 meetings



NAWMA Governance

NAWMA Audit Committee

In accordance with the requirements of the *Local Government Act (1999)*, NAWMA has an established Audit Committee.

The functions of the Committee include:

- Monitoring the integrity of NAWMA's financial statements, including its Annual Report, reviewing significant financial reporting and judgements within,
- Reviewing the adequacy of NAWMA's accounting, internal auditing, reporting and other financial management systems and practices on a regular basis; and
- Reviewing and providing recommendations to NAWMA on the sustainability of its financial

performance and proposals with respect to debt levels included in the strategic management plans, and in particular, the long-term financial plan.

The membership of the Audit Committee consists of six (6) members, three (3) members who are independent members (including the Chair), two (2) members who are NAWMA Board Directors, and the NAWMA Board Chair as an Ex-Officio member.

The Audit Committee held five (5) formal meetings over the FY2023. In addition to several other matters being considered and discussed outside of the meeting frequency.

The table below details Audit Committee Member attendance at these meetings:



Mr Mark Labaz
Independent Chair
5 of 5 meetings



Ms Claudia Goldsmith
Independent Member
5 of 5 meetings



Mr Craig Johnson
Independent Member
5 of 5 meetings



Mr Charles Mansueto
Board Director
4 of 5 meetings



Cr Graham Reynolds³
Board Director
1 of 1 meetings



Cr Kylie Grenfell⁴
Board Director
3 of 3 meetings



Mr Brian Cunningham
Ex-Officio Member
5 of 5 meetings

| Deputy Board Directors | | Meetings |
|----------------------------------|-------------------|----------|
| Ms Janey Mitson | City of Playford | 1 of 1 |
| Cr David Kerrison ^{2\$} | City of Playford | 1 of 1 |
| Cr Marilyn Baker ¹ | City of Playford | 2 of 2 |
| Mr John Harry | City of Salisbury | 1 of 1 |
| Cr Shirley Halls ^{2%} | City of Playford | |
| Mr Jack Darzanos | Town of Gawler | |
| Cr Ethan White ¹ | Town of Gawler | |
| Cr David Hughes ² | Town of Gawler | |
| Cr Moni Mazzeo ¹ | City of Salisbury | |
| Cr Shiralee Reardon ¹ | City of Salisbury | |
| Mr John Devine | City of Salisbury | |
| Cr Kylie Grenfell ^{2@} | City of Salisbury | |

¹ Elected to Board November 2022

² Board term completed October 2022

³ Committee term completed October 2022

⁴ Elected to Committee November 2022

* Cr Marsh appointed to role of Deputy Chair in February 2023

Cr Koch served as Deputy Chair until February 2023

% Cr Shirley Halls represented City of Playford as a Deputy Board Director until October 2022, then continued as Board Director from November 2022

\$ Cr David Kerrison represented City of Playford as a Board Director until October 2022, then continued as Deputy Board Director from November 2022

@ Cr Kylie Grenfell represented City of Salisbury as a Deputy Board Director until October 2022, then continued as Board Director from November 2022

The Audited Financial Statements for the year ended 30 June 2023 are provided from page 21.



Resource Recovery

Resource Recovery Centres

NAWMA operates two Resource Recovery Centres (RRCs) within the northern community, which are open to the public and small commercial contractors seven (7) days a week.

The Edinburgh North Resource Recovery Centre is located on Bellchambers Road, Edinburgh North and houses:

- A drive-through undercover Resource Recovery Centre for materials recovery,
- A Salvage and Save retail outlet operated by MOBO Group, a not-for-profit disability employment business, and;
- A recycling service for Container Deposit Returns operated by Scouts SA.

The Pooraka Resource Recovery Centre is located on Research Road, Pooraka and operates a drive-through Resource Recovery Centre for materials recovery. It is scheduled for the commencement of a significant upgrade in the FY2024, coordinated by NAWMA in conjunction with site owner City of Salisbury. This upgrade will ensure the site is operating as safely as possible and complies with all regulatory requirements.

Working in conjunction with Green Industries South Australia (GISA), the Edinburgh North Resource Recovery Centre houses a household chemical

and paint drop-off area which is open to all South Australian residents.

The free service increases options for disposal of household volumes of materials such as batteries, poisons, pesticides, and paint, and operates seven days a week out of this Resource Recovery Centre.

FY2023 RRC statistics:

- Customers Pooraka - 95,514
- Customers Edinburgh North - 53,283
- Pooraka Waste tonnes diverted to alternative fuels - 12,643 tonnes
- Edinburgh North RRC Waste tonnes diverted to alternative fuels - 5,253 tonnes
- Mattress units Pooraka - 6,093
- Mattress units Edinburgh North - 10,749
- Tyre units Pooraka - 3,536
- Tyre units Edinburgh North - 2,886
- Paint tonnes Pooraka - 63
- Paint tonnes Edinburgh North - 66



NAWMA provide access to responsible resource recovery solutions for residents at both our Pooraka and Edinburgh North Resource Recovery Centres.

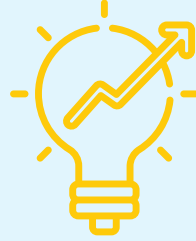
Each Year **NAWMA...**



Delivers services to approximately

120,000

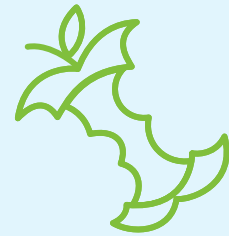
households within the Cities of Salisbury and Playford and the Town of Gawler



Generates

10,000

MWh of electricity to power 1,900 SA homes from Australia's first landfill gas and solar power plant at a landfill site



Recovers

48,000

tonnes of organic material which is sent for composting in South Australia



Processes

63,000

tonnes of waste to Uleybury balefill



Provides employment for nearly

100

people



Sorts

46,000

tonnes of recyclables



Provides more than

44,000

hard-waste services

Resource Recovery Material Recovery Facility (MRF)

South Australia's first Local Government owned and operated Material Recovery Facility (MRF) was commissioned in 2017 to process yellow-lid kerbside bin recyclables from residents in NAWMA's Constituent Council areas.

While the plant continues to process these tonnes, it now also receives material from 30 metropolitan and regional South Australian Councils – more than half of South Australian households geographically! Our best practice facility sorted more than 46,000 tonnes of kerbside recyclables during the FY2023, producing high quality finished goods such as paper, plastics, glass, aluminium, and steel.

We are extremely proud that our MRF operation provides employment to more than fifty (50) local employees and creates a revenue stream to offset some of the costs associated with collecting and sorting to our Constituent Councils.

A highlight for NAWMA and its Constituent Councils is the ongoing pursuit of excellence in the industry. Through the obtainment of Federal and State Government funding, we are planning to build an advanced Fibre Polishing Plant at our Edinburgh facility. The building of this Plant is estimated to start in early 2024 and once established, the new

facility will allow NAWMA to maximise the value of recovered paper and cardboard from yellow-lid kerbside recycling bins.

The creation of further jobs and the ability to meet new quality benchmarks for recycled paper and cardboard products is something NAWMA is very excited about.

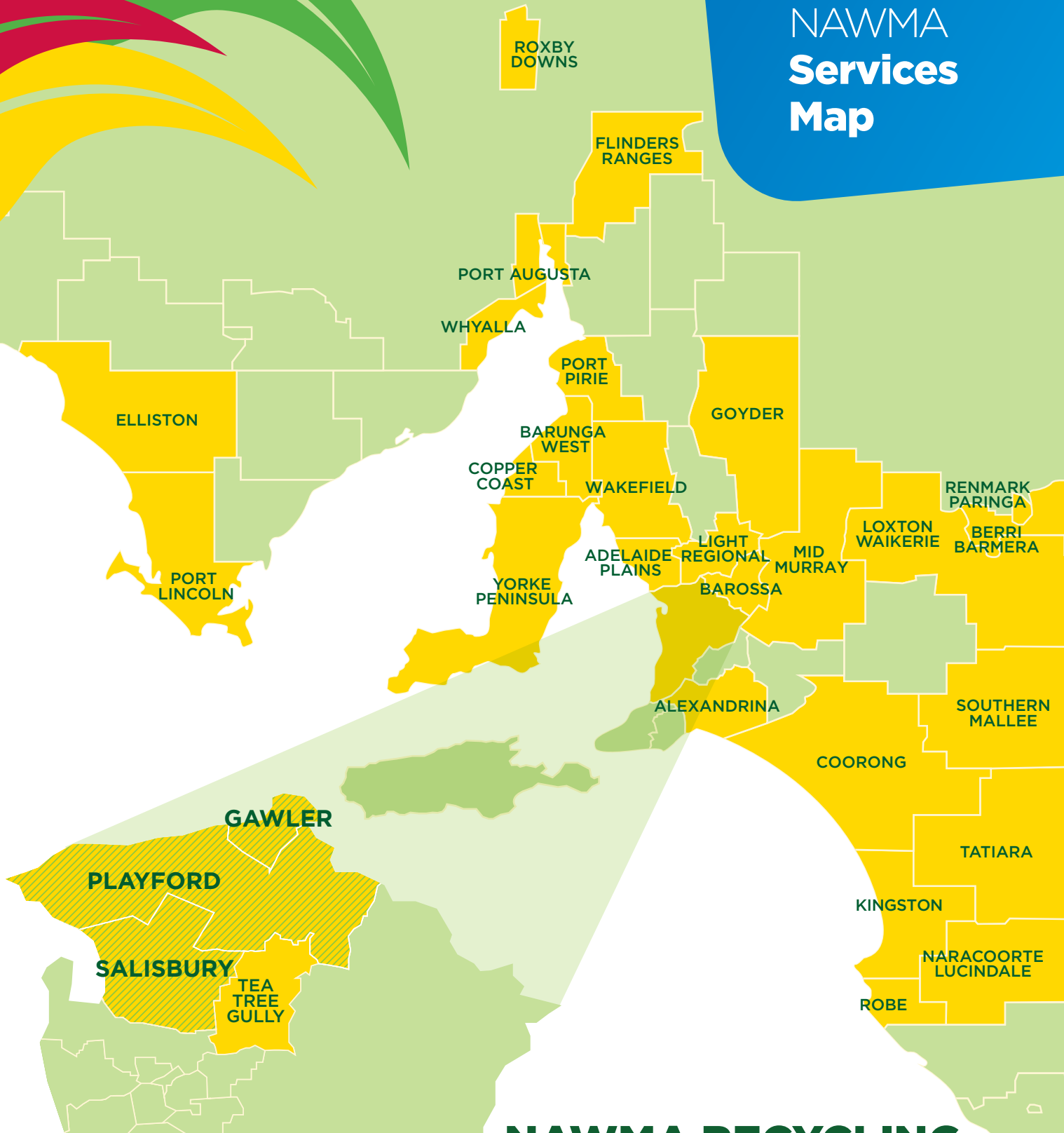
FY2023 MRF statistics:

- Servicing 30 Local Government Councils
- 8,000 tonnes of glass fines diverted from landfill and used as a sand substitute
- 31,000 tonnes of paper and cardboard recovered and processed back into packaging products
- 1,900 plus tonnes of steel and aluminium recovered and recycled
- 2,300 plus tonnes of plastic containers and bottles recovered and recycled
- 20,000 waste tonnes diverted to alternative fuels



Members of NAWMA's MRF team undertake daily inspections of the plant to ensure efficiency and productivity.

NAWMA Services Map



NAWMA RECYCLING Member and Client Councils

-  Member Councils
-  Client Councils from which NAWMA processes kerbside recycling

Resource Recovery Food and Garden Organics

NAWMA's Food and Garden Organics (FOGO) collection is an opt-in service for the residents of our three Constituent Councils.

Kerbside collected organic material is transported to our Edinburgh North facility by Veolia (NAWMA's kerbside collection contractor) using side-loader vehicles that are specifically designed for the kerbside collection of bins.

The material is stored short-term at this location before being bulk hauled by sealed vehicles to a Peats Soil & Garden Supplies Facility. The material is processed by Peats into mulch and compost products. Many of these products are used in large-scale operations such as vineyards and

market gardens. A highlight during the FY2023 has been the recovery of 48,000 tonnes of organic material which is sent for composting in South Australia.

FY2023 FOGO statistics:

- Peats processed 32,793 tonnes of kerbside collected material
- 7,069 tonnes were collected via our RRCs and processed by Peats



A focus on the recovery of Food and Garden Organics (FOGO) material has been a focus for NAWMA's team this year, with over 48,000 tonnes of material recovered.

Constituent Council Tonnes Collected



2022 - 2023

Waste

Recycling

FOGO

Total



29,378

9,727

20,261

59,366



22,171

7,284

9,139

38,594



4,795

1,818

3,393

10,006

Total

56,344

18,829

32,793



2022 - 2023

Hard Waste
Tonnes

Hard Waste
Collections

Vouchers
Redeemed



1,707

14,287

8,985



1,582

14,058

5,026



133

1,493

512

Total

3,422

29,838

14,523

Resource Recovery Uleybury Balefill and Renewable Energy Park

NAWMA's Uleybury Balefill (landfill) and Renewable Energy Park is the first combined solar - landfill gas farm of its type in Australia and continues to generate power for the local community.

The power is generated using over 11,000 solar panels and gas extracted from 23 vertical wells and a network of horizontal wells in the active cell area. NAWMA, with its South Australian partner Joule Energy, has committed to turning a once untapped waste product into a resource.

During FY2023, 63,000 tonnes of material were deposited at the Uleybury Balefill. Placement of bales in the final cell (Cell 3) started in 2016 with revegetation of the site (Cells 1 and 2) well underway. As part of the closure plan for the Uleybury site, works will commence for a northern rock batter fill and landfill cap as Cell 3 is being completed.

Life for NAWMA's waste stream after the closure of the site is currently being investigated, with several options being subject to thorough due diligence and discussions with the Board and Constituent Councils.

The Balefill Management Consultative Committee (BMCC), chaired during the year by Board Member, Cr Shirley Halls (City of Playford), continues to meet as necessary.

The committee provides nearby residents, councils, the Environment Protection Authority and NAWMA the opportunity to discuss topics relating to the Uleybury site and its operations, with meeting minutes and supporting documents distributed to nearby residents and City of Playford.

FY2023 Uleybury Balefill statistics:

- Solar - 1,082,194 Kilowatt hours generated
- Gas - 7,386,207 Kilowatt hours generated
- 8,468,401 kwh Accumulated power generation



NAWMA's combined renewable energy facility generates over 8,468,401 kwh of electricity per year.



Resource Recovery Hard Waste Service

NAWMA continued to provide and operate a hard waste service for all three Constituent Councils during the FY2023. The service proved very popular with it being accessed just over 44,000 times across the three Councils. This is a 10% increase from the previous financial year, servicing the growth of housing across NAWMA's three constituent councils.

The at-call collection service provides a reduction in wait time and allows residents to have their hard waste collected at a time convenient to their needs. NAWMA has added a reminder SMS feature for the hard waste collection service to remind residents of their impending collection, which has significantly reduced the number of times residents fail to present their items for collection.

The service level for collections is complemented by a drop-off system for hard waste presented to either of NAWMA's Resource Recovery Centres. The drop-off system is a real-time system that allows residents to be sent a unique voucher number while on their

mobile to the NAWMA Customer Service Team member. Almost 14,523 vouchers were redeemed in FY2023, gaining momentum as a choice of convenience.

NAWMA also offers a free trailer-hire service for residents of its three constituent councils who have hard waste items to recycle, but no access to their own trailer.

Residents can borrow a 6x4 caged trailer from either of NAWMA's two Resource Recovery Centres to transport hard waste as part of their drop-off service.



Residents of NAWMA's three Constituent Councils can access the free hard waste voucher system any day of the week.

Education and Community Engagement



NAWMA's Education team regularly conduct waste reduction and recycling activities across the three Constituent Councils.

NAWMA's Education and Community Engagement programs grew in number and scope this year, guided by a newly developed *Communication & Community Education Action Plan*, which has set the department's direction for the next three years.

The Education and Community Projects team was active with bin tagging across the region as a way of thanking residents who correctly use their kerbside bin service and provided guidance to those who incorrectly separate their waste streams.

Three bin inspection audits were also carried out to gain insight into resident behaviour around usage of the kerbside food organics & garden organics (FOGO) bin.

We continued to broaden our engagement with the community through interactive education stalls at eight major shopping centres and various community markets. We also continued with community group presentations where residents were encouraged to make positive behavioural

changes at home to correctly sort kerbside waste streams, so that NAWMA could recover the maximum amount of recyclable material and minimise waste to landfill. We also welcomed tour visitors from within the NAWMA region and from our client councils, who spent time in NAWMA's world-class circular economy themed Education Centre and had a first-hand look at the Material Recovery Facility (MRF) in action.

In the FY2023, NAWMA also commenced a trial partnership with school waste education provider, Bin Thinking. The group provided FOGO focussed education sessions to seven classes at the Gawler East Primary School and will continue the trial in other parts of the NAWMA region throughout 2023.



Education and Community Engagement

June 2023 saw the culmination of the three year Resident Engagement Strategy with excellent results being achieved in three trial areas (totalling 458 households) across the NAWMA region. Focussing on a combination of direct engagement and modified service, decreases in kerbside recycling bin contamination of up to 25% were achieved.

The NAWMA Education Centre Facebook page grew to almost 1,000 followers in FY2023 and residents continued to download the My Local Services app to receive bin collection reminders and helpful recycling tips via their mobile phone. Large-scale marketing material was displayed at bus shelters and for the first time on street banners. We continued with the use of digital displays in community settings such as libraries and the Information Centre in Gawler.



NAWMA's Customer Service

The focus for our team within FY2023 continued to be creating a great overall Customer Experience for our residents and community via email, webchat or phone.

We worked on obtaining as much feedback as possible, analysing data from our platforms to implement plans to streamline our communication.

We have several touch points for residents to be able to offer their advice to help our team improve.

Residents can do an after-call survey, with survey questions changing quarterly designed to enable our team to provide a greater Customer Experience. We had over 4000 respondents during this time, with a vast majority rating us highly for services provided and our team being very knowledgeable.

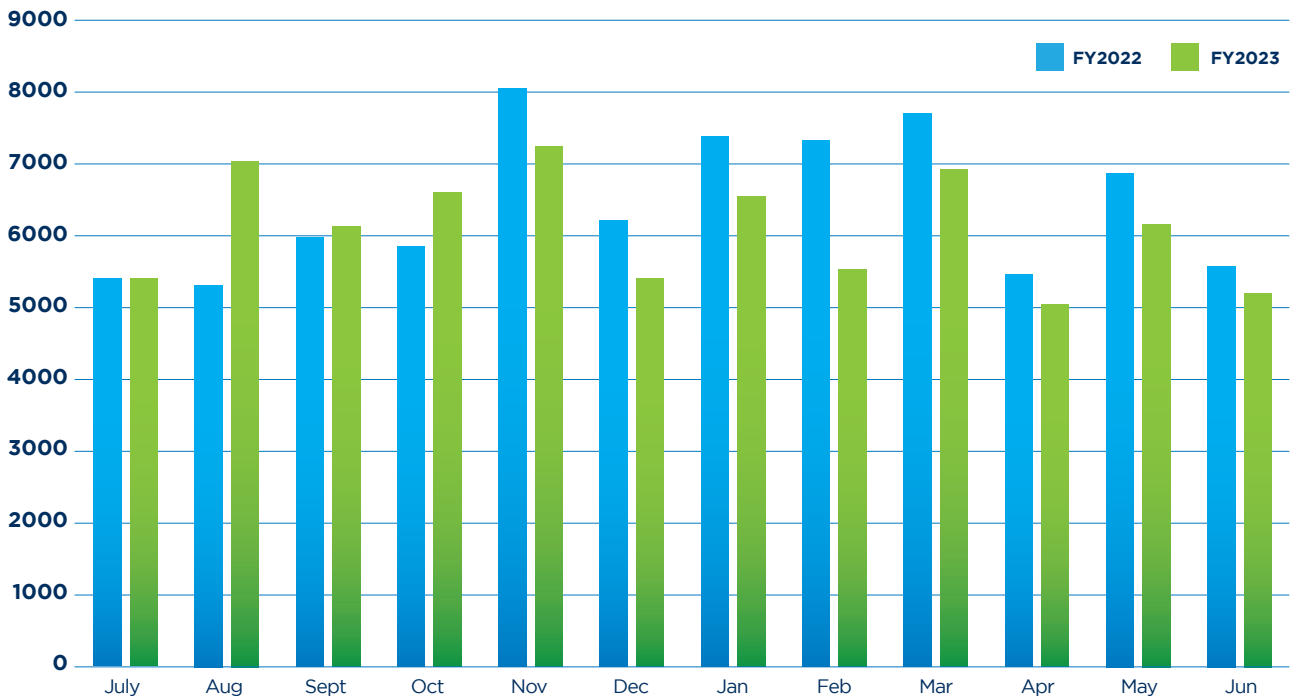
Another aspect of our feedback has been sending a link to randomly chosen residents with whom we have recently interacted with. During each week of this reporting period, 10 residents who called, and 10 residents who emailed were sent the survey. This saw the team receive 305 survey responses, and ensures we have quality control over all channels of communication. All surveys included an opportunity



for residents to add comments to accompany their score. These comments have been invaluable as they have shown commonalities and specific areas of improvement that can be applied not just within the customer service department but across all departments and services NAWMA provides.



Total Number of Phone Calls Taken By The Customer Experience Team - FY2022 vs FY2023



During the FY2023 period, calls have continued to decrease as we offer different avenues for residents to interact with our team. This is important as we offer a greater Customer Experience to our community, noting those who work full time, do not work regular hours or prefer to utilise the technology at their fingertips.

Contents **Audited Financial Report**

| | |
|--|----|
| Certification of Financial Statements | 21 |
| Principal Financial Statements | |
| Statement of Comprehensive Income | 22 |
| Statement of Financial Position | 23 |
| Statement of Changes in Equity | 24 |
| Statement of Cash Flows | 25 |
| Notes to, and forming part of, the Principal Financial Statements | |
| Note 1 - Significant Accounting Policies | 26 |
| Note 2 - Income | 31 |
| Note 3 - Expenses | 31 |
| Note 4 - Current Assets | 32 |
| Note 5 - Property, Plant & Equipment | 33 |
| Note 6 - Liabilities | 35 |
| Note 7 - Cash Flow Reconciliation | 36 |
| Note 8 - Financial Instruments | 37 |
| Note 9 - Commitments for Expenditure | 39 |
| Note 10 - Events Occurring After Reporting Date | 39 |
| Note 11 - Contingent Liabilities | 39 |
| Note 12 - Leases | 40 |
| Note 13 - Disclosure of Related Party Transactions | 40 |
| Note 14 - Fair Value Measurements | 41 |
| Statement of Auditor's Independence | 44 |
| Independent Auditor's Report - Financial Report | 45 |
| Independent Auditor's Report - Internal Controls | 47 |
| Certification of Auditor Independence | 49 |
| Constituent Council Certification of Auditor Independence | 50 |





NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

Annual Financial Statements
Financial year ended 30 June 2023

Certification of Financial Statements

We have been authorised by the Northern Adelaide Waste Management Authority to certify the financial statements in their final form. In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011 and Australian Accounting Standards*.
- the financial statements present a true and fair view of the Authority's financial position at 30 June 2023 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Authority's accounting and other records.

.....
Toby Terlet
Chief Executive Officer

.....
Brian Cunningham
Chairperson

Date: 21/9/23



STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2023

| | Notes | 2023 \$'000 | 2022 \$'000 |
|--|-------|----------------|----------------|
| INCOME | | | |
| User charges | 2 | 45,150 | 48,140 |
| Grants, subsidies and contributions - operating | | 96 | - |
| Investment income | 2 | 556 | 262 |
| Other | 2 | 31 | 15 |
| Total Income | | 45,833 | 48,417 |
| EXPENSES | | | |
| Employee costs | 3 | 4,767 | 4,147 |
| Materials, contracts & other expenses | 3 | 37,482 | 38,174 |
| Finance costs | 3 | 576 | 467 |
| Depreciation, amortisation & impairment | 3 | 3,566 | 3,315 |
| Total Expenses | | 46,391 | 46,103 |
| Operating Surplus / (Deficit) | | (558) | 2,314 |
| Asset disposal & fair value adjustments | 3 | (7) | (1) |
| Amounts received specifically for new/upgraded assets | | 2 | 60 |
| NET SURPLUS / (DEFICIT) | | (563) | 2,373 |
| Other Comprehensive Income | | | |
| Changes in revaluation surplus - property, plant & equipment | | 390 | - |
| Total Other Comprehensive Income | | 390 | - |
| Total Comprehensive Income | | (173) | 2,373 |

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



STATEMENT OF FINANCIAL POSITION
 for the year ended 30 June 2023

| | Notes | 2023 \$'000 | 2022 \$'000 |
|--------------------------------------|-------|----------------|----------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and cash equivalents | 4 | 9,842 | 9,802 |
| Trade & other receivables | 4 | 4,516 | 5,143 |
| Stock on Hand | | 77 | 50 |
| Total Current Assets | | 14,435 | 14,995 |
| Non-current Assets | | | |
| Property, Plant & Equipment | 5 | 19,337 | 20,679 |
| Total Non-current Assets | | 19,337 | 20,679 |
| Total Assets | | 33,772 | 35,674 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Trade & Other Payables | 6 | 5,876 | 7,117 |
| Provisions | 6 | 516 | 327 |
| Borrowings | 6 | 2,503 | 2,243 |
| Total Current Liabilities | | 8,895 | 9,687 |
| Non-Current Liabilities | | | |
| Borrowings | 6 | 6,479 | 8,310 |
| Provisions | 6 | 7,383 | 6,489 |
| Total Non-current Liabilities | | 13,862 | 14,799 |
| Total Liabilities | | 22,757 | 24,486 |
| Net Assets | | 11,015 | 11,188 |
| EQUITY | | | |
| Accumulated Surplus | | 9,965 | 10,528 |
| Asset Revaluation Reserve | | 1,050 | 660 |
| Total Equity | | 11,015 | 11,188 |

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



STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2023

| | Accumulated Surplus | Asset Revaluation Reserve | Total Equity |
|--|--------------------------------|--|-------------------------|
| | \$'000 | \$'000 | \$'000 |
| Balance at start of period - 1 July 2021 | 8,155 | 660 | 8,815 |
| Net Surplus/ (Deficit) for Year | 2,373 | - | 2,373 |
| Other Comprehensive Income | | | |
| Gain on revaluation of property, plant & equipment | - | - | - |
| Transfers between reserves | - | - | - |
| Balance at end of period - 30 June 2022 | 10,528 | 660 | 11,188 |
| Balance at start of period - 1 July 2022 | 10,528 | 660 | 11,188 |
| Net Surplus/ (Deficit) for Year | (563) | | (563) |
| Other Comprehensive Income | | | |
| Gain on revaluation of property, plant & equipment | - | 390 | 390 |
| Transfers between reserves | - | - | - |
| Balance at end of period - 30 June 2023 | 9,965 | 1,050 | 11,015 |

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



STATEMENT OF CASH FLOWS
 for the year ended 30 June 2023

| | Notes | 2023 \$'000 | 2022 \$'000 |
|---|-------|----------------|----------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Operating receipts from customers | | 45,894 | 47,185 |
| Investment receipts | | 556 | 262 |
| Operating payments to suppliers & employees | | (43,423) | (41,871) |
| Finance payments | | (343) | (408) |
| Net Cash provided by (or used in) Operating Activities | 7 | 2,684 | 5,168 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Amounts specifically for new or upgraded assets | | 2 | - |
| Sale of surplus assets | 3 | 6 | 15 |
| Expenditure on renewal/replacement of assets | | (27) | - |
| Expenditure on new/upgraded assets | | (194) | (67) |
| Net Cash provided by (or used in) Investing Activities | | (213) | (52) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from Borrowings | | - | - |
| Repayments of Borrowings | | (1,143) | (1,099) |
| Repayment of lease liabilities | | (1,288) | (1,382) |
| Net Cash provided by (or used in) Financing Activities | | (2,431) | (2,481) |
| Net Increase (Decrease) in cash held | | 40 | 2,635 |
| Cash & cash equivalents at beginning of period | 7 | 9,802 | 7,167 |
| Cash & cash equivalents at end of period | 7 | 9,842 | 9,802 |

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



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2023

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

1 Basis of Preparation

1.1 Compliance with Australian equivalents to International Financial Reporting 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. The Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of City of Salisbury, City of Playford and the Town of Gawler.

1.2 Historical Cost Convention

Except where 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 which requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying the Authority's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

1.4 Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000).

2 The Local Government Reporting Entity

Northern Adelaide Waste Management Authority operates as a regional subsidiary pursuant to Section 43 of the SA Local Government Act 1999 and Section 25 of the Local Government Implementation Act, and has its principal place of business at 71 – 75 Woomera Avenue, Edinburgh SA 5111. These financial statements have been prepared for use by the Constituent Councils of the Authority.

3 Income Recognition

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

4 Cash, Cash Equivalents and other Financial Instruments

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

Receivables are generally unsecured and do not bear interest.

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

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 8.

5 Infrastructure, Property, Plant & Equipment

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".



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2023

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (cont)

5.1 Initial Recognition

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

The cost of non-current assets constructed by the Authority includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead. Capital works still in progress at balance date are recognised as other non-current assets and transferred to infrastructure, property, plant & equipment when completed ready for use.

5.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by the Authority for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life.

No capitalisation threshold is applied to the acquisition of land or interests in land. The capitalisation threshold applied for Plant and Equipment assets is \$5,000. All Information Technology Equipment has a capitalisation threshold of \$1,000 (previously \$5,000). Any purchases greater than these amounts are capitalised and depreciated on the Authority's asset register.

5.3 Subsequent Recognition

Certain asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset 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.

Plant & Equipment assets are not revalued due to operational nature, the specialised nature of equipment with low resale potential and short lifespan. Plant & Equipment assets are only assessed for insurance value. Land and buildings are assessed for fair value and insurance value due to longer useful life and sale potential outside of the Authority's specialised operations

5.4 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets. Depreciation is recognised on a straight-line basis. Major depreciation periods for each class of asset are shown below. Depreciation periods for infrastructure assets have been estimated based on the best information available to the Authority, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

| | |
|-----------------------------------|--|
| Plant, Furniture & Equipment | 5 to 10 years |
| Buildings | 30 years |
| Waste Facility | 10 to 20 years |
| Landfill Construction | Amortised proportionately to rate of filling |
| Landfill Capping & Rehabilitation | Amortised proportionately to rate of filling |

5.5 Land Assets

As at 30 June 2023, an independent valuation was undertaken on all Land and Building assets held by the Authority. The independent valuation was undertaken by AssetVal Pty Ltd and valued land and building assets to the current market value. Given the material value of Land and Building assets subsequent to the valuation performed, Land and Building assets are shown as a separate class of asset and disclosed accordingly in Note 5.



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2023

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (cont)

As part of the valuation exercise, an update to the Buildings asset register was undertaken with some assets being reclassified and transferred from other asset classes to the Buildings asset class to better reflect the true nature and use of the asset. These transfers have been disclosed in Note 5.

5.6 Impairment

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

For assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if the Authority were deprived thereof, the value in use is the depreciated replacement cost. In assessing impairment for these assets, a rebuttable assumption is made that the current replacement cost exceeds the original cost of acquisition.

6 Payables

6.1 Goods & Services

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

7 Employee Benefits

7.1 Salaries, Wages & Compensated Absences

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

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

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

7.2 Superannuation

The Authority makes employer superannuation contributions in respect of its employees to Hostplus (formerly Statewide Super). The Scheme has two types of membership, each of which is funded differently.

Accumulation Fund Members

Accumulation fund members receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings in accordance with Superannuation Guarantee Legislation (10.5% in 2022/23; 10.0% in 2021/22). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Contributions to Other Superannuation Schemes

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



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2023

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (cont)

8 Rehabilitation

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

Landfill Remediation

The Authority annually monitors the liability recorded for landfill rehabilitation and restoration estimates and make adjustments to the liability as required to ensure an accurate projected cost of the liability is showing in the balance sheet. An independent assessment of the Authority's landfill capping and post closure rehabilitation obligations was undertaken by Golder Associates Pty Ltd as at 30 June 2023.

The obligation to recognise a landfill remediation liability commences when the landfill cell is developed. Provisions are stated at the present value of the expected future cash outflows to occur. The Authority has an obligation to cap each cell upon the airspace of the cell being fully consumed as well as an ongoing post-closure monitoring and remediation of the site once it is closed for a period determined by the Environment Protection Authority (EPA) and other government environmental requirements.

Industrial Property Remediation

The Authority leases industrial property which under lease agreement held, requires that the Authority undertakes remediation and rectification works to the site upon exit. The scope of works includes the remediation of damaged and/or worn facilities, the removal of plant and equipment from the site as well as undertake rectification of any site contamination issues.

9 Comparative Information

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with Australian Accounting Standards. No changes have been made to comparative information in the principal financial statements nor has not been amended for any changes to accounting standards.

10 Critical Accounting Estimates and Judgements

The Board evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and based on current trends and economic data, obtained both externally and within the Authority.

11 New Accounting Standards

No new accounting standards were applied by the Authority during the financial year. The Authority has not elected to early adopt any new accounting standards, interpretations or amendments which are not yet effective.

12 Stock on Hand

The Authority records stock on hand as at reporting date to reflect the value of stockpiled recycled finished goods held. The value attributed to stock items is based on the expected sale price of goods held based on existing contract rates held with customers and/or public market rates, whichever is applicable. Stock recorded also includes bailing wire and other materials used in the processing of waste through processing plants.

13 Related Party Transactions – Services Provided by Member Councils to the Authority

The Authority has entered into a lease agreement with the City of Salisbury to manage and operate the waste transfer station located at Pooraka. The lease with the City of Salisbury is reflected on the Balance Sheet in accordance with AASB 16. Transactions between the Authority and Member Councils where services have been provided by the Authority have been separately disclosed in Note 13.



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2023

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (cont)

14 Leases

The Authority assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Authority recognises lease liabilities to make lease payments and right-of-use assets representing the right of use of the underlying assets.

14.1 Right-of- Use Assets

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

14.2 Lease Liabilities

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

14.3 Short-term leases and leases of low-value assets

The Authority applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2023

Note 2 - INCOME

| | Notes | 2023 \$'000 | 2022 \$'000 |
|---|-------|----------------|----------------|
| USER CHARGES | | | |
| Waste Management Operations | | 45,150 | 48,140 |
| | | 45,150 | 48,140 |
| INVESTMENT INCOME | | | |
| Interest Income: Local Government Finance Authority | | 340 | 32 |
| Rental income | | 216 | 230 |
| | | 556 | 262 |
| OTHER INCOME | | | |
| Lease Provision Adjustment | | 6 | - |
| Promotional Income | | 25 | 15 |
| | | 31 | 15 |

Note 3 - EXPENSES

EMPLOYEE COSTS

| | | | |
|---------------------------------|--|--------------|-------|
| Salaries and Wages | | 3,583 | 3,212 |
| Employee leave expense | | 536 | 371 |
| Superannuation | | 381 | 312 |
| Workers' Compensation Insurance | | 59 | 109 |
| Other | | 208 | 143 |
| | | 4,767 | 4,147 |

MATERIALS, CONTRACTS & OTHER EXPENSES

| | | | |
|--------------------------------------|--|---------------|--------|
| Auditor's Remuneration | | | |
| Auditing the financial reports | | 17 | 21 |
| Other Services | | - | - |
| Bad and Doubtful Debts | | - | - |
| Lease costs | | 38 | 26 |
| Promotions | | 45 | 29 |
| Bank Fees | | 47 | 50 |
| Landfill Royalty | | 59 | 183 |
| Contractors | | 27,641 | 28,105 |
| Electricity | | 273 | 227 |
| Environmental Protection Agency Levy | | 7,873 | 8,239 |
| Fuels & Oils | | 303 | 268 |
| Professional Services | | 265 | 297 |
| Administration & Other Expenses | | 921 | 729 |
| | | 37,482 | 38,174 |



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2023

Note 3 - EXPENSES (cont)

| | Notes | 2023 \$'000 | 2022 \$'000 |
|--|-------|----------------|----------------|
| DEPRECIATION, AMORTISATION & IMPAIRMENT | | | |
| Waste Processing Facility | | 213 | 182 |
| Uleybury Landfill Plant & Equipment | | 25 | 18 |
| Education Program Plant & Equipment | | 1 | - |
| Office Furniture & Equipment | | 30 | 22 |
| Property & Improvements | | 17 | 13 |
| Landfill Cell Stage Three | | 187 | 187 |
| Landfill Capping Stage Three | | 204 | 204 |
| Post Closure Rehabilitation | | 190 | 188 |
| Buildings | | 220 | 158 |
| Material Recovery Facility | | 581 | 645 |
| Right-of-use-assets | | 1,620 | 1,422 |
| Right-of-use-assets Restoration | | 275 | 276 |
| Operating Equipment | | 3 | - |
| | | 3,566 | 3,315 |
| FINANCE COSTS | | | |
| Interest on Loans and Overdraft | | 220 | 259 |
| Interest on Leases | | 159 | 131 |
| Unwinding of present value discounts | | 197 | 77 |
| | | 576 | 467 |
| ASSET DISPOSALS | | | |
| Proceeds from disposal | | 6 | 15 |
| Less: Carrying amount of assets sold | | (13) | (16) |
| Gain (Loss) on disposal | | (7) | (1) |
| Note 4 - CURRENT ASSETS | | | |
| CASH & CASH EQUIVALENTS | | | |
| Cash on Hand and at Bank | | 4,342 | 8,452 |
| Deposits at Call | | 5,500 | 1,350 |
| | | 9,842 | 9,802 |
| TRADE & OTHER RECEIVABLES | | | |
| Debtors - general | | 3,917 | 4,371 |
| Accrued Revenues | | 304 | 385 |
| Prepaid Expenses | | 295 | 396 |
| Provision for Impairment | | - | (9) |
| | | 4,516 | 5,143 |

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2023

Note 5 - PROPERTY, PLANT & EQUIPMENT

| | 2022 \$'000 | | | | 2023 \$'000 | | | |
|-------------------------------------|------------------|---------|---------------|--------------------|------------------|---------|---------------|--------------------|
| | AT FAIR VALUE | AT COST | ACCUM DEPN | CARRYING AMOUNT | AT FAIR VALUE | AT COST | ACCUM DEPN | CARRYING AMOUNT |
| Land | 1,776 | - | - | 1,776 | 3,365 | - | - | 3,365 |
| Waste Processing Facility | - | 3,240 | (2,130) | 1,110 | - | 3,219 | (2,329) | 890 |
| Uleybury Landfill Plant & Equipment | - | 2,125 | (2,069) | 56 | - | 2,100 | (2,067) | 33 |
| Education Program Plant & Equipment | - | 34 | (31) | 3 | - | 34 | (32) | 2 |
| Office Furniture & Equipment | - | 199 | (161) | 38 | - | 215 | (191) | 24 |
| Property & Improvements | - | 1,605 | (1,537) | 38 | - | 1,606 | (1,553) | 53 |
| Landfill Cell Stage Three | - | 3,084 | (1,871) | 68 | - | 3,084 | (2,058) | 1,026 |
| Landfill Capping Stage Three | 2,022 | - | (699) | 1,213 | 2,256 | - | (903) | 1,353 |
| Post Closure Rehabilitation | 2,776 | - | (1,547) | 1,323 | 3,229 | - | (1,737) | 1,492 |
| Buildings | 3,285 | 1,491 | (668) | 1,229 | 3,839 | - | (931) | 2,908 |
| Material Recovery Facility | - | 7,475 | (2,625) | 4,108 | - | 7,266 | (3,206) | 4,060 |
| Right-of-use-assets | - | 8,039 | (4,165) | 4,850 | - | 8,969 | (5,784) | 3,185 |
| Right-of-use-asset Restoration | 1,515 | - | (551) | 3,874 | 1,515 | - | (826) | 689 |
| Operating Equipment | - | - | - | - | - | 40 | (3) | 37 |
| WIP | - | 67 | - | 67 | - | 220 | - | 220 |
| | 11,374 | 27,359 | (18,054) | 20,679 | 14,204 | 26,753 | (21,620) | 19,337 |

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2023

Note 5 - PROPERTY, PLANT & EQUIPMENT (Cont)

| | 2022 | Movement in Property, Plant & Equipment during the Financial Year | | | | | | | 2023 |
|-------------------------------------|-----------------------------|---|-----------------|-----------|-------------|-----------|------------|--------------|-----------------------------|
| | CARRYING VALUE \$'000 | ADDITIONS | | Disposals | Revaluation | Transfers | Adjustment | Depreciation | CARRYING VALUE \$'000 |
| | | Renewal/ Replacement | New/ Upgrade | | | | | | |
| Land | 1,776 | - | - | - | 1,589 | - | - | - | 3,365 |
| Waste Processing Facility | 1,110 | - | - | (13) | - | - | 6 | (213) | 890 |
| Uleybury Landfill Plant & Equipment | 56 | 2 | - | - | - | - | - | (25) | 33 |
| Education Program Plant & Equipment | 3 | - | - | - | - | - | - | (1) | 2 |
| Office Furniture & Equipment | 38 | 16 | - | - | - | - | - | (30) | 24 |
| Property & Improvements | 68 | - | - | - | - | - | 2 | (17) | 53 |
| Landfill Cell Stage Three | 1,213 | - | - | - | - | - | - | (187) | 1,026 |
| Landfill Capping Stage Three | 1,323 | - | - | - | - | 234 | - | (204) | 1,353 |
| Post Closure Rehabilitation | 1,229 | - | - | - | - | 453 | - | (190) | 1,492 |
| Buildings | 4,108 | - | - | - | (1,199) | - | 219 | (220) | 2,908 |
| Material Recovery Facility | 4,850 | 10 | - | - | - | - | (219) | (581) | 4,060 |
| Right-of-use-assets | 3,874 | - | 948 | - | - | (17) | - | (1,620) | 3,185 |
| Right-of-use-asset Restoration | 964 | - | - | - | - | - | - | (275) | 689 |
| Operating Equipment | - | - | 40 | - | - | - | - | (3) | 37 |
| WIP | 67 | - | 153 | - | - | - | - | - | 220 |
| | 20,679 | 28 | 1,141 | (13) | 390 | 670 | 8 | (3,566) | 19,337 |
| 2022 \$'000 | 22,914 | - | 67 | (16) | - | 1,029 | - | (3,315) | 20,679 |



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2023

Note 6 - LIABILITIES

| | | 2023 | | 2022 | |
|--|-------|--------------------------------|--|------------------------------------|--------------|
| | | \$'000 | | \$'000 | |
| | Notes | Current | Non-current | Current | Non-current |
| TRADE & OTHER PAYABLES | | | | | |
| Goods & Services | | 4,289 | - | 4,124 | - |
| Accrued expenses - other | | 759 | - | 2,176 | - |
| Amounts received in advance | | 828 | - | 817 | - |
| | | 5,876 | - | 7,117 | - |
| BORROWINGS | | | | | |
| Loans | | 1,190 | 4,115 | 1,143 | 5,305 |
| Lease Liabilities | | 1,313 | 2,364 | 1,100 | 3,005 |
| | | 2,503 | 6,479 | 2,243 | 8,310 |
| PROVISIONS | | | | | |
| Annual Leave | | 285 | - | 189 | - |
| Long Service Leave | | 231 | 95 | 138 | 85 |
| Provision for Capping Stage 3A | | - | 2,396 | - | 2,022 |
| Provision for Post Closure Site Rehabilitation | | - | 3,212 | - | 2,759 |
| Provision for Property Restoration | | - | 1,680 | - | 1,623 |
| | | 516 | 7,383 | 327 | 6,489 |
| RECONCILIATION OF MOVEMENT IN LANDFILL & RESTORATION PROVISIONS | | | | | |
| | | Provision for Capping Stage 3A | Provision for Post Closure Site Rehabilitation | Provision for Property Restoration | Total |
| Opening Balance | | 2,022 | 2,759 | 1,623 | 6,404 |
| Additional Amounts Recognised/(Derecognised) | | 234 | 453 | - | 687 |
| Payments | | - | - | - | - |
| Unwinding of Present Value Discounts | | 140 | - | 57 | 197 |
| Closing Balance | | 2,396 | 3,212 | 1,680 | 7,288 |



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2023

Note 7 - CASH FLOW RECONCILIATION

(a) Reconciliation of Cash

| | Notes | 2023 \$'000 | 2022 \$'000 |
|---|-------|----------------|----------------|
| Total cash & equivalent assets | 4 | 9,842 | 9,802 |
| Less: Short-term borrowings | | - | - |
| Balances per Statement of Cash Flows | | 9,842 | 9,802 |

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

| | | | |
|---|----|--------------|--------------|
| Net Surplus (Deficit) | | (563) | 2,373 |
| Non-cash items in Income Statement | | | |
| Depreciation, amortisation & impairment | 3 | 3,566 | 3,315 |
| (Gain) / Loss on Disposal of Assets | 3 | 7 | 1 |
| Capital Grants | | (2) | (60) |
| Lease Adjustment - Right-of-Use Asset | 12 | (71) | (11) |
| Unwinding of Present Value Discounts | 6 | 197 | 77 |
| Asset Transfer Adjustment | | (8) | - |
| | | 3,126 | 5,695 |
| Add (Less): Changes in Net Current Assets | | | |
| Net (increase) decrease in receivables | | 627 | (976) |
| Net (increase) decrease in inventory | | (27) | (23) |
| Net increase (decrease) in trade & other payables | | (1,241) | 450 |
| Net increase (decrease) in other provisions | | 199 | 22 |
| Net Cash provided by (or used in) operations | | 2,684 | 5,168 |

(c) Financing Arrangements

| | | | |
|--------------------------------------|--|-------|-------|
| Credit Card Facilities | | 25 | 15 |
| LGFA Cash Advance Debenture Facility | | 2,500 | 2,500 |



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2023

Note 8 - FINANCIAL INSTRUMENTS

Recognised Financial Instruments

| | |
|---|---|
| Bank, Deposits at Call, Short Term Deposits | <p>Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p>Terms & conditions: Deposits on Call do not have a maturity period and have an average interest rate of 4.3% (2022: 0.69% - 1.05%).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p> |
| Receivables - Gate Fees & Associated Charges | <p>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.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p> |
| Liabilities - Creditors and Accruals | <p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Authority.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p> |

Net Fair Value

All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Authority.

Risk Exposure

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Authority is the carrying amount, net of any provision for doubtful debts. All investments are made with the SA Local Government Finance Authority and Bank SA. There is no material exposure to any individual debtor.

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

Liquidity Risk is the risk that the Authority will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Policy (LGA Information Paper 15), liabilities have a range of maturity dates based on cash inflows. The Authority also has available a range of bank overdraft and short-term draw down facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Most of the Authority's financial instruments are at fixed rates. Any such variations in future cash flows will not be material in effect on either the Authority's incomes or expenditures.



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2023

Note 8 - FINANCIAL INSTRUMENTS (Cont)

Liquidity Analysis

2023

| | Maturity | | | Non- | Total |
|-------------------------|--------------|-----------|-----------|--------------|---------------|
| | ≤ year | > 1 year | > 5 years | interest | |
| | | ≤ 5 years | | bearing | |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Financial Assets | | | | | |
| Amortised Cost | | | | | |
| Cash Assets | 9,842 | - | - | - | 9,842 |
| Receivables | - | - | - | 4,221 | 4,221 |
| Total | 9,842 | - | - | 4,221 | 14,063 |

Financial Liabilities

| | | | | | |
|--------------|--------------|--------------|------------|--------------|---------------|
| Payables | - | - | - | 5,048 | 5,048 |
| Borrowings | 2,503 | 6,103 | 376 | - | 8,982 |
| Total | 2,503 | 6,103 | 376 | 5,048 | 14,030 |

2022

| | Maturity | | | Non- | Total |
|-------------------------|--------------|-----------|-----------|--------------|---------------|
| | ≤ year | > 1 year | > 5 years | interest | |
| | | ≤ 5 years | | bearing | |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Financial Assets | | | | | |
| Amortised Cost | | | | | |
| Cash Assets | 9,802 | - | - | - | 9,802 |
| Receivables | - | - | - | 4,747 | 4,747 |
| Total | 9,802 | - | - | 4,747 | 14,549 |

Financial Liabilities

| | | | | | |
|--------------|--------------|--------------|--------------|--------------|---------------|
| Payables | - | - | - | 6,300 | 6,300 |
| Borrowings | 2,253 | 6,383 | 1,917 | - | 10,553 |
| Total | 2,253 | 6,383 | 1,917 | 6,300 | 16,853 |



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2023

Note 9 - COMMITMENTS FOR EXPENDITURE

| Notes | 2023 \$'000 | 2022 \$'000 |
|--|-----------------------|----------------|
| Expenditure Commitments | | |
| Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities: | | |
| Audit Services | 18 | 35 |
| Waste Collection, Processing and Mobile Garbage Bin Supply Contracts | 23,234 | 36,125 |
| | 23,252 | 36,160 |
| These expenditures are payable: | | |
| Not later than one year | 16,730 | 17,128 |
| Later than one year and not later than 5 years | 6,522 | 19,032 |
| Later than 5 years | - | - |
| | 23,252 | 36,160 |

The Authority manages multiple external contracts with external suppliers for the collection, processing and disposal of waste on behalf of its Constituent Councils and customers. The commitments disclosed above reflect a consolidation of multiple contracts entered into with external suppliers. In future years, all contracts will be required to be renewed with external suppliers in accordance with adopted procurement policies and procedures of the Authority.

Note 10 - EVENTS OCCURRING AFTER REPORTING DATE

There were no events that occurred after reporting date that requires to be disclosed.

Note 11 - CONTINGENT LIABILITIES

The Authority has a performance bond/guarantee held with the Local Government Finance Authority to the Environment Protection Authority for an amount of \$1,350,000 in accordance with the requirements under its Post Closure remediation obligations for the Uleybury Landfill site.



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2023

Note 12 - LEASES

Authority as a lessee

The Authority leases external operations facilities, waste processing plant & machinery and motor vehicles.

| | Buildings & Other Structures \$'000 | Plant & Motor Vehicles \$'000 | Total \$'000 |
|----------------------------------|--|--|-------------------------|
| At 1 July 2022 | 3,085 | 789 | 3,874 |
| Additions of right-of-use-assets | - | 948 | 948 |
| Depreciation Charge | (985) | (635) | (1,620) |
| Right-of-Use Adjustments | (151) | 134 | (17) |
| At 30 June 2023 | 1,949 | 1,236 | 3,185 |

Set out below are the carrying amounts of lease liabilities and the movements during the period.

| | |
|----------------------------|--------------|
| At 1 July 2022 | 4,105 |
| Additions | 948 |
| Accretion of interest | (159) |
| Payments | (1,288) |
| Lease Liability Adjustment | (88) |
| At 30 June 2023 | 3,677 |
| Current | 1,313 |
| Non-Current | 2,364 |

Note 13 - DISCLOSURE OF RELATED PARTY TRANSACTIONS

The Key Management Personnel include the Chair of the Board, Chief Executive and other officers prescribed under the *Local Government Act 1999*. In all, 5 persons were remunerated as following:

| | 2023 \$'000 | 2022 \$'000 |
|--|------------------------|----------------|
| Salaries, allowances & other short term benefits | 692 | 753 |
| TOTAL | 692 | 753 |



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2023

Note 13 - DISCLOSURES OF RELATED PARTY TRANSACTIONS (Cont)

Transactions with Related Parties:

| Related Party Entity | Sale of Goods and Services (\$'000) | Amounts Outstanding from Related Parties (\$'000) | Description of Services Provided to Related Parties |
|-----------------------------|--|--|---|
| City of Salisbury | 17,164 | 1,194 | Provision of waste collection, processing and disposal services |
| City of Playford | 11,883 | 1,079 | Provision of waste collection, processing and disposal services |
| Town of Gawler | 3,000 | 477 | Provision of waste collection, processing and disposal services |

The Related Parties disclosed above are equity owners of the Authority (Member Councils). Member Councils have equal representation on the Board and accordingly have significant influence on the financial and operating decisions. No one Member Council individually has control of those policies.

In total, approximately \$4,559 of contractor services have been provided to the Authority from a Key Management Personnel close relation during the financial year. The Authority pays membership subscriptions totalling approximately \$21,362 for membership to the Waste Management and Resource Recovery Association on which the Authority's Chief Executive Officer sits on the Board of Management.

Note 14 - FAIR VALUE MEASUREMENTS

The Authority measures and recognises the following assets at fair value on a recurring basis after initial recognition:

- Land assets
- Building assets
- Stock on Hand
- Landfill Capping
- Post Closure Rehabilitation Costs
- Right-of-Use Restoration

The Authority does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

(a) Fair value hierarchy

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information according to the relevant level in the fair value hierarchy. This hierarchy categorises fair value measurements into one of three possible levels based on the lowest level that a significant input can be categorised into. The levels are outlined below:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2023

Note 14 - FAIR VALUE MEASUREMENTS (Cont)

The fair value of assets and liabilities that are not traded in an active market is determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2.

If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Authority selects valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured.

The valuation techniques selected by the Authority are consistent with one or more of the following valuation approaches:

- **Market approach:** uses prices and other relevant information generated by market transactions involving identical or similar assets or liabilities.
- **Income approach:** converts estimated future cash flows or income and expenses into a single current (i.e. discounted) value.
- **Cost approach:** reflects the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Authority gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs.

Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data are not available and therefore are developed using the best information available about such assumptions are considered unobservable.



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 for the year ended 30 June 2023

Note 14 - FAIR VALUE MEASUREMENTS (Cont)

The following tables provide the fair values of the Authority's assets measured and recognised on a recurring basis after initial recognition, categorised within the fair value hierarchy.

| 2023 | Notes | Level 1 \$'000 | Level 2 \$'000 | Level 3 \$'000 | Total \$'000 |
|--|-------|-------------------|-------------------|-------------------|-----------------|
| Recurring fair value measurements | | | | | |
| Infrastructure, Property, Plant & Equipment | | | | | |
| - Land | 5 | - | 3,365 | - | 3,365 |
| - Buildings | 5 | - | 3,839 | - | 3,839 |
| - Stock on Hand | | 77 | - | - | 77 |
| - Landfill Capping Asset | 5 | - | - | 2,256 | 2,256 |
| - Post Closure Rehabilitation | 5 | - | - | 3,229 | 3,229 |
| - Right-of-Use Restoration | 5 | - | - | 1,515 | 1,515 |
| Total financial assets recognised at fair value | | 77 | 7,204 | 7,000 | 14,281 |

2022

Recurring fair value measurements

Infrastructure, Property, Plant & Equipment

| | | | | | |
|--|---|-----------|--------------|--------------|---------------|
| - Land | 5 | - | 1,776 | - | 1,776 |
| - Buildings | 5 | - | 3,285 | - | 3,285 |
| - Stock on Hand | | 50 | - | - | 50 |
| - Landfill Capping Asset | 5 | - | - | 2,022 | 2,022 |
| - Post Closure Rehabilitation | 5 | - | - | 2,776 | 2,776 |
| - Right-of-Use Restoration | 5 | - | - | 1,515 | 1,515 |
| Total financial assets recognised at fair value | | 50 | 5,061 | 6,313 | 11,424 |

(b) Disclosed fair value measurements

The following table provides the level of the fair value hierarchy within which the disclosed fair value measurements are categorised in their entirety and a description of the valuation technique(s) and inputs used.

| | Fair Value Hierarchy Level | Valuation Technique | Inputs Used |
|---|-------------------------------|------------------------|--|
| There has been no change in the techniques used to measure the value of items disclosed in the financial statements. | 1 | Market | Based on expected sale price of goods based on existing contract prices. |
| There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the financial statements. | 2 | Market Value | Observable sales of similar properties – both vacant land and land with improvements. |
| There has been no change in the techniques used to measure the value of items disclosed in the financial statements. | 3 | Cost Approach | Landfill assets unobservable inputs. The measure of these costs requires significant estimates and assumptions such as: discount rate, inflation rate, assessment of EPA requirements, the timing, extent and costs of the required activities and the estimated remaining airspace of the landfill. |



Northern Adelaide Waste Management Authority

Financial Statements 2022-2023

Galpins

Accountants, Auditors
& Business Consultants



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NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

GENERAL PURPOSE FINANCIAL STATEMENTS

For the year ended 30 June 2023

Statement by Auditor

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

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

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

Tim Muhlhausler CA, Registered Company Auditor
Partner

Date: 22 September 2023

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INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL REPORT

To the members of the Northern Adelaide Waste Management Authority (NAWMA)

Opinion

We have audited the accompanying financial report of NAWMA (the Authority), which comprises the statements of financial position as at 30 June 2023, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by the Executive Officer and the Chairperson.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Authority as at 30 June 2023, and its financial performance and its cash flow for the year then ended in accordance with the Australia Accounting Standards, *Local Government Act 1999* and *Local Government (Financial Management) Regulations 2011*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility for the Financial Report

The Authority 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 the *Local Government (Financial Management) Regulations 2011* and for such internal control as Authority determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Authority is responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Authority either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Authority's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Report

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

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

- Identify and assess the risk of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of the financial report in order to design procedures that are appropriate in the circumstances, but for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Tim Muhlhausler CA, Registered Company Auditor
Partner

Date: 22 September 2023

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INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL CONTROLS

To the members of the Northern Adelaide Waste Management Authority (NAWMA)

Independent Assurance Report on the Internal Controls of NAWMA

Opinion

We have audited the compliance of NAWMA (the Authority) with the requirements of Section 125 of the *Local Government Act 1999* in relation only to the internal controls established by the Authority to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2022 to 30 June 2023 have been conducted properly and in accordance with the law.

In our opinion, the Authority has complied, in all material respects, with Section 125 of the *Local Government Act 1999* in relation to internal controls established by the Authority in relation 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 Authority have been conducted properly and in accordance with law for the period 1 July 2022 to 30 June 2023.

Basis for Opinion

We conducted our engagement in accordance with applicable Australian Standards on Assurance Engagement ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and ASAE 3150 *Assurance Engagement on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Authority has complied with Section 125 of the *Local Government Act 1999* in relation only to the internal controls specified above for the period 1 July 2022 to 30 June 2023. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

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

Responsibility for Internal Controls

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

Our Independence and Quality Control

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, and applied Auditing Standard ASQC 1 *Quality Control for Firms that Performs Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements* in undertaking this assurance engagement.

Auditor's responsibility

Our responsibility is to express an opinion on the Authority's compliance with Section 125 of the *Local Government Act 1999* in relation only to the internal controls established by the Authority to ensure that financial transactions relating to receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities have been conducted properly and in accordance with law, based on our procedures.

Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Information* and ASAE 3150 *Assurance Engagements on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Authority has complied with Section 125 of the *Local Government Act 1999* in relation only to the internal controls specified above for the period 1 July 2022 to 30 June 2023. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

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

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 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.

Limitation of use

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

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Tim Muhlhausler CA, Registered Company Auditor
Partner

Date: 22 September 2023



NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2023**

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Northern Adelaide Waste Management Authority for the year ended 30 June 2023, the Authority's Auditor, Galpins, 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*.

Toby Terlet
Chief Executive Officer

Date: 14/09/2023

Mark Labaz
Chairman - Audit Committee

Date: 14/09/2023



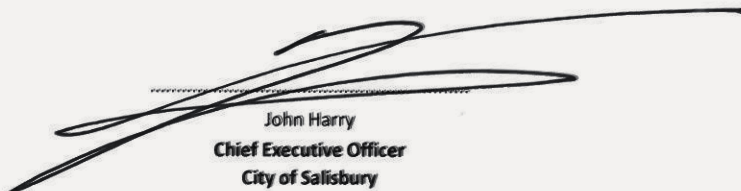
NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2023**

CONSTITUENT COUNCIL CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Northern Adelaide Waste Management Authority for the year ended 30 June 2023, the Authority's Auditor, Galpins, 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*.



John Harry
Chief Executive Officer
City of Salisbury

Date: 25/09/2023.



NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2023**

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.....

Sam Green
Chief Executive Officer
City of Playford

Date: 25th September 2023



NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

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Henry Inat
Chief Executive Officer
Town of Gawler

Date: 27/9/2023

Resource Recovery Centres

148,797

CUSTOMERS

utilised the Edinburgh North
and Pooraka RRC's

21,982

TONNES

of material were diverted to
alternative fuels



18,081

MATTRESSES

were processed at the Edinburgh
North and Pooraka RRC's

6,422

TYRES

were processed at the Edinburgh
North and Pooraka RRC's



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