



an annual report 2010



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Chairman's Report



I am delighted to present the Annual Report of the Mindarie Regional Council for the year ended 30 June 2010.

This has been a year of highs and lows. The highs include a successful first year of operation of the Resource Recovery Facility (RRF) and continued excellent performance with the landfill and recycling centre operations at Tamala Park.

The year however has been marked by two significant events: the increase to the landfill levy which has increased prices for all our customers bringing waste to landfill, and a review of gate fees for our member Councils. The first of these we have accommodated; but the second may well change the future structure of the Council.

Dealing with the positives first, I would like to congratulate all involved in our operations. The MRC operates one of the State's largest landfill operations – still the only government-managed facility to hold ISO14001 accreditation -- and the RRF is operating at full capacity and is contributing significantly to reducing the amount of waste going to landfill.

The RRF, owned and operated by BioVision 2020 Pty Ltd under a 20-year contract with the MRC, is meeting our expectations. Almost 16,000 tonnes of a new source of nutrient-rich compost have been added to Perth's agricultural soils over the past year. The compost produced at the facility has been successfully marketed by Custom Compost and has been well received by the agricultural industry.

The Key Performance Indicators for the facility have been met, and visitors to the facility are uniformly impressed with the ability to recover usable material from household waste.

In the last weeks of the 2008/09 financial year the State Government announced a 300% increase to the landfill levy and signalled an intention to hypothecate funds raised through the landfill levy into the Department of

Environment and Conservation for non-waste-related activities. The funds generated through this levy have traditionally been channelled back into the waste industry to support initiatives which encourage greater reuse or recycling and diversion of waste from landfill.

While the move to raise the landfill levy was supported, the MRC joined with other industry forums to strongly argue for retention of the funds raised.

The landfill levy is a levy that the State Government charges for all waste that is disposed of to landfill. It has been in operation in WA since 1998 to provide a financial disincentive to landfill users. The new levy for putrescible (material which is capable of rotting) waste is now \$28/tonne.

When the increase in the landfill levy was announced, the MRC discussed with its member Councils how to manage the increase in fees. The agreed approach was to average the increased levy cost over the whole financial year for Councils. The charges that each Council pays for disposal of household waste to landfill are passed on to residents as a component of Council rates. On the heels of the landfill levy implementation in January 2010, our member Councils initiated a discussion about the appropriate gate fee model for member Councils.

Under the previous fees model, the seven Councils in the region paid a different fee for disposal of processable and non-processable waste. An alternative single fee model was proposed by a group of Councils within the MRC and was adopted by the MRC at its Ordinary Council Meeting in April 2010 as an improved way of structuring fees.

The City of Stirling disagreed with the decision and determined to take the matter to the Supreme Court. Out of court resolution was achieved following the end of the financial year and the process for the City of Stirling to withdraw from the Regional Council will play out over the 2010/11 financial year.

Important achievements for the year include:

- The continued provision of world class services for waste disposal to landfill for approximately 590,000 residents in the region.
- The continued expansion of our recycling business, particularly in regard to the management of household hazardous waste and electronic waste, while markets for plastics, cardboard/paper and glass continue to fluctuate.



Chairman's Report

- Expansion of our electricity generation capability via landfill gas – of growing importance in the current climate of concern about carbon emissions and greenhouse gas reduction.
- Continued good work by the Community Engagement Advisory Group (CEAG) on matters related to the Resource Recovery Facility.
- The development of a business plan FY 2010/11.
- The completion of further construction work to maximise the space available to us for landfilling at Tamala Park.
- The continued implementation of the Council's waste education strategy, via the Waste Education Strategy Steering Group (WESSG), and consolidation of a number of good initiatives.
- Further improvements to the Council's business systems, particularly in relation to financial management.
- Progress made on development of an Integrated Waste Management Plan for the region.

Much has been happening at National and State levels in the area of waste. A new National Waste Policy was delivered during the year and Extended Producer Responsibility schemes are now inching towards reality.

At State level the process of developing a new Waste Strategy for the State continued throughout the year and we are hopeful of it being announced shortly.

At State level the MRC is a strong participant and contributor to the Municipal Waste Advisory Council (MWAC), the Waste Management Association Western Australian Division (WMAA), and the Forum of Regional Councils (FORC). Through FORC the MRC is continuing the push for waste to be recognised as an essential service, and for a higher percentage of funds raised by the Government through the landfill levy to be returned to the waste industry particularly to support investment in new waste infrastructure.

Other challenges for the future include the management of the existing landfill, the identification of a landfill facility capability beyond Tamala Park, continued

operation of the Resource Recovery Facility and the ongoing education of our community about what not to put in the bin, and the support of waste minimisation as a priority to reduce the increase in the volume of waste being generated.

The corporate management of the Council's business continues to be excellent, and this has been substantiated through the completion of the 2009/10 audit by the Council's auditors. A copy of the audit report is included in this document. The good financial management of the finances of the Council is reflected in the healthy financial position of the Council as at 30 June 2010.

I thank all elected members of the Council for their work over the reporting year.

I also express my appreciation to the customers of our Council, as well as those who provide an extensive range of consultative and logistical services to our business.

I also thank those dedicated officers from our member Councils for their continuing contribution to our business.

Next I thank Kevin Poynton, Chief Executive Officer, and the staff based at Tamala Park for their continued good work in the execution of our business activities to an excellent standard.

I would like to express our thanks to Russell Sewell and the community representatives of our Community Engagement Advisory Group who continue to work closely with the Council to reflect and advise us of the community's views on various significant aspects of the resource recovery project, and our broader waste education initiatives.

I commend this Annual Report to you.



Councillor Russ Fishwick
Chairman



CEO's Report



It is with pleasure that I present my report on the business of the Mindarie Regional Council for the year ended 30 June 2010. The business of the Council is described in two broad dimensions:

- Management of current operations
- Projects

Management of Current Operations

Waste Reveal Activities

The key business activity of the Council is disposal of waste to landfill at the Tamala Park Refuse Disposal Facility. Through the operation of the Resource Recovery Facility which recovers the organic component of waste and turns it into compost, we have been able to reduce the tonnages going to landfill and by doing this, we are extending the life of the Tamala Park Landfill.

Details of waste tonnages received include, for the first time, waste delivered to the Resource Recovery Facility and waste delivered to Tamala Park. Details of this disposal for the year ended 30 June 2010 are as follows:

Resource Recovery Facility

Member Councils	Tonnes to Resource Recovery Facility
City of Joondalup	28,618
City of Perth	5
City of Wanneroo	24,365
Town of Cambridge	5,192
Town of Victoria Park	4,110
Town of Vincent	2,720
Total tonnage of waste received at RRF	65,010
Output Materials	
Compost to Market	15,963
Residue to Landfill (waste)	28,889
Recycling (Metals)	662
Process Losses (H2O + N)	19,496
Total	65,010

Tamala Park Landfill

Member Councils	Tonnes to Landfill
City of Joondalup	36,099
City of Perth	14,456
City of Stirling	93,222
City of Stirling Bales	23,739
City of Wanneroo	41,972
City of Wanneroo Bales	11,290
Town of Cambridge	5,613
Town of Victoria Park	8,596
Town of Vincent	10,755
SUBTOTAL	245,742
Other Depositors	
Resource Recovery Facility residues transferred	28,889
City of South Perth	156
Casuals	41,127
SUBTOTAL	70,172
Total tonnage of waste received to landfill	315,914

These results indicate that for the Financial Year 2009/10 the Resource Recovery Facility diverted 36,121 tonnes of waste from landfill.

The receipt and processing of waste consists of waste to landfill and general waste.

Recycling Activity

The Council conducts a number of programs which are designed to optimise the value of resources disposed to Tamala Park. These programs are as follows:

- The disposal of selected reusable resources to the public, on a fee for purchase basis, for reuse through the Recycling Shop. This resulted in an annual income for the financial year 2009/10 of \$140,700.
- The disposal of particular waste streams, for recycling, in order to either maximise their further use or minimise their harmful impact to the environment. These waste streams include:

- Metal
- Oil
- Cardboard/paper
- Batteries
- Household hazardous waste
- Paint
- Glass

The sale of metals, paper, cardboard and glass raised \$405,436.



CEO's Report

Landfill Operations

The Council continues to operate one of the largest Class Two landfill facilities in metropolitan Perth in accordance with industry best practice. Compaction standards have been satisfactory. Work has continued on the management of landfill gas from the existing landfill, and the continuous development of the Stage Two landfill. A number of operational improvements have occurred during the year, including the exploitation of existing limestone using a crusher facility.

Staff

The Council had a total of 34 full-time staff, 10 part-time staff (equivalent of four full-time staff) and four positions filled by contractors during the year. The Enterprise Bargaining Agreement (EBA) established previously has worked well and a revised EBA, titled Collective Workplace Agreement, was approved in November 2008.

Our staff have continued to operate in a professional, diligent and cooperative manner through the year and should be congratulated on their endeavours. All staff have been provided opportunities for training in areas relevant to their work. The annual review of the Chief Executive Officer was successfully conducted by the Council in mid 2010.

Customer Issues

Our Tamala Park team has continued to deliver excellent service to our customers during the year. This was evidenced by the results of the Stakeholder Survey, reported under Operational Performance.

Facilities

The Council's improved administration facility has been in operation since September 2000, and continues to be a valuable component of our business. The training room is utilised widely for meetings, workshops, training and social events.

The Council has continued to meet at the facilities of member Councils, and the hospitality of the member organisations is to be applauded.

In addition, the co-operation of the City of Stirling, Town of Vincent and Town of Cambridge should be noted, with particular reference to these organisations' ability to provide facilities for a range of events including working group meetings, workshops and other forums.

The establishment of infrastructure was completed at the Neerabup Resource Recovery Facility site, with final internal fit-out work on the Visitors Centre to be completed in Financial Year 2010/11.

Plant and Equipment

The Council continues to operate a fleet of contemporary equipment. The use of hire equipment occurs where appropriate and this includes a tracked earthmoving item for work on landfill batters and elsewhere.

Occupational Safety and Health

The Council has continued to implement best practice Occupational Safety and Health systems and currently has a certified Occupational Safety and Health Officer.

The Council has also introduced an electronic system for the management of inspections and incidents related to OSH.

In addition, the administration conducted the following OSH activities:

- Completed the writing of Standard Operating Procedures for a large number of common tasks in the workplace. This was done by consulting with operational staff and observing the tasks in question. This will be an ongoing project as more tasks are identified.
- Reviewed and updated Safe Work procedures in the MRC Business Manual.
- Continued OHS specific training in the workplace such as Manual Handling and First Aid.
- Conducted annual skin screenings and hearing tests as part of the overall wellness program for staff.
- Conducted conversion of staff forklift tickets to national High Risk Licenses where eligible for conversion, and those not eligible have attended training.
- Reviewed the Safety Management System using Workplan from Worksafe.

Governance

The Council has conducted its business in accordance with its previously completed Business Manual. Appropriate amendments to this manual have occurred during the reporting year. The Council's Business Manual is under review, and this exercise is ongoing with respect to Council policies.

In addition the Council continues to operate contemporary governance systems, in accordance with the appropriate legislation.



CEO's Report

This year saw the revision of Council's officer forums to include a Strategic Projects Committee, with representatives of member Councils working with the MRC administration to progress strategic projects such as future landfill and resource recovery capabilities.

Records Management

The MRC Record Keeping Plan 2005, approved for a five year period by the State Records Office of WA, is currently under review and is due for completion by December 2010.

The electronic document records management system TRIM, which captures MRC records electronically, was upgraded to version 6.4 in 2009. Training was completed in 2009 for all staff prior to the upgrade of TRIM with ongoing training to be provided in-house for all staff, including senior management, by the MRC Records Officer. Retention schedules for the management of MRC records for archiving are in place.

The State Records Office of WA called for comment on the Draft Revised General Disposal Authority for Local Government Records in 2010 to which the MRC provided input from a waste management perspective. The DRGDA provides a legal basis for the disposal of all local government records.

Disability Access and Inclusion

In 2006, the MRC developed a Disability Access and Inclusion Plan (DAIP) which was lodged with the Disability Services Commission in 2007.

The Access and Inclusion Plan has been developed by MRC to ensure that people with disabilities are included and can access services, use facilities and functions provided by the MRC.

The Plan includes:

1. Principles applicable to people with disabilities
2. A disability anti-discrimination statement
3. Functions, facilities and services provided by the MRC
4. A statement of outcomes relevant to the Plan
5. Strategies to improve access and inclusion at MRC

The MRC Access and Inclusion Plan is currently under review and due for completion in December 2010. The Access and Inclusion Plan may be amended and extended as new strategies are identified and priorities change.

Marketing and Education

The commissioning of the Resource Recovery Facility has provided a focus for strategic marketing and waste education activities this year. The significance of the RRF and its role in producing compost from waste and diverting waste from landfill has provided a powerful platform on many fronts and has helped to position the MRC as a leader in environmentally sound waste management.



Our progress this year has been based on a number of important components including:

- Launch of a new-look website with a more user-friendly format
- Huge increase in tours to our facilities
- Participation in metropolitan-wide programs to divert Household Hazardous Waste, e-waste and dry-cell batteries from the household waste stream for appropriate and safe disposal
- Effective outreach programs that take the waste message to community events and schools throughout the region through the work of our Waste Education team and the "Roaming Recycler" mobile display
- Continued strengthening of community involvement through the Earth Carers program

This year we introduced a summary sheet titled "From the Desk of the CEO" which reports on key discussions and decisions from the Ordinary Council Meetings and is circulated within the member Councils to facilitate information flow about the work of the Council.

A bi-monthly calendar of waste education events is widely circulated to inform MRC Councillors, Council Elected Members and Council staff about our busy program in this area.



CEO's Report

Regulatory Issues

The Council continues to maintain an excellent working relationship with the Department of Environment and Conservation resulting in the continued renewal of licence conditions for the Tamala Park operation.

The annual Environmental Compliance Audit was again conducted by consultants from URS and the results from this exercise were pleasing. In addition, the Council has worked closely with the CSIRO in regard to Groundwater Management. The Council continued to perform to the standards of ISO 14001 environmental certification.

Regional Cooperation

The Council has continued to cooperate on a regional basis with others. Examples of this work include:

- The continued sharing of information with other Regional Councils, via the Forum of Regional Councils (FORC)
- Continued involvement of staff in the planning and execution of the annual Waste and Recycle Conference
- The conduct of Household Hazardous Waste collection days within the region
- Participation in the metropolitan-wide dry-celled battery collection and recycling program.

Projects

The Council has conducted the following projects during the reporting year:

- The continuation of extensive groundwater investigative tasks by CSIRO
- Further works associated with the continuous development of the Stage Two Landfill
- Further work associated with the management of landfill gas produced from the landfill, including generation of electricity
- Commissioning of the Resource Recovery Facility at Neerabup, and completion of the first year of operation
- Completion of six State Government-funded investigative projects under the Strategic Waste Minimisation Plans (SWMP) initiative
- Investigations into the potential impact of an Emissions Trading Scheme (ETS) on the business.

Financial Management

The Council has continued to operate in accordance with those previously approved financial policies and precepts. The audit of the Financial Statements for the Financial Year ended 30 June 2010 has been completed and the Council is in a healthy financial position. The Council has approved the Budget for Financial Year 2010/2011 for implementation at its July 2010 Council Meeting.

Council adopted in April 2010 a revised pricing model for members. This has resulted in the City of Stirling opting to withdraw from the Regional Council.

Future Directions

The Council has in place its key plans namely, a Strategic Plan, a Strategic Financial Plan, a Business Plan for 2010/2011, and an approved Budget 2010/2011.

Significant projects for the coming year are:

- The continuation of the exploitation of landfill gas within the landfill
- The continuation of construction of cells in the Stage Two landfill
- Further work associated with the progression of resource recovery within the region, including commencement of planning for RRF Stage Two, as well as operation of the Neerabup Resource Recovery Facility
- Adoption of an improved governance instrument, in the form of an Establishment Agreement
- Continued implementation of the Council's Marketing and Education Plan
- The continuation of work associated with 'Son of Tamala' landfill and regional initiatives (under the SWMP program)
- Continuation of liaison with Tamala Park Regional Council on matters of common interest associated with Tamala Park land
- Completion of the restructure of MRC, including City of Stirling withdrawal



Clean2Stream
greener recycling

A Special Invitation...

You have been chosen to participate in an innovative recycling trial and we need your support.

CEO's Report

Conclusion

In summary, I wish to express my appreciation to a number of individuals and groups for their work during the year.

- The Council's outgoing Chairman, Cr Rod Willox
- The Council's current Chairman, Cr Russ Fishwick
- The Council's Deputy Chair, Cr Corinne MacRae
- The Chairman of the Council's Secondary Waste Treatment Facility Working Group and RRF PAG representative, Cr Laura Gray
- All those other Councillors who have participated in various forums associated with Council's business
- Those Officers from member Councils who have been heavily involved in forums such as the Technical Working Group, Secondary Waste Treatment Facility Working Group, Waste Education Strategy Steering Group, and Strategic Projects Committee
- Chief Executive Officers of the member Councils
- The staff of the MRC including the Managers – Mr Kalwant Dhillon, Mr Mike Tolson, Ms Kathleen van Son, Dr Gae Synnott and Mr Ian Watkins
- All those customers of the Council's business
- Those external providers including consultants, trades people, suppliers and government agencies
- The Community Engagement Advisory Group led by Mr Russell Sewell, and our communities across the region for their continued interest and involvement in the Council's business.

Kevin F Poynton
Chief Executive Officer



Mindarie Regional Councillors

Council – 1 July 2009 to 30 June 2010



MRC Councillors

Back row from left: Steed Farrell, Corinne MacRae, Rob Butler, Bill Stewart, David Boothman, John Bisset, Jason Robbins
 Front row from left: Kevin Poynton (CEO), Laura Gray, Sharon Cooke, Russ Fishwick, Kerry Hollywood, Dot Newton

Chairman Cr Russ Fishwick

Deputy Chairman Cr Corinne MacRae

Delegates

City of Joondalup Cr Russ Fishwick, Cr Kerry Hollywood

City of Perth Cr Rob Butler

City of Stirling Cr David Boothman, Cr Sharon Cooke,
 Cr Jason Robbins, Cr Bill Stewart

City of Wanneroo Cr Laura Gray JP, Cr Dot Newton JP

Town of Cambridge Cr Corinne MacRae

Town of Victoria Park Cr John Bisset

Town of Vincent Cr Steed Farrell

Senior Officers

Chief Executive Officer Kevin F. Poynton

Chief Financial Officer Kalwant Dhillon

Operations Manager Mike Tolson

Administration Manager Kathleen van Son

Projects Manager Ian Watkins

Marketing and Education Manager Gae Synnott



The Council's Strategic Plan

The MRC's Strategic Plan 2009 – 2029 came into effect on 1 July 2009 and has guided the work of the MRC this year.

Our vision

We, at Mindarie Regional Council, are setting and achieving the standard for minimising the impact of waste on the environment, for the benefit of the region's community.

Our mission

We, at Mindarie Regional Council, are:

- Delivering effective, efficient and environmentally sound waste processing services.
- Leading our community in sustainable waste management practices via a "reduce, reuse and recycle" philosophy.

The Strategic Plan identifies five strategic objectives and strategies associated with each objective, listed in the next column.

A copy of the Strategic Plan is available on the website at www.mrc.wa.gov.au.

Objective One – Waste Management

To manage waste in a way that maximises resource recovery and minimises waste to landfill in order to minimise environmental impact.

Objective Two – Waste / Resource Processing

To identify, evaluate and implement opportunities for expansion of the waste management business.

Objective Three – Industry Leadership and Advocacy

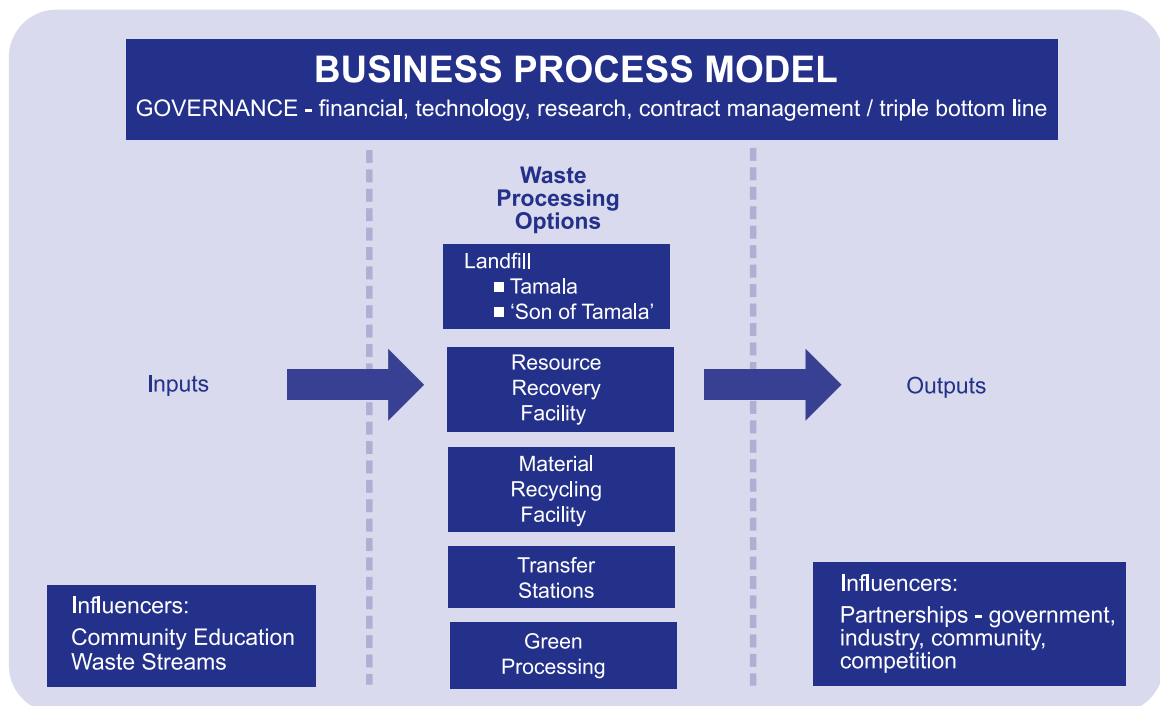
To identify and promote industry-wide initiatives for improvements to waste / resource management, particularly in relation to waste minimisation and resource recovery.

Objective Four – Community Engagement

To engage with the community in the Mindarie region in order to promote behaviour consistent with the region's operational plans for waste / resource management.

Objective Five – Organisational Management

To maintain excellent organisational management of the Mindarie Regional Council organisation.



Performance Summary Against Annual Business Plan 09/10

The Council's Annual Business Plan for the year 2009/10, together with associated performance outcomes, is summarised here.

Objective One: Waste Management

Approved Action	Outcomes
<ul style="list-style-type: none"> Operate existing waste processing projects at, at least, Tamala Park (landfill, recycling and reuse) and Neerabup (resource recovery) Generate income via waste processing projects at Tamala Park i.e. landfill gas, recycling 	<ul style="list-style-type: none"> Tamala Park programs have delivered excellent outcomes in accordance with regulatory requirements Resource Recovery Facility Neerabup performing satisfactorily at end of financial year, after some earlier performance issues

Objective Two: Waste/Resource Processing

Approved Action	Outcomes
<ul style="list-style-type: none"> Develop integrated regional plan for processing of at least municipal solid waste (MSW) Develop plans for additional waste processing facilities within the region, i.e. 'Son of Tamala', RRF Stage Two Investigate additional opportunities for expanded waste processing capability e.g. Balcatta Transfer Station 	<ul style="list-style-type: none"> Integrated regional plan completed Plans for additional waste processing facilities progressing Plans involving Balcatta Transfer Station on hold pending restructure of MRC

Objective Three: Industry Leadership and Advocacy

Approved Action	Outcomes
<ul style="list-style-type: none"> Participate in defined external industry-related forums e.g. MWAC, WMAA, WALGA, FORC Strengthen partnerships with Government, industry and academic institutions in order to promote improvement in waste management sector particularly via the SWMP projects Identify and adopt contemporary approaches to waste/resource management, at least within the region 	<ul style="list-style-type: none"> MRC representatives continued to participate actively in MWAC, FORC, and WMAA-WA Ideas for investigation identified by MRC representatives at relevant conferences



Performance Summary Against Annual Business Plan 09/10

The Council's Annual Business Plan for the year 2009/10, together with associated performance outcomes, is summarised here.

Objective Four: Community Engagement

Approved Action	Outcomes
<ul style="list-style-type: none"> ■ Improve MRC understanding of community characteristics ■ Operate an effective integrated communication strategy for MRC stakeholders ■ Operate an effective waste education strategy in order to promote community behaviour consistent with operational plans ■ Maintain the CEAG forum as a community engagement tactic for RRF issues 	<ul style="list-style-type: none"> ■ Excellent outcomes achieved against Marketing and Education plan, as evidenced by the results of Mindarie Stakeholder Survey ■ CEAG has continued to make a powerful contribution to MRC's community engagement initiatives associated with RRF

Objective Five: Organisational Management

Approved Action	Outcomes
<ul style="list-style-type: none"> ■ Maintain and improve existing contemporary business systems, e.g. finance, procurement, project management, customer service and marketing, structure, staffing, governance ■ Strengthen Member Council partnerships and relationships ■ Review and where appropriate, revise funding strategies for the business within the context of the approved Strategic Financial Plan ■ Develop and implement comprehensive Marketing Plan for the region 	<ul style="list-style-type: none"> ■ Current business systems operated effectively ■ Revised member pricing model introduced ■ Marketing and Education Plan implemented



Waste Management

Our objective: To manage waste in a way that maximises resource recovery and minimises waste to landfill in order to minimise environmental impact

TAMALA PARK OPERATIONS

The Tamala Park operations in Mindarie include the Landfill Facility, Waste Transfer Station, and the Recycling Centre.

Landfill operations

During this financial year we constructed and opened up the last landfill area on our site. Construction of the Stage 2 Phase 3 landfill required the excavation of 1 million cubic metres of limestone. This was completed in December 2009. In early 2010, the base of the void was covered with a landfill liner and by May the new landfill area was ready to accept waste.

The construction of Phase 3 completes the landfill expansion activities on site as laid out in the facility development approval. All future waste placement will occur over the existing landfill area until the final dome

shaped landfill profile has been achieved and the landfill is closed. Based on current predictions, it is anticipated that the landfill will reach maximum capacity by 2021.

The life of the landfill will be extended by between seven and 10 months with the installation of the Tarpomatic Tarping System, planned for installation in January 2011. The Tarpomatic is an alternative daily cover to limestone and the decision to introduce this new system will generate approximately 20,000 to 30,000 cubic metres of annual savings in airspace. This will create the capacity to accept an additional 16,000 to 24,000 tonnes of waste annually. The annual saving in airspace is estimated at between \$215,000 to \$324,000 in today's costs, which means that the investment of \$250,000 will be covered in the first year of operation. The decision to install the Tarpomatic Tarping System was made during this financial year.



Waste Management

Environmental management on site

Environmental management of the site is very important. A weekly environmental inspection of the Recycling Centre, Waste Transfer Station, boundary and the working tipface is carried out to ensure that we comply with our Department of Environment and Conservation (DEC) license requirements and ISO 14001 standards.

Extensive ground gas monitoring is undertaken monthly, and ongoing groundwater investigations are undertaken by the CSIRO on behalf of the MRC.

During the year contractors treated four *Phytophthora* (Dieback) identified sites within Tamala Park with applications of phosphate via folia spray and stem injections.

A number of steps were taken during the year to deal with the invasion of millipedes on site. Residents close to Tamala Park were consulted about the extent to which millipedes were an issue and light traps were distributed to those who opted to participate in a trial. The decision was subsequently taken to install a 200m galvanised millipede barrier on the Kinross neighbourhood side to prevent millipedes travelling beyond our perimeter. The installation occurred during August 2010.



New weighbridge

The outbound weighbridge was seriously damaged in December resulting from a vehicle collision. The weighbridge building required extensive repairs and the weather protection portal was completely replaced. Overheight vehicle protection was also installed to prevent the risk of similar damage in the future. The repairs were completed by August 2010.

Waste Transfer Station

We experienced slight increases in customers and volume of waste to the Waste Transfer Station with 70,961 vehicles through the weighbridge, and a total volume of 16,071 tonnes of waste. A previous lack of operators in the market to recycle glass was resolved this year and we were pleased to be able to deliver 25 tonnes of glass to a local agent who accepted glass for processing in South Australia.

Mattresses

The practice of landfilling mattresses not only uses up a lot of airspace, it misses the opportunity for recycling of the component parts. Following our trial last year with the EMRC's mattress recycling program, we delivered 3,320 mattresses brought to the transfer station to the Hazelmere mattress recycling facility.



Recycling Centre

Recycling statistics reached a healthy level this year and generated revenue of almost \$550,000 from 30,000 transactions through the Recycling Shop and recycling of:

Ferrous and non-ferrous metals – nearly 2000 tonnes
Lead acid batteries – 80 tonnes
Paper and cardboard – 334 tonnes

The following products were processed:

38 tonnes of paint
32 tonnes of Household Hazardous Waste
150 tonnes of e-waste

In late 2009 the MRC joined a National Refrigerator Degassing program and four staff were trained to de-gas commercial and domestic fridges and air conditioners. This enabled us to de-gas 1400 fridges and air conditioners leading to the collection of 300 kilograms of CFC gas.

Waste Management

RESOURCE RECOVERY OPERATIONS

First successful year of operation

The Resource Recovery Facility in Neerabup, owned and operated by BioVision Australia 2020 Pty Ltd under contract to the MRC, commenced operation in July 2009. Following a 10 year planning and development period, the facility was successfully commissioned on 15 July 2009, and the 20-year contract with BioVision commenced on July 16.

The RRF has been developed to process the organic fraction of household waste from the green-lidded wheelie bin to produce market-quality compost. In the first year of operation almost 16,000 tonnes of nutrient-rich compost has been produced, and 36,121 tonnes of waste was diverted from landfill. A small amount of steel separated through the process is captured for recycling.

The RRF is designed to receive 100,000 tonnes of waste annually. Start-up issues and equipment repairs required during the year led to a slow start but

following completion of repairs in January the facility operated at greater than 100% capacity for the remainder of the year.

The facility continues to operate at full capacity and is meeting expectations. Key Performance Indicators have been met and the compost produced at the facility has been successfully marketed by Custom Compost and has been well received by the agricultural industry.

Waste from green-lidded household wheelie bins from the Cities of Joondalup and Wanneroo, and the Towns of Cambridge, Victoria Park and Vincent is brought to the RRF for processing.

The City of Perth waste is also available to be processed. However, currently there is insufficient capacity within the RRF to receive all of the region's domestic waste. Recyclables in yellow-lidded bins will continue to be processed separately.

The Key Performance Indicators (KPIs) as agreed to by project participants and incorporated into the Resource Recovery Facility Agreement (RRFA), and results against the KPIs, are as follows:

KPI	Target	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Environmental Standard – Number of Breaches	0	0	0	0	0
Waste Diversion	71.4%	68.3%	- 6.1%	63.1%	50.2%
Quality of Compost – Number of Breaches	0	9	5	1	0
Quantity of Recyclable Packaging - Below Target Tonnes	0.8%	0.70%	1.59%	1.02%	1.14%
Health and Safety - Number of LTI's (lost time injury)	0	0	0	0	1
Community Acceptance – Number of Complaints	0	0	2	12	4
Project Culture - PAG Chairperson Score	100	100	100	100	100

Waste Management

Ongoing operation of CEAG

Since the early days of development of the RRF project, the MRC has sought community input through the Community Engagement Advisory Group (CEAG), which has worked closely with the MRC project team since 2003 and more recently with BioVision's operational staff, and still continues to meet regularly.

In 2003, CEAG led a consultative process to create a Community Partnership Agreement (CPA), which documented the community's expectations for construction and operation of the facility. Endorsed by the MRC in December 2003, the CPA has become an important component of the contractual documentation between the MRC and BioVision.

CEAG's review of adherence to the conditions in the CPA, undertaken on commencement of the facility operations, confirmed that the actions completed by the time of Practical Completion were in accordance with the CPA. A copy of both the CPA and the review is available on the MRC website.

(Go to www.mrc.wa.gov.au > Resource recovery > Community engagement and follow the hyperlink).

Complaints log

In conjunction with BioVision, the MRC developed a Complaints Management Procedure which enables community members to log instances of odour.

Community calls go straight to the operators of the facility so that complaints for which the RRF is responsible can be immediately addressed.

The log of calls and how each call was resolved is available on the MRC website and is updated monthly. (Go to www.mrc.wa.gov.au > Resource recovery > Complaints management and follow the hyperlink).

LANDFILL GAS ACTIVITIES

Methane gas extraction has continued unabated during the year. Landfill Gas & Power (LGP), the contractor responsible for the landfill gas management, has consistently produced 4.65 megawatts of green power from the methane content of the landfill gas. Some of this power is consumed within the LGP operation, with a net 4.2 megawatts being exported off site into the state electricity grid for on-selling to commercial customers.

LGP installs new gas extraction wells in areas of recent landfilling on a continual basis to maximise the capture of landfill gas. This capture of landfill gas from "fresh" waste replaces the slowing down of gas production from older areas of the landfill and enables LGP to maintain the necessary methane content to continuously sustain maximum green power generation.

RESULTS FROM STAKEHOLDER SURVEY

The bi-annual Stakeholder Survey, completed in April 2010, sought feedback on the MRC's operations from a range of stakeholder groups.

Customers to the Tamala Park Waste Transfer Station and Recycling Centre were surveyed, as were drivers bringing waste to the RRF or directly to the landfill.

Key aspects of Recycling Centre customer feedback included:

- 98% visit the Recycling Centre to shop for goods; only 9% visit to drop off goods that can be recycled
- 90% are satisfied with the services and facilities at Tamala Park
- 96% believe that the MRC provides value for money
- 94% believe the MRC meets customers' needs

Key aspects of Transfer Station customer feedback included:

- 77% bring mainly household waste; 23% bring mainly commercial waste
- 94% are satisfied with the services and facilities at Tamala Park
- 100% satisfaction with operational aspects such as efficiency of process and the unloading area
- Overall, the proportion of people who are totally satisfied vs. somewhat satisfied has declined since the previous study

Waste /Resource Processing

Our objective: To identify, evaluate and implement opportunities for expansion of the waste management business

INTEGRATED REGIONAL PLAN

The MRC appointed Hyder Consultants to develop an Integrated Regional Plan with the objective 'to establish and maintain a waste processing capability for at least that Municipal Solid Waste generated within the region'.

The integrated plan identified alternative waste management scenarios for the region, and examined the associated collection, transport, processing and disposal operations for each scenario, and the financial implications of these.

Work on the plan was completed by the end of the financial year, and consideration of the plan will occur during 2010/11.

SON OF TAMALA PARK

With the Tamala Park landfill due to reach maximum capacity by 2021, the MRC has been proactive in searching for a new landfill site. The search has extended some 70km north and east of Perth with a number of possible options being identified; at this stage the MRC has not yet decided on the preferred option. The search continues for the ideal block of land; however, 300-400ha blocks of land with suitable characteristics for development into a landfill are few and far between.

Industry Leadership and Advocacy

Our objective: To identify and promote industry-wide initiatives for improvements to waste / resource management, particularly in relation to waste minimisation and resource recovery.

INDUSTRY INVOLVEMENT

The MRC is a strong participant and contributor to the Municipal Waste Advisory Council (MWAC), the Waste Management Association Western Australian Division (WMAA) and the Forum of Regional Councils (FORC). Through FORC the MRC is continuing to push for waste to be recognised as an essential service, and for a higher percentage of funds raised by the Government through the landfill levy to be returned to the waste industry.

The MRC is a strong supporter of waste industry conferences where issues relevant to the current and future performance are discussed. Two leading conferences are the WA Waste and Recycle Conference, held each year in Fremantle, and the Enviro Conference held each year in the eastern States. The MRC is part of the organising committee for the Waste and Recycle Conference. The pre-conference program includes a tour to the MRC facilities including both the Tamala Park landfill and recycling operations and the Resource Recovery Facility at Neerabup.

consultation process on the new Waste Strategy for Western Australia. In its submission, the MRC together with other peak waste management groups in WA, put forward the view that the management of waste should be seen as an essential service.

An essential service is one where failure to deliver the service causes unacceptable risks to the community. Public utilities such as water and power are essential services. It is the MRC's view that waste is also an essential service because the collection and disposal of Municipal Solid Waste (MSW):

- Protects community health by the prevention of disease through the collection, treatment and disposal of putrescible and hazardous waste.
- Protects the natural environment through the reduction of greenhouse gas emissions as a result of controlled disposal and treatment.
- Provides landfill, Resource Recovery and alternative waste treatment capacity required for waste resulting from pandemics, natural or other disasters.

The MRC, in coordination with other Regional Councils through FORC will continue to communicate this message to the State Government.

WASTE AS AN ESSENTIAL SERVICE

During the year the MRC presented a submission to the State Government as part of the Government's



Industry Leadership and Advocacy

IMPROVEMENTS IN WASTE MANAGEMENT

At the start of the year the MRC, in partnership with its seven member Councils, received State Government funding from the Waste Authority to investigate improvements in waste management. Six projects were completed during the year and reports are available on the MRC website (www.mrc.wa.gov.au under Waste Minimisation). The six projects represent regional priorities and were undertaken with the aim of achieving system improvements to divert more waste from landfill and recover more usable material from waste.

1. Study of verge collections

What the study looked at:

- What are people putting on their verges for collection?
- How much of the material could be reused or recycled?
- Which industries could help to retrieve usable material from verges to reduce the volume of waste going to landfill?
- What is the best way of collecting this waste?

How it has been done

All Councils have bulky hard waste and green waste collections. Much of the bulky waste placed on verges ends up in landfill, yet more of it could be reused and recycled. This study looks at issues associated with standardising verge collections, increasing the collection of reusable goods by charities ahead of the hard waste collection cycle, and what else might be possible to maximise the convenience of this service to householders.



2. Trial of a 2-bin collection system in Cambridge

What the study looked at:

- Will a different system of household separation improve the amount that can be recycled and reused?
- Will this reduce the contamination levels in the waste?

How it has been done

Between February and April 2010 the Town of Cambridge and the MRC partnered to undertake an innovative recycling trial with approximately 1100 households and commercial properties in the Wembley/Floreat area. During the trial, people were asked to separate their household waste using a simple Clean2Stream bin system.

The trial enabled us to assess the amount of material collected and evaluate the efficiency of how it is recycled and reused. Eventually we hope to reduce the amount of organic and recyclable materials going to landfill.



3. Developing guidelines for waste management at community events

What the study looked at:

- What would lead to generating less waste at community events?
- What can we do to reduce contamination levels in recycling bins?

How it has been done

Local Councils are hosts to some of the largest events held for the public. The separation of waste at these events is generally poor. Even when waste is placed in a bin, it may not be placed in the right bin -- recyclable materials are often mixed with non-recyclable waste and this means that recyclables often end up in landfill. As part of this project we surveyed several hundred people at the Skyshow on Australia Day for their opinions on event recycling. This project resulted in the development of new procedures for managing waste at public events being run by Councils.

Industry Leadership and Advocacy

4. Bulky waste characterisation

What the study looked at:

- What products are in the solid waste stream that goes to landfill at Tamala Park?
- What redesign might be considered of the Tamala Park and the Balcatta Transfer Stations to help to divert more waste from landfill?

How it has been done

Waste being brought to the two regional transfer stations at Tamala Park and Balcatta was examined and mechanically sorted to identify key components in each waste stream delivered. While household waste is now being diverted from landfill through the operation of the Resource Recovery Facility, household waste makes up less than half of the waste received for landfilling at Tamala Park. If we know more about what products make up the remaining waste stream, we can then take action to divert more of it from landfill.



5. Optimising the recycling of waste generated through Council infrastructure works

What the study looked at:

- What does each Council currently do to recycle and dispose of waste generated through Council infrastructure projects such as pavement, drainage and parks operations?
- Can the Councils achieve any benefits by working together through shared contracts and techniques to increase the amount of waste being recycled?

How it has been done

This project involved liaising with Engineering and Parks operational staff and bringing them together to share ideas and discuss effective practices.

6. How to reduce the environmental impact of waste transport

What the study looked at:

- What are the optimum travel distances for kerbside collection vehicles in terms of premises serviced, fuel consumed and emissions?
- What benefits can be achieved by locating processing facilities closer to the point of collection?
- What benefits can be achieved by using transfer stations to sort and move waste to more remote locations for recycling or disposal?

How it has been done

This research project has involved determining the distances that Council rubbish trucks currently travel as they take waste from collection to disposal points, the costs involved and greenhouse gas emissions generated. The distances have then been recalculated based on a range of potential new waste processing facilities. The savings in time, costs and greenhouse gas emissions of new options against the current waste infrastructure were then determined.

RESULTS FROM STAKEHOLDER SURVEY

The bi-annual Stakeholder Survey, completed in April 2010, sought feedback on the MRC's operations from a range of stakeholder groups. The research included interviews with strategic partners, service providers and customers.

The feedback was positive with the organisation's perceived strengths identified as: active and participatory industry member, strong leadership, good governance and structure, competence, and passion.

Community Engagement

Our objective: To engage with the region's community in the Mindarie region in order to promote behaviour consistent with the region's operational plans for waste / resource management

The Marketing and Waste Education portfolio at the MRC has had another very active year.

MARKETING / STRATEGIC COMMUNICATIONS

On the marketing / strategic communications front the aim of activity has been to reinforce the MRC's position as a leader in environmentally sound waste management. This is primarily achieved through the activities of the Chief Executive Officer and the relationships he maintains on behalf of the business supported by a strong website presence, involvement at the main waste conference of the year in WA – the Waste and Recycle Conference, reporting on performance through the Annual Report, and communication to stakeholders and residents about our business through the MRC News, newspaper advertising, media exposure and word of mouth.



Through these activities the MRC is able to build and maintain an appreciation across the region for the essential service of waste processing and disposal that the MRC provides. Communication of the MRC brand and services ensures that stakeholders and customers know what to expect when they deal with the MRC. We then do our best to ensure that these expectations are met when people come into contact with the MRC.

WASTE EDUCATION



Operating at the service level, the waste education program targets 590,000 residents across the region whose waste comes to the MRC for disposal. These residents reside in seven different Council areas with different collection systems, all of whom are at different points in awareness, interest and commitment to waste. In addition, they represent diversity of cultures, ages, lifestyles and beliefs.

Our aim with waste education is to influence behaviour by reducing, reusing, recycling and disposing wisely. This starts with the message to reduce the generation of waste through to putting the right materials in the right bins. Ultimately this ensures that the material that comes to the MRC for processing or disposal comes in separate waste streams that enable maximum recovery of useful resources, and minimum waste to landfill.

We structure our education programs around the waste hierarchy.



Waste Minimisation Hierarchy

Community Engagement

OUR OUTREACH EDUCATION ACTIVITIES

Given the diversity across the region we know that a multi-pronged approach is needed, utilising consistent messages. We connect with community members through tours, shopping centre and library displays, events, Household Hazardous Waste disposal days, school visits and more, using words, graphics, humour, activities, street theatre, displays and information.

Our Waste Education team undertakes an active outreach program designed to build community awareness, knowledge and interest and action in relation to waste, starting with the message about reduced consumption and minimising the generation of waste. Increasingly our Waste Education office is acting as an education point for staff, Council officers, teachers and members of the public who phone with a range of queries about waste.

Our Activities	Our Stats
Tours	149 tours involving 3,774 people conducted during the financial year – with an increase of 61% in the number of tours and people in the second 6 months compared to first 6 months.
Mobile display "The Roaming Recycler"	For 102 days across the year the Roaming Recycler was out and about at community events, in schools, shopping centres and libraries.
Earth Carers	Two more free training courses undertaken this year. Five training courses have now been run and more than 150 people have been trained in waste minimisation and recycling.
School visits and community talks	32 school visits were undertaken involving incursions, talks and demonstrations, and 12 talks were provided to a range of community groups

Tours

Our Tamala Park tour includes the Landfill, Recycling Centre, Transfer Station, Education Centre and the Landfill Gas Power station. Tour groups can also visit the Recycling Centre Balcatta and the Resource Recovery Facility at Neerabup. We conduct different tours according to people's interest and time availability.

Whilst most visitors arrive by bus, the new education vehicle offers MRC the capability to comfortably take small groups on tour. The 'Frogmobile' is also used for school visits, towing the Roaming Recycler, and for transport of the many display items needed at events.

The Education Centre at Tamala Park was officially opened in September 2009 and has become a focal

point for tour groups. The Education Centre features displays, recycled products, Kneedeep the Frog, information packs, and tips on how to give new life to those old items lying around home. This Centre showcases the many steps people can take to change their waste behaviour including ways to deal with their waste cheaply at home.

Improvements to the Education Centre this year include:

- the addition of blinds to the pergola area to create an all-weather space for talks
- a new recycled creature, the Gargyrl, which greets visitors on arrival
- use of old fridges as raised garden beds and worm farms.

During the year the MRC was pleased to support the 'Trashcatchers' DVD project which provides a look at waste and waste messages through the eyes of youth.



Community Engagement

RRF Visitors Centre and Demonstration Garden Beds

As soon as the RRF became operational, the MRC expanded its tours program to include the RRF. A viewing platform at the RRF allows visitors the opportunity to see into the heart of the facility with a view over the Receivals Hall, Maturation Hall and the Bio-filter. Visitors to the facility are uniformly impressed with the ability to recover usable material from household waste.

Over this financial year the MRC has constructed a Visitors Centre on site. The Visitors Centre is being fitted out with information about the RRF and the whole story about household waste and how it is dealt with in the region. A key message being communicated through the Centre is what not to put in the green-lidded wheelie bin which adversely impacts the performance of the RRF.

A demonstration garden has been developed outside the Visitors Centre with numerous planting beds which contain different amounts of compost to demonstrate the effectiveness of the product.



Mobile Display

Our mobile display trailer, the "Roaming Recycler", continues to be a valuable asset enabling the MRC to take its message out to the community. The informative and interactive nature of the displays makes it popular for schools and shopping centres, appealing to audiences from children to adults. This year Ironing Board Man made his first appearance -- a hands-on creature made from junk materials.

Schools

Our continued sponsorship of Tales with a Twist, a puppet show, has been an effective way to get the waste message into schools. Together with tours, the puppet show is often a catalyst for schools to build a program around waste and recycling. Schools often follow up the puppet show with tours and requests for school visits.

Earth Carers

We continue to attract people to our free Earth Carers training courses which are run twice a year and this year we were delighted to see other Regional Councils adopt the program using a similar format to ours. We are mindful of the need to keep people interested in waste and connected with like-minded people and our outreach program has incorporated visits to waste and recycling facilities, woodworking sessions where participants create household utensils from recycled wood, and cosmetics workshops. Collaboration with Earth Carers across the metropolitan area has led to joint outreach activities and joint involvement at events such as the Royal Show and Garden Week.



Waste Wise Events

Local Councils are hosts to some of the largest events held for the public. The separation of waste at these events is generally poor. Even when waste is placed in a bin, it may not be placed in the right bin. Recyclable materials are often mixed with non-recyclable waste and this means that recyclables often end up in landfill. This year the MRC received funding from the Waste Authority for projects to improve waste management, one of which was to develop guidelines for waste management at community events (see section on Industry Leadership and Advocacy). The guidelines were trialled at the SkyShow on Australia Day and the process is underway to make them a standard approach for Council-run events.

At the SkyShow we unveiled a mobile 3-metre high puppet which provides a visual presence at events. The puppet is made of rubbish and recycled items commonly found at events such as cans, plastic items and chip packets. Artwork made from recycled material is a feature of the Education Centre, and the puppet allows us to utilise this approach at a range of events.

Costumes in the shape of dry-celled batteries and fluoros have been added to our range of resources during the year and are used as often as possible to draw attention to the waste message and to guide people to facilities at events for appropriate separation of waste.

Community Engagement

PROGRAMS TARGETING PROBLEM PRODUCTS

We also run programs targeting specific problem products that people need to know about and do something differently with. For most of these products the desired behaviour is to not put them in either of their bins but take them to a convenient local drop-off point for safe and appropriate recycling or disposal. During this financial year community members have had available to them an increased number of services to help them to “reduce reuse recycle and dispose wisely”.



Battery Program

A key new initiative has been the launch of the dry-celled battery recycling program which has seen 150 battery collection bins placed in convenient locations across the metropolitan area. Funded by the State Government through the landfill levy, the first six months of this collection program yielded 25 tonnes of batteries which were transported to the eastern states for recycling. Of this, 8 tonnes were collected in our region through approximately 40 bins in shopping centres and Council offices and through the City of Stirling’s very successful schools battery collection program.

Fluoros

Fluoro globes are another product which should not be disposed of in normal rubbish or recycling bins. Initiatives to target this problem product included the production of small collection boxes to encourage households to store used globes at home and development of fluoros collection stations which will be rolled out in the coming financial year. We also worked with Western Power to promote CFLs and their safe disposal.

Household Hazardous Waste and E-Waste

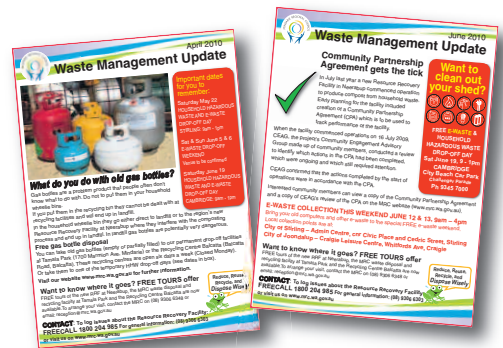
This year the MRC continued its successful participation in the Household Hazardous Waste (HHW) Disposal Day program and extended it to include e-waste. This involved:

- Temporary disposal days held in Vincent, Victoria Park, Cambridge, Joondalup and Stirling.
- At the last three of these the collection also included electronic waste.
- Participation in the national Apple-funded e-waste collection weekend in June with two of Perth’s eight collection venues being in our region. A total of 193 tonnes of e-waste was collected across the metropolitan area.



Promotion

Throughout the year we ran regular waste updates in local newspapers to focus attention on the progress of the RRF and to focus attention on the problem products and alternative disposal options. As a regular feature the waste updates were valuable in informing the public of upcoming events (HHW & e-waste days) and other waste issues.



The MRC story about our operations and our efforts to reduce the amount of waste being generated and going to landfill also received exposure in high profile forums including the Channel 9 TV program Garden Gurus, and features in The West Australian for Save The Earth and National Recycling Week.



Community Engagement

REGIONAL CONNECTIONS

All of the waste education activities are undertaken jointly with our seven member Councils. Monthly meetings of the Waste Education Strategy Steering Group (WESSG) which comprises representatives from all member Councils ensures that the education activities are relevant, coordinated at a regional level, and aligned with member Council activities.

The MRC's waste education staff have an active role within the Waste Management Association (WMAA) working with other waste communicators to promote consistent messages throughout the metropolitan area. The Battery Collection Program, launched in September 2009, is a good example of a program with a consistent message and a common branding across all regions.

RESULTS FROM STAKEHOLDER SURVEY

The work of our team is evaluated in three ways:

- Immediate results evaluated – e.g. kg batteries, tonnes of e-waste & HHW, EC trainees, web hits, tour numbers, Roaming Recycler bookings
- Changes in awareness and behaviour tracked through the bi-annual Community Survey
- The bottom line -- extent of Waste Diversion achieved – something we all contribute to.

The bi-annual Stakeholder Survey, completed in April 2010, sought feedback on the MRC's operations from a range of stakeholder groups. The Community Survey confirmed that these activities are being noticed and are having an impact. Key findings:

General awareness and behaviour:

- Waste is growing in importance (up from 9% to 21%)
- We are seeing some improvements in behaviour
 - Increased effort to recycle (61% to 84%)
 - More people composting green waste (19% to 31%)
 - 24% using battery collection bins

Specific awareness of the MRC:

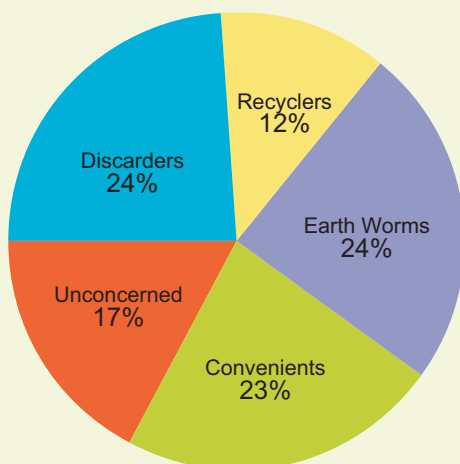
- 2 in 3 are aware of Tamala Park
- 7 in 10 are aware of Balcatta Recycling Centre
- 1 in 6 are aware of RRF
- 1 in 4 are aware of HHW drop-off days / facilities
- 2 in 5 are aware of the battery collection program
- 1 in 5 are aware of e-waste drop off days / facilities
- But, many are still unaware about where their waste is processed

And, in terms of our marketing and waste education activities:

- 1 in 3 are aware of 'reduce, reuse, recycle ...and dispose wisely' slogan
- 1 in 2 associate the use of the frog with waste messages
- 1 in 4 are aware of waste tours, with 1 in 2 interested in doing a tour

An important finding from this Stakeholder Survey was the identification of five key segments across our community. This information will be incorporated into our waste education approach in the 2010/11 Financial Year.

Five key segments have been identified across the general public



- **Recyclers** - recycle the most overall
 - Make most effort to act sustainably
 - Leaders in recycling batteries (75% of this group recycle batteries)
 - Higher awareness of waste services & facilities, especially e-waste options
 - Most likely to have noticed newspaper ads about battery, HHW and e-waste
 - Most satisfied with how waste is dealt with
 - The oldest segment overall, and more females
- **Earth Worms** – the garden lovers
 - 88% mulch or compost + low concern about reducing water usage
 - High awareness of waste services & facilities
 - Strong effort to act sustainably
 - An older segment, slight female bias
- **Convenients** - will act sustainably when convenient
 - Sit in the middle on many measures
 - 94% put unwanted household goods out for verge side collection
 - 30% use battery collection bins
 - Some interest in touring waste facilities (1 in 2)
- **Unconcerned** - waste is a low priority
 - Low awareness of services & facilities
 - Poor waste behaviour
 - Yet, high satisfaction (equal to Recyclers)
 - Higher representation in the City of Perth living in flat, unit or apartment
- **Discarders** - make least effort to act sustainably
 - Most likely to use the 'sin bin' and least likely to recycle
 - Higher proportion of families with teenagers



Organisational Management

Our objective: To maintain excellent management of the Mindarie Regional Council organisation

The service provided by the MRC is essential to the safe and clean functioning of the seven communities within our region. We firmly believe that we provide this service to a very high level. Further we see the MRC as a leader in the provision of environmentally sound waste management. This positioning guides the MRC's operations as do the business principles of:

- Community focus
- Innovation
- Partnerships
- Leadership

During this financial year our business systems have operated effectively, and our staff have continued to support the work of the organisation in a professional manner. (See the CEO's Report for specific highlights.)

MARKETING AND EDUCATION PLAN

A Marketing Plan for the organisation was endorsed by Council at its October 2009 OCM and has been immediately implemented. On the marketing / strategic communications front the aim of activity has been to reinforce the MRC's position as a leader in environmentally sound waste management and build awareness and understanding of the business. The waste education program targets 590,000 residents across the region whose waste comes to the MRC for disposal with the aim of influencing behaviour so that people put the right materials in the right bins.

The program is integrated across the region and coordinates with the work of member Councils. The complementarity of this work is made possible by the excellent communication that exists between officers involved in waste education in all Councils. Monthly meetings of the waste Education Strategy Steering Group (WESSG) which comprises representatives from all member Councils ensures that the education activities are relevant, coordinated at a regional level, and aligned with member Council activities.

Key achievements in Marketing and Waste Education are outlined in the section on Community Engagement.

MEMBER PRICING MODEL

A revised member pricing model was introduced during the year. Under the previous fees model, the seven Councils in the region paid a different fee for disposal of processable and non-processable waste.

An alternative fee model was proposed by a group of Councils within the MRC and was adopted by the MRC at its Ordinary Council Meeting in April 2010 as an improved way of structuring fees.

RESULTS FROM STAKEHOLDER SURVEY

The bi-annual Stakeholder Survey, completed in April 2010, sought feedback on the MRC's operations from a range of stakeholder groups.

Staff are a key stakeholder group with a good perspective on Organisational Management. Key aspects of their feedback included:

About the organisation:

- 100% agreement that the MRC adopts effective and environmentally sound waste management practices
- 91% agreement that the MRC meets customers needs
- 91% agreement that the MRC is a unique place to work
- Overall job satisfaction: 94%

About services and facilities offered to customers at Tamala Park:

- 93% overall satisfaction with services and facilities offered to customers at Tamala Park
- 96% satisfaction with opening times
- 96% satisfaction with workplace safety on site
- 96% satisfaction with road conditions
- Areas for improvement included the way customers make payments, signage and directions on site, and odour, smell and dust levels on site.



Operating Revenues

The Financial Statements included in this report reflect that the Mindarie Regional Council has a sound financial position and should be read in conjunction with the accounting policies and precepts adopted by the Regional Council.

Revenues from weighbridge charges (excluding recyclables of \$546,136) totalled \$36,037,559 which reflects an increase of 72% over the previous period. This is mainly due to an increase in fees for members as a result of higher charges for Processable Waste at the Resource Recovery Facility In Neerabup and higher fees for non-members at the landfill facility at Tamala Park.

Interest income on invested funds of \$602,042 is lower compared to last year due to the average interest rate being lower. The interest received, in comparison to the budget is higher than the budget due to the rates received being greater than expected during the year.

The Council at their meeting of 18 August 2005, approved that the annual operational surplus (2009/10 - \$2,956,484) will be retained by MRC to meet their ongoing operational and capital requirements going forward in line with the Strategic Financial Plan. This was re-affirmed again at the Council meeting of 3rd July 2008.

Operating Expenses

The operational expenditure for 2009-10 of \$35,590,836 was an increase of approximately 85% over last year.

The increase in operational expenditure over the previous year is mainly due to the operation of the Resource Recovery Facility (RRF) at Neerabup which commenced operations in July 2009 and the DEP Levy as a result of increased rates effective January 2010. The expenditure for 2009/2010 in relation to the RRF was \$12,287,320

The comparison to previous years operating expenses is shown in the table below.

ITEM	\$ per Tonne				
	2009/2010	2008/2009	2007/2008	2006/2007	2005/2006
Direct Operational Costs	56.49	24.82	21.38	19.31	18.36
Transfers to Reserves (Provisions)	0.00	0.00	0.00	0.00	2.37
Amortisation of Excavation Works	13.08	13.50	10.28	7.15	3.49
DEP Landfill Levy	16.12	6.30	5.52	4.93	2.90
Interest on Loans	3.49	3.37	3.69	3.34	2.34
Depreciation	2.75	2.40	1.91	2.37	2.24
Land Lease Fee	1.51	1.51	1.42	1.48	0.68
Total	93.44	51.90	44.20	38.58	32.38

Disposal Fees and Charges

Disposal fees and charges for 2009/2010, are shown in the table below, as dollars per tonne, unless otherwise indicated.

Item	2009/2010 1 July - 31 March (includes GST)	2009/2010 1 April - 30 June (includes GST)
1. Member Local Governments		
- General Waste Processable	132.55	132.55
- General Waste Non Processable	72.60	72.60
- Inert Material	Not applicable	Not applicable
- Greenwaste (uncontaminated)	Not applicable	Not applicable
- Bales	Not applicable	Not applicable
2. (a) General Entry - General Waste	120.00	128.00
Minimum charge for entry to site		
- Utilities, Vans, Trailers, Trucks etc	10.00	10.00
- Cars, Station Wagons	10.00	10.00
(b) Swill or Semi Liquid Waste	Not accepted	Not accepted
(c) In the event of weighbridge unavailability the following fees shall apply to (a) above		
Non compacted waste		
Trailer 1.8m x 1.2m or less	35.00	35.00
Trailer larger than 1.8m x 1.2m per wheel	35.00	35.00
Compacted waste		
All vehicles per wheel - truck or trailer	70.00	70.00
(d) Asbestos - whole loads	200.00	200.00
(e) Unweighed Load (Drive-Aways)	50.00	50.00
3. Special Burials (Supervised) At the discretion of the Site Controller in addition to the tonnage rates	180.00	180.00
4. Controlled waste per tonne	200.00	200.00
5. Special Commercial Items In lieu of 1 to 4 above the following apply:		
(a) Motor bodies and old machinery each item	25.00	25.00
(b) Animal carcasses		
(i) Small domestic animals	8.00	8.00
(ii) Large animals (Sheep and cattle etc.)	20.00	20.00
(c) Car Tyres only (Maximum disposal 4) Per tonne sliced	15.00 300.00	15.00 300.00
(d) Safe sharp containers		
(i) 7 litre or less each	13.00	13.00
(ii) Over 7 litres per litre	1.30	1.30
(e) Light weight bulk material less 300 kg per cubic metre	50.00	50.00
6. Infringement Agency Costs		
(a) Debt Collection Fee	Debt Collection Agency's Costs plus 20% Admin Fee	Debt Collection Agency's Costs plus 20% Admin Fee
(b) Dishonoured Cheque Fee	15.00	15.00

Tonnages

The amount of waste received for processing at the Resource Recovery Facility at Neerabup and at Tamala Park over the period since commencement of operations, is tabulated below:

Period / Year Ended	Resource Recovery Facility Tonnes	Tamala Park Tonnes	Total Tonnes Processed
25 Feb 1991 - 30 June 1991			32,991
1 July 1991 - 28 June 1992			150,487
29 June 1992 - 27 June 1993			156,024
28 June 1993 - 26 June 1994			151,945
27 June 1994 - 30 June 1995			163,818
1 July 1995 - 30 June 1996			179,006
1 July 1996 - 30 June 1997			186,875
1 July 1997 - 30 June 1998			225,620
1 July 1998 - 30 June 1999			249,114
1 July 1999 - 30 June 2000			336,502
1 July 2000 - 30 June 2001			339,285
1 July 2001 - 30 June 2002			331,576
1 July 2002 - 30 June 2003			319,756
1 July 2003 - 30 June 2004			328,655
1 July 2004 - 30 June 2005			333,437
1 July 2005 - 30 June 2006			349,156
1 July 2006 - 30 June 2007			352,544
1 July 2007 - 30 June 2008			380,189
1 July 2008 - 30 June 2009			370,607
1 July 2009 - 30 June 2010	65,010	315,914	380,924
Grand Total	65,010	315,914	5,318,511

The total tonnes reported in 2008-09 includes 5,756 tonnes diverted at the Resource Recovery Facility (7,868 tonnes of processable waste sent to the Resource Recovery Facility during its commissioning period less 2,112 tonnes of residue received at the landfill). In 2009-10 the Resource Recovery Facility commenced full operations with 65,010 tonnes of processable waste received of which 28,889 tonnes were subsequently landfilled as residues.

Local Government Comparisons

The amount of waste received for processing at the Resource Recovery Facility at Neerabup and for disposal to landfill at Tamala Park, by customer, for 2009/2010 in comparison to 2008/2009, is tabulated below:

	2009/2010	2009/2010	2009/2010	2008/2009	Variance	
	Resource Recovery Facility Tonnes	Tamala Park Tonnes	Total Tonnes Processed	Total Tonnes	Tonnes	%
City of Perth	5	14,456	14,461	14,470	(9)	(0.06)
City of Wanneroo	24,365	41,972	66,337	65,766	571	0.87
City of Joondalup	28,618	36,099	64,717	63,372	1,345	2.12
Town of Cambridge	5,192	5,613	10,805	10,551	254	2.41
Town of Vincent	2,720	10,755	13,475	14,203	(728)	(5.13)
Town of Victoria Park	4,110	8,596	12,706	12,926	(220)	(1.70)
City of Stirling	0	93,222	93,222	86,447	6,775	7.84
Total Members	65,010	210,713	275,723	267,735	7,988	2.98
City of South Perth		156	156	14,807	(14,651)	(98.95)
Other Casuals		41,127	41,127	47,133	(6,006)	(12.74)
Total Casuals	0	41,283	41,283	61,940	(20,657)	(33.35)
	65,010	251,996	317,006	329,675	(12,669)	(3.84)
Resource Recovery Facility Residue		28,889	28,889	0	28,889	100.00
City of Stirling - Inert Bales		23,739	23,739	22,967	772	3.36
City of Wanneroo		11,290	11,290	17,965	(6,675)	(37.16)
Grand Total	65,010	315,914	380,924	370,607	10,317	2.78

Plant

The status of key items of plant held by Council as at 30 June 2010 is tabulated below:

	REGISTRATION	PURCHASED	
Caterpillar 12G Motorised Grader	9LO775	Nov-99	Second Hand
TANA Compactor 36 Tonne	1CFM425	May-06	New
Water Truck	1AHW218	Aug-98	New
Nissan Navara	1CFN586	Jun-06	New
Hitachi Articulated Dump Truck		Jan-05	New
Hino Bin Truck	1BTN433	Sep-04	New
Caterpillar Multi Terrain Loader	1CUI247	Mar-08	New
Caterpillar 966H Loader	1CVT009	Jun-08	New
Caterpillar 996H Loader	1CVT010	Jun-08	New
Caterpillar 2.5T Diesel Forklift	T18C53121	Sep-08	New
Generator		Dec-08	New
Hino 2008 Bin Truck	1CZT036	Dec-08	New
Bomag Refuse Compactor		May-09	New
Nissan Navara RX D40 Dual Cab	1DFG592	Dec-09	New
Nissan Navara STR Diesel	1DGE386	Feb-10	New
KIA Grand Carnival	1DFU169	Jan-10	New
Nissan Patrol Fire ute	1DGE357	Jan-10	New
Ford Territory Ghia Turbo	1DFS477	Jan-10	New
Ford Falcon 2010 FG G6E	1DHN310	Mar-10	New
Caterpillar 247b2ac Multi Terrain Loader	1DJF663	Jun-10	New
Nissan Pathfinder 5 dr Wagon 4X4	1DJA032	Jun-10	New

Statement by the Chief Executive Officer

The attached Financial Statements, including supporting notes and information, of the Mindarie Regional Council for the financial year ended 30 June 2010 are in my opinion properly drawn up to present fairly the financial position of the Mindarie Regional Council at 30 June 2010 and the results of its operations for the financial year then ended in accordance with Australian Accounting Standards and in compliance with the provisions of the Local Government Act 1995 and the regulations under that Act.

Signed on the 24th day of November 2010



Kevin F Poynton
Chief Executive Officer



10 Kings Park Road
West Perth WA 6005
PO BOX 570
West Perth WA 6872

INDEPENDENT AUDITOR'S REPORT TO THE MINDARIE REGIONAL COUNCIL

T +61 8 9480 2000
F +61 8 9322 7787
E info.wa@au.gt.com
W www.grantthornton.com.au

Report on the Financial Report

We have audited the accompanying financial report of the Mindarie Regional Council, which comprises the statement of financial position as at 30 June 2010, and the statement of comprehensive income, statements of changes in equity, statements of cash flows and statement of financial activity for the year ended 30 June 2010, a summary of significant accounting policies and other explanatory notes, and the Chief Executive Officer's statement.

Councils' responsibility for the financial report

The Council of the Mindarie Regional Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1995 Part 6. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

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We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Local Government Act 1995 Part 6 and Australian Accounting Standards (including the Australian Accounting Interpretations), a view which is consistent with our understanding of the Mindarie Regional Council's financial position and of their performance.

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

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Auditor's opinion on the financial report

In our opinion, the financial report of the Mindarie Regional Council:

- (i) gives a true and fair view of the Mindarie Regional Council's financial position as at 30 June 2010 and of its performance for the financial year ended 30 June 2010, and
- (ii) complies with Australian Accounting Standards (including the Australian Accounting Interpretations),
- (iii) are prepared in accordance with the requirements of the Local Government Act 1995 Part 6 (as amended) and Regulations under that Act.

Statutory Compliance

I did not, during the course of my audit, become aware of any instance where the Council did not comply with the requirements of the Local Government Act 1995 and Local Government (Financial Management) Regulations 1996, as they relate to the financial statements.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

M J Hillgrove
Director – Audit & Assurance

Perth, 24 November 2010

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Statement of Comprehensive Income by Nature and Type for the year ended 30 June 2010

	Notes	ACTUAL 2009/2010	BUDGET 2009/2010	ACTUAL 2008/2009
		\$	\$	\$
Revenue from Ordinary Activities				
Grants and Subsidies	29	400,000	320,000	105,345
Contributions, Reimbursements and Donations		231,754	340,100	503,786
Fees and Charges	28	36,583,695	37,510,640	21,203,710
Gas Generation Services	2 (a)	667,085	550,000	851,406
Interest Earnings	2 (a)	602,042	369,200	696,927
Other Revenue	2 (a)	55,162	10,200	11,656
Total Operating Income		38,539,738	39,100,140	23,372,830
Operating Expenses				
Employee Costs		(4,474,305)	(4,300,140)	(3,806,073)
Materials and Contracts		(17,320,312)	(20,071,600)	(4,140,780)
Utilities		(121,310)	(131,300)	(95,763)
Depreciation	2 (a)	(1,046,336)	(1,159,080)	(890,903)
Borrowing Cost Expenses	2 (a)	(1,329,560)	(1,417,000)	(1,247,265)
Insurance		(146,262)	(127,400)	(122,486)
Amortisation	2 (a)	(5,008,362)	(4,588,800)	(5,786,121)
Other Expenses		(6,144,389)	(5,598,200)	(3,140,054)
Total Operating Expenses		(35,590,836)	(37,393,520)	(19,229,445)
Sub Total		2,948,902	1,706,620	4,143,385
Transfer to Investing Activities				
Profit on Sale of Assets		21,896	27,800	7,000
Loss on Sale of Assets		(14,314)	(28,700)	(25,914)
		7,582	(900)	(18,914)
NET RESULT		2,956,484	1,705,720	4,124,471
Other Comprehensive Income		0	0	0
TOTAL COMPREHENSIVE INCOME		2,956,484	1,705,720	4,124,471

This statement is to be read in conjunction with the accompanying notes.

Statement of Comprehensive Income by Program for the year ended 30 June 2010

	ACTUAL 2009/2010 \$	BUDGET 2009/2010 \$	ACTUAL 2008/2009 \$
Operating Revenues (Refer Notes 1,2)			
Community Amenities	38,539,738	39,100,140	23,372,830
Total Operating Revenues	38,539,738	39,100,140	23,372,830
Operating Expenses (Refer Notes 1,2)			
Governance	(145,016)	(149,500)	(119,871)
Community Amenities	(20,005,874)	(18,604,020)	(16,853,263)
Other Property and Services	(1,823,066)	(1,868,000)	(1,009,046)
Resource Recovery Facility	(12,287,320)	(15,355,000)	0
Total Operating Expenses	(34,261,276)	(35,976,520)	(17,982,180)
Profit on Sale of Assets			
Community Amenities	21,896	27,800	7,000
Total Profit on Sale	21,896	27,800	7,000
Loss on Sale of Assets			
Community Amenities	(14,314)	(28,700)	(25,914)
Total Loss on Sale	(14,314)	(28,700)	(25,914)
Finance Costs (Refer Notes 2,24)			
Community Amenities	(813,724)	(880,400)	(938,635)
Resource Recovery Facility	(515,836)	(536,600)	(308,630)
Total Finance Costs	(1,329,560)	(1,417,000)	(1,247,265)
NET RESULT	2,956,484	1,705,720	4,124,471
Other Comprehensive Income	0	0	0
TOTAL COMPREHENSIVE INCOME	2,956,484	1,705,720	4,124,471

This statement is to be read in conjunction with the accompanying notes.

Statement of Financial Position as at 30 June 2010

		ACTUAL 2009/2010 \$	ACTUAL 2008/2009 \$
CURRENT ASSETS			
Cash and Other Equivalents	3	13,442,484	11,459,868
Trade and Other Receivables	4	2,978,931	2,063,222
Inventories	5	17,685	8,927
Other Current Assets	6	514,763	634,812
TOTAL CURRENT ASSETS		16,953,863	14,166,829
NON-CURRENT ASSETS			
Property Plant and Equipment	7	7,751,192	8,252,022
Infrastructure	8	488,889	466,273
Excavation Work	9	22,598,340	19,696,294
Resource Recovery Facility	10	10,208,071	10,308,143
Rehabilitation Asset	11	1,580,048	2,320,719
Other Non Current Assets	7	236,000	0
TOTAL NON-CURRENT ASSETS		42,862,540	41,043,451
TOTAL ASSETS		59,816,403	55,210,280
CURRENT LIABILITIES			
Trade and Other Payables	12	6,589,155	3,267,655
Provisions	14	646,051	488,626
Borrowings	13	2,453,882	2,432,725
TOTAL CURRENT LIABILITIES		9,689,088	6,189,006
NON CURRENT LIABILITIES			
Provisions	14	143,747	118,217
Borrowings	13	17,047,270	19,501,151
Rehabilitation Provision	14	5,194,439	4,803,891
TOTAL NON CURRENT LIABILITIES		22,385,456	24,423,259
TOTAL LIABILITIES		32,074,544	30,612,265
NET ASSETS		27,741,859	24,598,015
EQUITY			
Retained Surplus		24,271,589	22,315,105
Reserve	15	1,137,999	137,999
Council Contribution	17	2,332,271	2,144,911
TOTAL EQUITY		27,741,859	24,598,015

This statement is to be read in conjunction with the accompanying notes.

Statement of Changes in Equity for the year ended 30 June 2010

	Note	RETAINED SURPLUS	RESERVES CASH BACKED	CAPITAL CONTRIBUTION CONSTITUENT COUNCILS	TOTAL EQUITY
RETAINED SURPLUS					
Balance as at 1 July 2008		18,190,634	137,999	1,967,775	20,296,408
Net Result		4,124,471	0	0	4,124,471
Total Other Comprehensive Income		0	0	0	0
Capital Contribution from Constituent Councils		0	0	177,136	177,136
Transfer from / (to) Reserves		0	0	0	0
Balance as at 30 June 2009		22,315,105	137,999	2,144,911	24,598,015
Net Result		2,956,484	0	0	2,956,484
Total Other Comprehensive Income		0	0	0	0
Capital Contribution from Constituent Councils		0	0	187,360	187,360
Transfer from / (to) Reserves		(1,000,000)	1,000,000	0	0
Balance as at 30 June 2010		24,271,589	1,137,999	2,332,271	27,741,859

This statement is to be read in conjunction with the accompanying notes.

Statement of Cash Flows for the year ended 30 June 2010

	Note	ACTUAL 2009/2010 \$	BUDGET 2009/2010 \$	ACTUAL 2008/2009 \$
Cash Flows From Operating Activities				
Receipts				
Grants and Subsidies		443,753	320,000	211,070
Contributions, Reimbursements and Donations		581,225	340,100	295,971
Service Charges		733,793	790,000	936,547
Fees and Charges		39,623,564	37,270,640	23,637,243
Interest Earnings		368,637	369,200	803,671
Goods and Services Tax		2,643,199	0	1,752,191
Other Revenue		56,269	10,200	26,577
		44,450,440	39,100,140	27,663,270
Payments				
Employee Costs		(4,313,170)	(4,045,140)	(3,791,185)
Materials and Contracts		(17,060,092)	(20,071,600)	(5,262,783)
Utilities		(112,947)	(131,300)	(103,201)
Borrowing Cost Expenses		(1,308,644)	(1,417,000)	(1,271,176)
Insurance		(190,717)	(127,400)	(148,466)
Goods and Services Tax		(3,866,709)	0	(2,247,020)
Other Expenditure		(4,734,472)	(5,598,200)	(2,771,817)
		(31,586,751)	(31,390,640)	(15,595,648)
Net Cash Provided by Operating Activities	18(b)	12,863,689	7,709,500	12,067,622
Cash Flows from Investing Activities				
Payments for Purchase of Property, Plant and Equipment		(535,957)	(13,073,300)	(3,746,991)
Payments for Construction of Infrastructure		(80,029)	(936,000)	(44,050)
Council Contributions		15,172	187,360	85,809
Payments for Excavation Works and Resource Recovery Facility Costs		(7,977,102)	(16,288,700)	(10,237,320)
Proceeds from Sale of Plant and Equipment	24	129,567	292,000	137,000
		(8,448,349)	(29,818,640)	(13,805,552)
Net Cash Used in Investing Activities				
Cash Flows from Financing Activities				
Repayment of Loans	26	(2,432,724)	(1,988,281)	(2,245,306)
Proceeds from New Loans	26	0	18,600,000	3,000,000
		(2,432,724)	16,611,719	754,694
Net Cash Provided by (Used In) Financing Activities				
Net Increase / (Decrease) in Cash and Cash Equivalents Held		1,982,616	(5,497,421)	(983,236)
Cash and Cash Equivalents at Beginning of Year		11,459,868	11,459,868	12,443,104
Cash and Cash Equivalents at End of Year	18(a)	13,442,484	5,962,447	11,459,868

This statement is to be read in conjunction with the accompanying notes.

Statement of Financial Activity for the year ended 30 June 2010

	Note	ACTUAL 2009/2010 \$	BUDGET 2009/2010 \$
Revenues			
Grants and Subsidies		400,000	320,000
Contributions, Reimbursements and Donations		231,754	340,100
Fees and Charges - non member and casuals		5,354,309	5,595,240
Gas Generation Services		667,085	550,000
Interest Earnings		602,042	369,200
Other Revenue		55,162	10,200
Profit on Disposal of Assets		21,896	27,800
Total Revenues		7,332,248	7,212,540
Expenses			
Employee Costs		(4,474,305)	(4,300,140)
Materials and Contracts		(17,320,312)	(20,071,600)
Utilities		(121,310)	(131,300)
Depreciation		(1,046,336)	(1,159,080)
Borrowing Cost Expenses		(1,329,560)	(1,417,000)
Insurance		(146,262)	(127,400)
Amortisation		(5,008,362)	(4,588,800)
Other Expenses		(6,144,389)	(5,598,200)
Loss on Disposal of Assets		(14,314)	(28,700)
		(35,605,150)	(37,422,220)
Adjustment for Non-Cash Operating			
(Profit)/Loss on Disposal of Assets		(7,582)	900
Movement in Accrued Expenses		551,186	0
Movement in Accrued Salaries and Wages		28,853	0
Movement in Employee Benefit Provisions		182,955	255,000
Movement in Prepayments		6,826	0
Movement in Work in Progress		(236,000)	0
Movement in Accrued Income		74,174	0
Movement in Trade Creditors relating to investing activities		1,262,913	0
Movement in Capital Council Contributions		187,360	0
Council Contributions relating to investing activities		(15,172)	0
Depreciation of Assets		1,046,336	1,159,080
Amortisation		5,008,362	4,588,800
Total Operating less non cash adjustments		(20,182,691)	(24,205,900)
Capital Expenditures			
Payments for Purchase of Property, Plant & Equipment		(535,957)	(13,073,300)
Payments for Construction of Infrastructure		(80,029)	(936,000)
Payments for Excavation Works and Resource Recovery Facility Costs		(7,977,102)	(16,288,700)
		(8,593,088)	(30,298,000)
Funding Sources			
Repayments of Loans	26	(2,432,724)	(1,988,281)
Proceeds from Loans	26	0	18,600,000
Proceeds from Sale of Plant and Equipment	24	129,567	292,000
Council Contributions		15,172	187,360
Transfer to Reserves		(1,000,000)	0
		(3,287,985)	17,091,079
Total Capital Expenditures and Revenue		(32,063,764)	(37,412,821)
ADD: Estimated Surplus/(Deficit) July 1 B/Fwd	27	11,750,992	12,612,353
LESS: Estimated Surplus/(Deficit) June 30 C/Fwd	27	10,916,614	7,114,932
		834,378	5,497,421
User Charges - Member Councils	27	(31,229,386)	(31,915,400)

This statement is to be read in conjunction with the accompanying notes.

Notes to and Forming Part of the Financial Statements for the year ended 30 June 2010

1. SIGNIFICANT ACCOUNTING POLICIES

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The following significant accounting policies have been adopted in the preparation and presentation of this financial report:

(a) Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments), other mandatory professional reporting requirements, the Local Government Act 1995 and accompanying regulations. The report has also been prepared on an accrual basis under the convention of historical cost accounting.

The financial report has been prepared on the basis of historical cost and except where stated, does not take into account changing money values or current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Compliance with IFRSs

International Financial Reporting Standards ("IFRSs") form the basis of Australian Accounting Standards adopted by the AASB, being AIFRSs. The financial report of the Mindarie Regional Council complies with IFRSs and interpretations adopted by the International Accounting Standards Board except as follows:

- AIFRSs include specific provisions relating to not-for-profit entities. These are not included in IFRSs.

Australian Accounting Standards and Interpretations that have been issued or amended but are not yet effective have not been adopted by the Council for the annual reporting period ended 30 June 2010.

Council is of the view the new standards or amendments will have no direct impact on the amounts included in the financial report although the change may impact upon the way in which some financial information is disclosed.

Critical Accounting Estimates

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The calculation of amortisation on the excavation assets is based on specific estimates and judgements on the total capital costs and capacity of the landfill. The amortisation rate charged is reviewed regularly and is based upon a standard engineering cost per cubic metre of landfill. The amortisation expense is arrived at by applying the amortisation rate to the actual tonnages sent to landfill during the financial year.

(b) The Local Government Reporting Entity

All funds through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

The financial statements are prepared on the basis of a single consolidated fund (Municipal Fund).

Notes to and Forming Part of the Financial Statements for the year ended 30 June 2010

(c) Goods and Services Tax

In accordance with recommended practice revenues, expenses and assets capitalised are recognised net of any goods and services tax (GST) recoverable. Receivables and payables in the Balance Sheet are stated inclusive of GST.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) Cash and Cash Equivalents

Cash and Cash Equivalents in the balance sheet comprise cash at bank and in hand and short term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to any insignificant risk of changes in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(e) Receivables

Trade receivables and other receivables are recorded at amounts due less any allowance for doubtful debts.

Collectibility of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

(f) Inventories

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion.

(g) Acquisition of Assets

Assets acquired are recorded at the cost of acquisition, being the purchase consideration determined as at the date of acquisition plus costs incidental to the acquisition.

In the event that settlement of all or part of the cash consideration given in the acquisition of an asset is deferred, the fair value of the purchase consideration is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

(h) Plant and Equipment, Excavation Work and Resource Recovery Facility

Property, Plant and Equipment, Infrastructure, Excavation Work and Resource Recovery Facility assets are brought to account at cost less, where applicable, any accumulated depreciation, amortisation or impairment losses.

Fixed Assets are written down to recoverable amount where the carrying value of any fixed asset exceeds recoverable amount. In determining the recoverable amount of fixed assets, the expected net cash flows have been discounted to their present value.

(i) Depreciation

Depreciation is provided on property, plant and equipment, including buildings but excluding freehold land. All non-current assets having a limited useful life are separately and systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.

Depreciation is calculated on a straight line basis, using rates which are reviewed each reporting period. The following estimated useful lives are used in the calculation of depreciation:

Buildings	20 years
Plant and Equipment	6 2/3 years
Furniture and Fittings	5 years
Roads, Landscaping, Fences, Walls and Security Lighting	20 years

Notes to and Forming Part of the Financial Statements for the year ended 30 June 2010

(j) Leased Assets

The council has no leased assets classified as finance leases.

Operating lease payments are recognised as an expense on a basis which reflects the pattern in which economic benefits from the leased asset are consumed.

(k) Investments and Other Financial Assets

All investments are cash and cash equivalents that are valued at cost and interest on those investments is recognised when it accrues. The Council has no non-cash investments.

(l) Impairment

In accordance with Australian Accounting Standards the Council's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication that they may be impaired.

For non-cash generating assets such as roads, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

No assets are considered impaired as at the reporting date.

(m) Accounts Payable

Trade payables and other accounts payable are recognised when the council becomes obliged to make future payments resulting from the purchase of goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(n) Employee Benefits

A provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, and sick leave when it is probable that settlement will be required and they are capable of being measured reliably. Under the Mindarie Regional Council Union Collective Workplace Agreement of 2008 employees are paid on termination an amount for unused sick leave based on a graduated entitlement defined in the agreement.

(i) Wages, salaries, annual leave, sick leave and other employee benefits (short term benefits)

The provision for employees' benefits made in respect of wages and salaries, annual leave, sick leave, and other employee benefits expected to be settled within 12 months represents the amount that the Council has present obligation to pay resulting from employees' services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the Council expects to pay and includes related on-costs.

(ii) Long service leave (Long term benefits)

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of the services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yield at the reporting date on national government bonds with terms to maturity and currency that match closely as possible, the estimated future cash outflows. Where Council does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

(o) Interest bearing Loans and Borrowings

All loans and borrowings are recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest bearing loans and borrowings are subsequently measured using their applicable repayment schedules. Fees paid on the establishment of loan facilities are recognised in the income statement.

Borrowings are classified as non-current liabilities with repayments due in the 12 months after balance date recognised as current liabilities.

Borrowing Costs are recognised as an expense when incurred, except where they are directly attributable to the acquisition, construction or production of a qualifying asset and the commencement date for capitalisation is after 1 January 2009. Where this is the case, they are capitalised as part of the cost of the particular asset.

Notes to and Forming Part of the Financial Statements for the year ended 30 June 2010

(p) Superannuation

In line with Superannuation Guarantee Statutory requirements, the Council contributes a mandatory 9% contribution of the normal salary of employees, for qualifying employees, to the employees nominated superannuation fund. In addition to this, Council matches contributions made by employees to these nominated superannuation funds of up to 7%.

(q) Provisions

Provisions are recognised when the Council has a present obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount of the provision can be measured reliably.

Where there are a number of similar obligations, the likelihood that any outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of any outflow with respect to any one item included in the same class of obligation may be small.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is probable that recovery will be received and the amount of the receivable can be measured reliably.

A provision is recognised for distributions to members when they have been determined by the Council.

(r) Restoration, Rehabilitation and Monitoring Costs

The Council complies with the full provision method of accounting for restoration, rehabilitation and site monitoring costs. Charges are made to expenses based on the estimated costs of restoring, rehabilitating and monitoring the Tamala Park site. The rate charged is reviewed annually and is based upon a standard engineering cost per cubic metre of landfill, and the latest resources calculation. Engineering rates differ according to the nature of the obligation to provide the service.

(s) Future Capping Expenditure

The liability for estimated future capping expenditure is provided under Rehabilitation Provision on a phase by phase basis and discounted to the present value with the unwinding of the discount being charged to the Operating Statement under finance costs within the amortisation charge. The discounted present value of the future capping expenditure is also capitalised as part of the Rehabilitation Asset and is amortised on a straight line basis. Changes in estimates are recognised prospectively with corresponding adjustments to the provision and associated costs.

(t) Revenue Recognition

Waste Service Charge

Revenue from waste services is recognised on receipt of waste.

Disposal of Assets

Revenue from the disposal of assets is recognised when the Council has passed control of the goods or other assets to the buyer.

Rendering of Services

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract.

Gas Generation Services

Revenue from the generation of gas services is recognised on an accrual basis. Proceeds on sale of Renewable Energy Certificates (REC's) are only recognised when the REC's are sold.

Interest income

Interest income is recognised on an accrual basis.

Contributions of Assets

Grants, donations and other contributions are recognised as revenues when the Council obtains control over the assets comprising the contributions.

Where conditional contributions are received in advance and therefore recognised as revenues in that accounting period and the conditions on which those funds are to be expended are undischarged at the reporting date, the nature of the amounts pertaining to those undischarged conditions are disclosed in notes to the financial statements.

Notes to and Forming Part of the Financial Statements for the year ended 30 June 2010

Contributions received in advance and subject to undischarged conditions are classified as "Restricted Assets" and reported separately in the notes accompanying the financial statements. These notes also disclose the amount of the contributions recognised as revenues in a previous reporting period that were obtained in respect of the Council's operations for the current reporting period.

(u) Fair Value

All assets and liabilities recognised in the balance sheet, whether they are carried at cost or at fair value, are recognised at amounts that represent a reasonable approximation of fair values unless otherwise stated in the applicable notes.

The aggregate fair value and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to and forming part of the financial report.

The nominal value less estimated credit adjustments of trade receivable and payables are assumed to approximate their fair values. The fair values of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

(v) Comparative and Rounding Off Figures

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year. All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar.

(w) Current and Non-Current Classification

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months, such as long service leave, the liability is classified as current even if not expected to be settled within the next 12 months.

(x) Approval of Annual Report and Financial Statements

The Council approved the 2009-10 Annual Report and Financial Statements at their meeting of 9 December 2010.

(y) Budget Comparative Figures

Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the original budget estimate for the relevant item of disclosure.

Notes to and Forming Part of the Financial Statements for the year ended 30 June 2010

	ACTUAL 2009/2010	ACTUAL 2008/2009	
2. REVENUES AND EXPENSES	\$	\$	
2 (a) Results from Operating Activities			
The result from operating activities includes:			
2 (i) Charging as Expenses			
Amortisation			
Excavation Works	3,339,700	5,002,121	
Site Monitoring Provision	338,926	0	
Finance Charge - decommissioning provision	268,077	272,000	
Decommissioning Asset	524,216	512,000	
Resource Recovery Facility	537,443	0	
	5,008,362	5,786,121	
Auditors Remuneration			
Financial Audit	17,500	26,250	
Operational Audits	0	0	
The operational audit for 2008-09 and 2009-10 was conducted using internal resources.			
Depreciation			
Land and Buildings	163,997	154,435	
Furniture and Equipment	91,667	90,722	
Plant and Machinery	724,514	580,232	
Infrastructure	66,158	65,514	
	1,046,336	890,903	
Borrowing Cost Expenses			
Interest Expenses Loans (refer note 26)	1,270,116	1,179,765	
Loan Expenses (refer note 26)	59,444	67,500	
	1,329,560	1,247,265	
2(ii) Crediting as Revenues:	ACTUAL 2009/2010	BUDGET 2009/2010	ACTUAL 2008/2009
	\$	\$	\$
Interest Earnings			
Investments - Other Funds	602,042	369,200	696,927
Gas Generation Services			
- Gas Sales	667,085	550,000	851,406
Other Revenue			
- Other Revenue	55,162	10,200	11,656

Notes to and Forming Part of the Financial Statements for the year ended 30 June 2010

2. REVENUES AND EXPENSES

(b) Statement of Objective

In order to discharge its responsibilities to the community, the Council has developed a set of operational and financial objectives. These objectives have been established both on an overall basis, reflected by the Council's Mission Statement, and for each of its broad activities (programs).

MISSION STATEMENT

To provide effective, cost efficient and environmentally sound waste and other resource management services for the benefit of the region.

The Council is dedicated to providing high quality services to the community through its operations which encompass the following service orientated activities:

GOVERNANCE

Objective - To provide a decision making process for the efficient allocation of scarce resources.

Activities - Administration and operation of facilities and services to Member Councils; Other costs that relate to the tasks of assisting elected members and customers on matters which do not concern specific Council Services.

COMMUNITY AMENITIES

Objective - To provide services required by the Community.

Activities - The operation of Waste Facilities.



Notes to and Forming Part of the Financial Statements for the year ended 30 June 2010

		ACTUAL 2009/2010 \$	ACTUAL 2008/2009 \$
3	CASH AND CASH EQUIVALENTS		
	Unrestricted	12,304,485	11,321,869
	Restricted	1,137,999	137,999
		<u>13,442,484</u>	<u>11,459,868</u>
	The following restrictions have been imposed by regulations or other externally imposed requirements:		
	Site Rehabilitation Reserve	137,999	137,999
	Tamala Park Reserve	50,000	0
	Resource Recovery Facility Reserve	950,000	0
	Total Reserves	<u>1,137,999</u>	<u>137,999</u>
4	TRADE AND OTHER RECEIVABLES		
	Trade Receivables	2,916,366	1,993,800
	Less Provision for Doubtful Debts	(1,041)	(989)
		2,915,325	1,992,811
	Goods and Services Tax Receivable	63,606	70,411
		<u>2,978,931</u>	<u>2,063,222</u>
5	INVENTORIES		
	Fuel	<u>17,685</u>	<u>8,927</u>
6	OTHER CURRENT ASSETS		
	Prepaid Expenses	245,637	252,463
	Accrued Income	269,126	343,300
	Others - Pre-operating expenses	0	39,049
		<u>514,763</u>	<u>634,812</u>

Notes to and Forming Part of the Financial Statements for the year ended 30 June 2010

	ACTUAL 2009/2010 \$	ACTUAL 2008/2009 \$
7 PROPERTY, PLANT AND EQUIPMENT		
Land and Buildings - Cost	5,980,874	5,943,031
Less Accumulated Depreciation	<u>(1,694,666)</u>	<u>(1,530,668)</u>
	4,286,208	4,412,363
Furniture and Fittings - Cost	828,407	736,893
Less Accumulated Depreciation	<u>(539,836)</u>	<u>(459,360)</u>
	288,571	277,533
Plant and Equipment- Cost	5,677,298	5,472,655
Less Accumulated Depreciation	<u>(2,500,885)</u>	<u>(1,910,529)</u>
	3,176,413	3,562,126
	7,751,192	8,252,022

Effective from 1 July 2004, Council deemed the carrying amount of land and buildings to be their cost.

Movements in Carrying Amounts

Movement in the carrying amounts of each class of property, plant and equipment between the beginning and the end of the current financial year.

	Land & Buildings	Furniture & Fittings	Plant & Equipment	Total
Balance at the beginning of the year	4,412,363	277,533	3,562,126	8,252,022
Additions	37,843	104,825	458,665	601,333
Disposals - cost	0	(13,310)	(254,021)	(267,331)
Depreciation Disposal	0	11,190	134,157	145,347
Depreciation expense	<u>(163,998)</u>	<u>(91,667)</u>	<u>(724,514)</u>	<u>(980,179)</u>
Carrying amount at the end of year	4,286,208	288,571	3,176,413	7,751,192

	ACTUAL 2009/2010 \$	ACTUAL 2008/2009 \$
OTHER NON-CURRENT ASSETS		
Work in Progress - Plant and Equipment	<u>236,000</u>	<u>0</u>
	236,000	0

Movements in Carrying Amounts

Movement in the carrying amounts for Work in Process between the beginning and the end of the current financial year.

	ACTUAL 2009/2010 \$
Balance at the beginning of the year	0
Additions	<u>236,000</u>
Carrying amount at the end of year	236,000



Notes to and Forming Part of the Financial Statements for the year ended 30 June 2010

		ACTUAL 2009/2010 \$	ACTUAL 2008/2009 \$
8	INFRASTRUCTURE		
	Infrastructure	1,418,951	1,330,177
	Less Accumulated Depreciation	<u>(930,062)</u>	<u>(863,904)</u>
		<u>488,889</u>	<u>466,273</u>

Effective from 1 July 2004, Council deemed the carrying amount of all infrastructure assets to be their cost.

Movements in Carrying Amounts

Movement in the carrying amounts of each class of Infrastructure between the beginning and the end of the current financial year.

	ACTUAL 2009/2010 \$		
	Other Landscaping	Infrastructure	Total
Balance at the beginning of the year	170,536	295,737	466,273
Additions	0	88,774	88,774
Depreciation expense	<u>(17,766)</u>	<u>(48,392)</u>	<u>(66,158)</u>
Carrying amount at the end of year	<u>152,770</u>	<u>336,119</u>	<u>488,889</u>

		ACTUAL 2009/2010 \$	ACTUAL 2008/2009 \$
9	EXCAVATION WORK		
	Excavation Works - Complete	25,765,268	23,831,511
	Less Amortisation	<u>(17,085,005)</u>	<u>(13,745,305)</u>
		8,680,263	10,086,206
	Excavation Works - In Progress	<u>13,918,077</u>	<u>9,610,088</u>
		<u>22,598,340</u>	<u>19,696,294</u>

Movements in Carrying Amounts

Movement in the carrying amounts of each class of Excavation between the beginning and the end of the current financial year.

	ACTUAL 2009/2010 \$	
	Excavation Stage 2	Total
Balance at the beginning of the year	19,696,294	19,696,294
Additions	6,241,746	6,241,746
Amortisation	<u>(3,339,700)</u>	<u>(3,339,700)</u>
Carrying amount at the end of year	<u>22,598,340</u>	<u>22,598,340</u>



Notes to and Forming Part of the Financial Statements for the year ended 30 June 2010

		ACTUAL 2009/2010 \$	ACTUAL 2008/2009 \$
10 RESOURCE RECOVERY FACILITY			
Resource Recovery Facility		8,219,675	8,215,143
Pre-operating expenses relating to commissioning period		1,988,396	2,093,000
		10,208,071	10,308,143

The Resource Recovery Facility was commissioned on 15 July 09.

Movements in Carrying Amounts

Movement in the carrying amounts of each class of Resource Recovery Facility between the beginning and the end of the current financial year.

	ACTUAL 2009/2010 \$
	Resource Recovery Facility Total
Balance at the beginning of the year	10,308,143
Additions	437,371
	10,745,514
Amortisation	(537,443)
Carrying amount at the end of year	10,208,071

		ACTUAL 2009/2010 \$	ACTUAL 2008/2009 \$
11 REHABILITATION ASSET			
Decommissioning Asset for Capping Stage 2		3,825,366	4,041,821
Less Amortisation		(2,245,318)	(1,721,102)
		1,580,048	2,320,719

Movements in Carrying Amounts

Movement in the carrying amounts of each class of Rehabilitation Assets between the beginning and the end of the current financial year.

				ACTUAL 2009/2010 \$
	Stage 2 Phase 1	Stage 2 Phase 2 (East)	Stage 2 Phase 2 (West)	Total
Balance at the beginning of the year	766,201	726,518	828,000	2,320,719
Additions / (reductions) based on revised costs	77,414	(142,805)	(151,064)	(216,455)
Amortisation	(447,662)	(30,795)	(45,759)	(524,216)
Carrying amount at the end of year	395,953	552,918	631,177	1,580,048



Notes to and Forming Part of the Financial Statements for the year ended 30 June 2010

	ACTUAL 2009/2010	ACTUAL 2008/2009
	\$	\$
12 TRADE AND OTHER PAYABLES		
Current		
Sundry Creditors	4,384,487	1,643,026
Accrued Expenses	2,080,315	1,529,129
Accrued Salaries and Wages	124,353	95,500
	<u>6,589,155</u>	<u>3,267,655</u>
13 LONG-TERM BORROWINGS		
Current		
Loan Principal	2,453,882	2,432,725
Non-Current		
Loan Principal	17,047,270	19,501,151
	<u>19,501,152</u>	<u>21,933,876</u>
14 PROVISIONS		
Current		
Provision for Annual Leave and Sick Leave	420,916	312,043
Provision for Long Service Leave	225,135	176,583
	<u>646,051</u>	<u>488,626</u>
Non Current		
Provision for Long Service Leave	143,747	118,217
	<u>143,747</u>	<u>118,217</u>
	<u>789,798</u>	<u>606,843</u>
Rehabilitation Provision		
Decommissioning Provision for Capping Stage 2 Phase 1	3,179,245	2,901,373
Decommissioning Provision for Capping Stage 2 Phase 2 (East)	838,134	951,518
Decommissioning Provision for Capping Stage 2 Phase 2 (West)	838,134	951,000
Site Monitoring Provision	338,926	0
	<u>5,194,439</u>	<u>4,803,891</u>

Notes to and Forming Part of the Financial Statements for the year ended 30 June 2010

15 RESERVES - CASH / INVESTMENT BACKED

	ACTUAL 2009/2010	BUDGET 2009/2010	ACTUAL 2008/2009
Site Rehabilitation Reserve	\$	\$	\$
Opening Balance	137,999	137,999	137,999
	137,999	137,999	137,999
Tamala Park Reserve			
Transfer to Reserve	50,000	0	0
	50,000	0	0
Resource Recovery Facility Reserve			
Transfer to Reserve	950,000	0	0
	950,000	0	0
TOTAL RESERVES	1,137,999	137,999	137,999

All of the reserve accounts are supported by money held in financial institutions and match the amount shown as restricted cash in Note 3 to the financial report.

In accordance with council resolutions in relation to each reserve account, the purpose for which the funds are set aside are as follows :

Site Rehabilitation Reserve - to be used to fund the rehabilitation following the closure of the landfill and is expected to be utilised in the future years.

Tamala Park Reserve - to be used to fund capital expenditure committed for Tamala Park in 2009-10 and is expected to be utilised in 2010-11.

Resource Recovery Facility - to be used to fund operational and capital expenditure committed for the Resource Recovery Facility in 2009-10 and is expected to be utilised in 2010-11.

16 RESERVES - ASSET REVALUATION

Council recognises all assets at cost and no revaluation is undertaken.

	ACTUAL 2009/2010	ACTUAL 2008/2009
	\$	\$
City of Joondalup	388,712	357,485
City of Wanneroo	388,712	357,485
City of Stirling	777,424	714,970
City of Perth	304,164	288,551
Town of Vincent	157,753	142,140
Town of Cambridge	157,753	142,140
Town of Victoria Park	157,753	142,140
	2,332,271	2,144,911



Notes to and Forming Part of the Financial Statements for the year ended 30 June 2010

18 NOTES TO THE CASH FLOW STATEMENT

18(a) Reconciliation of Cash

For the purpose of the statement of cash flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Balance Sheet as follows:

	ACTUAL 2009/2010	BUDGET 2009/2010	ACTUAL 2008/2009
	\$	\$	\$
Cash and Cash Equivalents	13,442,484	5,962,447	11,459,868

18(b) Reconciliation of Net Cash Provided By Operating Activities to Net Result

Change in Net Assets Resulting from Operations	2,956,484	1,705,720	4,124,471
Depreciation	1,046,336	1,159,080	890,903
Excavation Amortised	3,339,700	4,588,800	5,002,121
Amortisation and finance charges for capping provisions	792,293	0	784,000
Post Closure monitoring amortisation	338,926	0	0
Resource Recovery Facility Amortisation	537,443	0	0
(Profit) / Loss on Sale of Asset	(7,582)	900	18,914
(Increase) / Decrease in Receivables	(915,709)	0	285,660
(Increase) / Decrease in Inventories	(8,758)	0	6,944
(Increase) / Decrease in Prepayments and Accrued Income	120,049	0	(235,318)
(Increase) / Decrease in Work in Progress	(236,000)	0	0
Pre-operating expenses relating to investing activities	(39,049)	0	39,049
Increase / (Decrease) in Payables	3,321,500	0	548,274
Adjustment for payables relating to investing activities	1,262,914	0	397,510
Increase / (Decrease) in Employee Provisions	182,954	255,000	113,767
Council Contributions relating to investing activities	(15,172)	0	(85,809)
Increase / (Decrease) in Capital Council Contributions	187,360	0	177,136
Net Cash from Operating Activities	12,863,689	7,709,500	12,067,622

Undrawn Borrowing Facilities Credit Stand-by

18(c) Arrangements

Bank Overdraft limit	1,000,000	1,000,000
Bank Overdraft at Balance Date	0	0
Credit Card Limit	125,000	125,000
Credit Card at Balance Date	(2,319)	(1,999)
Total Amount of Credit Unused	1,122,681	1,123,001

Loan Facilities

Loan Facilities - Current	2,453,882	2,432,725
Loan Facilities - Non Current	17,047,270	19,501,151
Loan Facilities in use at Balance Date	19,501,152	21,933,876
Unused Loan Facilities at Balance Date	18,600,000	0



Notes to and Forming Part of the Financial Statements for the year ended 30 June 2010

19 CONTINGENT LIABILITIES

A claim has been made against Mindarie Regional Council by the contractor for the lining work in relation to the landfill under Stage 2 Phase 2, West. The management and the Council members are of the view that the Council has reasonable prospects of defending the Claim and it is unlikely this liability will materialise.

20 SUBSEQUENT EVENTS NOTE

The City of Stirling commenced proceedings in May 2010 against the Mindarie Regional Council in the Supreme Court of Western Australia. The City of Stirling disputed the decision of the Mindarie Regional Council council meeting of 22 April 2010 to adopt a single fee for the receipt by the Mindarie Regional Council of waste from the Participants including from the City of Stirling. The other 6 Participants subsequently joined the proceedings as Second Defendants.

At a mediation ordered by the Supreme Court and held on 3 August 2010, the parties reached a settlement and entered into a Heads of Agreement.

Under the Heads of Agreement, the parties agreed, amongst other things, that:

- a) the City of Stirling would discontinue the Supreme Court proceedings;
- b) the City of Stirling would make a request to the Minister for Local Government to withdraw from the Mindarie Regional Council;
- c) the other Participants would consent to the proposed withdrawals; and
- d) good faith negotiations would take place as to the adjustments of assets and liabilities referred to in section 699 of the Local Government Act 1960.

The likely financial impact of this event, if any, is not able to be determined at this stage.

21 CAPITAL AND LEASING COMMITMENTS

Operating Lease Commitments

The operating lease relates to the lease of the land at Tamala Park but is not capitalised in the accounts payable:

	ACTUAL 2009/2010	ACTUAL 2008/2009
	\$	\$
- not later than one year	580,982	569,032
- later than one year but not later than five years	2,323,928	2,276,129
- later than five years	9,876,695	10,242,582
	12,781,605	13,087,743

22 DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS

	DISCOUNT PER YEAR	BUDGET 2009/2010	ACTUAL 2009/2010
	\$	\$	\$
Casual tipping fees	Discount 300	0	9
		0	9

A discount on casual tipping fees is granted to charitable or not for profit organisations up to the value of \$300 in any one financial year.

No amount was budgeted for 2009-10 for discounts due to the minor nature of the expenditure. Council considers support of these groups necessary for the overall benefit of the community.

Notes to and Forming Part of the Financial Statements for the year ended 30 June 2010

	ACTUAL 2009/2010 \$	ACTUAL 2008/2009 \$
23 TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY		
Community Amenities	46,356,234	43,741,485
Not Classified	13,460,169	11,468,795
	59,816,403	55,210,280

24 DISPOSALS OF ASSETS

The following assets were disposed of during the year

	Net book Value Actual \$	Sale Price Actual \$	Profit / (Loss) Actual \$
ACTUAL 2009/2010			
Plant and Equipment			
Other Property and Services			
Black 2 Draw Filing Cabinet (Furn01A)	0	14	14
Desks x 3 (Furn01B)	0	36	36
Small Wood Filing Cabinet (Furn01C)	0	5	5
4 Drawer Cabinet (Furn004)	0	14	14
Desktop Computer Weighbridge (Furn303)	0	27	27
Desktop Computer HP DC7100 (Furn318)	0	28	28
HP DC7600 Tower Desktop (Furn605)	174	36	(138)
HP DC7600 Tower Desktop (Furn607)	147	10	(137)
Desktop - Aquamarine (Furn681)	479	9	(470)
Desktop Computer (Furn682)	658	45	(613)
Desktop Computer (Furn683)	661	15	(646)
Nissan 4WD Fire Fighting Ute - 1BLL079 (Plant10)	4,625	14,545	9,920
Nissan Patrol - 1CFN 592 (Plant38)	16,330	28,182	11,852
242 SSL #2 Skid Steer Loader 1CHE149 (Plant39)	22,328	16,600	(5,728)
Nissan Navara DX Dual Cab - 1CJC957 (Plant42)	16,921	16,364	(557)
Ford Territory 1CRM552 (Plant48)	33,284	28,182	(5,102)
Ford Falcon FG G6E 4.0L - 1CVR980 (Plant55)	26,378	25,455	(923)
	121,985	129,567	7,582

BUDGET 2009/2010

Plant and Equipment

Other Property and Services

	Net book Value Estimated \$	Sale Price Estimated \$	Profit / (Loss) Estimated \$
Nissan Patrol - 1CFN592 (Plant 38)	22,300	24,000	1,700
Nissan Navarra DX Dual Cab (Plant 42)	18,900	25,000	6,100
Cardboard Bailing Unit (Plant 23)	0	20,000	20,000
Tana 400 - 1BNS433 (Plant 16)	147,500	143,000	(4,500)
Skid Steer Loader - 1CHE149 (Plant39)	30,200	22,000	(8,200)
Nissan 4WD Fire Fighting Ute (Plant 10)	7,900	6,000	(1,900)
Ford Territory (Plant 48)	36,200	26,000	(10,200)
Ford FG (Plant 55)	29,900	26,000	(3,900)
	292,900	292,000	(900)

Notes to and Forming Part of the Financial Statements for the year ended 30 June 2010

	2009/10	2008/09	2007/08
25 FINANCIAL RATIOS			
User Revenue to Total Tonnes	94.61	56.55	51.09
Current Ratio	1.63	2.27	2.76
Unrestricted Cash to Trade Creditors Ratio	2.81	6.89	6.49
Debt Ratio	0.54	0.55	0.59
Debt Service Ratio	0.10	0.15	0.27
Operating Costs per Tonne	93.44	51.90	44.20
Gross Debt to Revenue Ratio	0.51	0.94	0.98
Gross Debt to Economically Realisable Assets Ratio	0.79	0.98	0.97

The above ratios are calculated as follows:

User Revenue to Total Tonnes:	$\frac{\text{User Revenue}}{\text{Total Tonnes}}$
- Expressed as an average dollar per tonne	
Current Ratio:	$\frac{\text{Current assets minus restricted current assets}}{\text{Current liabilities minus liabilities associated with restricted assets}}$
Unrestricted Cash to Trade Creditors Ratio:	$\frac{\text{Unrestricted cash}}{\text{Trade creditors}}$
Debt Ratio:	$\frac{\text{Total liabilities}}{\text{Total assets}}$
Debt Service Ratio:	$\frac{\text{Debt service cost (Principal \& Interest)}}{\text{Available operating revenue}}$
Operating Costs per Tonne:	$\frac{\text{Operating Expenses (including Depreciation)}}{\text{Total Tonnes}}$
Gross debt to Revenue Ratio:	$\frac{\text{Gross Debt}}{\text{Total Revenue}}$
Gross Debt to Economically Realisable Assets Ratio:	$\frac{\text{Gross Debt}}{\text{Economically realisable assets}}$



Notes to and Forming Part of the Financial Statements for the year ended 30 June 2010

26 INFORMATION ON BORROWINGS

(a) Loan Repayments

Budget

	Estimated Principal 01/07/2009	Drawdowns	Principal Repayments 2009/10 Budget	Projected Balance as at 30/06/2010	Interest Repayments 2009/10 Budget
Community Amenities					
Tamala Park Landfill					
Loan 8 - Building Upgrade	376,434		65,876	310,558	22,400
Loan 12 - Construction Stage 2 Phase 2	11,249,970		1,666,680	9,583,290	621,800
Regional Resource Recovery Facility					
Loan 11 - Resource Recovery Facility Land	1,940,815		187,360	1,753,455	110,200
Loan 10 - Resource Recovery Facility Infrastructure	8,366,657		68,365	8,298,292	536,600
New Loan - Purchase of new Landfill		12,000,000		12,000,000	0
New Loan - Excavation Works Phase 3		6,600,000		6,600,000	66,000
Total Loan Principal Repayments	21,933,876	18,600,000	1,988,281	38,545,595	1,357,000
Facility Fee					60,000
Total Borrowing Costs					1,417,000

New Loans

- \$6.6m was approved by the Council for Phase 3 Excavation Works.

- Approval for \$12m for the purchase of land (replacement of Tamala Park) will be obtained once the land is identified.

(a) Loan Repayments

Actual

	Principal 01/07/2009	Drawdowns 2009/10	Principal Repayments Actual to 30/06/2010	Principal Balance as at 30/06/2010	Interest Repayments Actual to 30/06/2010
Community Amenities					
Tamala Park Landfill					
Loan 8 - Building Upgrade	376,434	0	65,876	310,558	22,344
Loan 12 - Construction Stage 2 Phase 2	11,249,970	0	1,666,680	9,583,290	621,742
Regional Resource Recovery Facility					
Loan 11 - Resource Recovery Facility Land	1,940,815	0	187,360	1,753,455	110,194
Loan 10 - Resource Recovery Facility Infrastructure	8,366,657	0	512,808	7,853,849	515,836
Total Loan Principal Repayments	21,933,876	0	2,432,724	19,501,152	1,270,116
Facility Fee					59,444
Total Borrowing Costs					1,329,560

(b) Overdraft

Council has not utilised an overdraft facility during the financial year although an overdraft of \$1,000,000 with the National Bank exists.

Notes to and Forming Part of the Financial Statements for the year ended 30 June 2010

27 Statement of Financial Activity Information and Member Charges

Member Charges

Budget

	Processable			Non-Processable			Total
	Estimated 2009/2010 Tonnage	Rate / Tonne (Excl GST)	Estimated Revenue \$	Estimated 2009/2010 Tonnage	Rate / Tonne (Excl GST)	Estimated Revenue \$	Estimated Revenue \$
		2009/2010			2009/2010		
Total Waste Tonnage							
City of Perth	16,000	120.50	1,928,000	37	66.00	2,400	1,930,400
City of Wanneroo	49,300	120.50	5,940,700	21,000	66.00	1,386,000	7,326,700
City of Joondalup	55,941	120.50	6,740,900	10,261	66.00	677,200	7,418,100
City of Stirling	12,000	120.50	1,446,000	83,000	66.00	5,478,000	6,924,000
Town of Cambridge	9,500	120.50	1,144,800	1,200	66.00	79,200	1,224,000
Town of Vincent	13,742	120.50	1,655,900	484	66.00	31,900	1,687,800
Town of Victoria Park	13,964	120.50	1,682,700	689	66.00	45,500	1,728,200
Total	170,447		20,539,000	116,671		7,700,200	28,239,200
Residue							
Sita Biovision Residues				30,000	66.00	1,980,000	1,980,000
City of Stirling Baled Residue				22,000	66.00	1,452,000	1,452,000
City of Wanneroo MRF				3,700	66.00	244,200	244,200
Total Baled Residue				55,700		3,676,200	3,676,200
Total Member Charges	170,447		20,539,000	172,371			31,915,400

Actual

	Processable			Non-Processable			Total
	Actual 2009/2010 Tonnage	Rate / Tonne (Excl GST)	Actual Revenue \$	Actual 2009/2010 Tonnage	Rate / Tonne (Excl GST)	Actual Revenue \$	Actual Revenue \$
		2009/2010			2009/2010		
Total Waste Tonnage							
City of Perth	14,415	120.50	1,737,022	45	66.00	2,987	1,740,009
City of Wanneroo	44,941	120.48	5,414,418	21,396	66.27	1,417,947	6,832,365
City of Joondalup	51,463	120.50	6,201,287	13,254	66.01	874,868	7,076,155
City of Stirling	18,693	120.50	2,252,479	74,529	65.84	4,907,179	7,159,658
Town of Cambridge	8,394	120.50	1,011,474	2,411	66.14	159,456	1,170,930
Town of Vincent	12,463	120.42	1,500,754	1,013	66.00	66,831	1,567,585
Town of Victoria Park	11,495	120.42	1,384,235	1,211	66.00	79,928	1,464,163
Total	161,864		19,501,669	113,859		7,509,196	27,010,865
Residue							
Resource Recovery Facility Residues				28,889	66.00	1,906,644	1,906,644
City of Stirling Baled Residue				23,739	66.00	1,566,761	1,566,761
City of Wanneroo MRF				11,290	66.00	745,116	745,116
Total Baled Residue				63,918		4,218,521	4,218,521
Total Member Charges	161,864		19,501,669	177,777		11,727,717	31,229,386

The budgeted revenue totals for waste tonnage and residue were rounded off to the nearest \$100 which has resulted in a difference when compared with the total tonnage multiplied by the rate / tonne. The actual revenue totals for waste tonnage and residue are immaterially different when compared with the total tonnage multiplied by the rate / tonne as during the year some of the waste was charged at specific prices per tonne depending on the item landfilled based on the disposal fees and charges schedule.

Notes to and Forming Part of the Financial Statements for the year ended 30 June 2010

Make up of Surplus Funding (Liquid Assets) Brought Forward and Carried Forward

	ACTUAL 2009/2010	Budget 2009/2010	ACTUAL 2008/2009
Cash	13,442,484	5,964,227	11,459,868
Receivables	2,978,931	2,508,445	2,063,222
Inventories	17,685	8,927	8,927
	16,439,100	8,481,599	13,532,017
Less			
Reserves - Cash Restricted	(1,137,999)	(137,999)	(137,999)
Trade Creditors	(4,384,487)	(1,228,668)	(1,643,026)
	(5,522,486)	(1,366,667)	(1,781,025)
	10,916,614	7,114,932	11,750,992



Notes to and Forming Part of the Financial Statements for the year ended 30 June 2010

		ACTUAL 2009/2010	ACTUAL 2008/2009	
28	FEES AND CHARGES			
	Community Amenities	\$ 36,583,695	\$ 21,203,710	
29	GRANT REVENUE			
	Grants and subsidies are included as operating revenues in the Income statement.			
	By Nature and Type			
	Grants and Subsidies - operating	400,000	105,345	
	By Program			
	Community Amenities	400,000	105,345	
		ACTUAL 2009/2010	BUDGET 2009/2010	ACTUAL 2008/2009
		\$	\$	\$
30	COUNCILLORS REMUNERATION			
	The following fees, expenses and allowances are to be paid to council members and the Chairman.			
	Meeting Fees	77,956	79,000	82,560
	Chairman's and Deputy Chairman's Allowance	6,604	7,500	7,500
	Conference Expenses	38,875	40,000	9,058
	Members Allowances	11,884	15,000	13,453
		135,319	141,500	112,571
31	EMPLOYEE NUMBERS			
	The number of full-time equivalent Employees at balance date.	38	38	
32	EMPLOYEES REMUNERATION			
	Set out below, in bands of 10,000, is the number of employees of the Council entitled to an annual salary of \$100,000 or more.			
	Salary Range	2009/2010	2008/2009	
	100,000 - 109,999	3	1	
	110,000 - 119,999	1	1	
	130,000 - 140,000	2		
	140,000 - 150,000		1	
	150,000 - 160,000		1	



Notes to and Forming Part of the Financial Statements for the year ended 30 June 2010

33 FINANCIAL RISK MANAGEMENT

Council's activities expose it to a variety of financial risks including price risk, credit risk, liquidity risk and interest rate risk. The Council overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by the finance area under policies approved by the Council.

Council held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2010	2009	2010	2009
	\$	\$	\$	\$
Financial assets				
Cash and Cash equivalents	13,442,484	11,459,868	13,442,484	11,459,868
Receivables	2,978,931	2,063,222	2,978,931	2,063,222
	<u>16,421,415</u>	<u>13,523,090</u>	<u>16,421,415</u>	<u>13,523,090</u>
Financial liabilities				
Payables	6,589,155	3,267,655	6,589,155	3,267,655
Borrowings	19,501,152	21,933,876	19,501,152	21,933,876
	<u>26,090,307</u>	<u>25,201,531</u>	<u>26,090,307</u>	<u>25,201,531</u>

Fair value is determined as follows:

Cash and Cash Equivalents, Receivables, Payables, Borrowings, Held-to-Maturity Investments - estimated to the carrying value which approximates net market value.

Notes to and Forming Part of the Financial Statements for the year ended 30 June 2010

33 FINANCIAL RISK MANAGEMENT

(a) Cash and cash equivalents

Financial assets at fair value through profit and loss

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash and investments portfolio and provides a monthly report to Council.

Cash and investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns.

Another risk associated with cash and investments is credit risk - the risk that a contracting entity will not complete its obligations under a financial instruments resulting in a financial loss to Council. The Council does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Council. The one major concentration of credit risk within the council is in relation to its cash and cash equivalent deposits which are with one major financial institution.

Council manages these risks by investing surplus cash into term deposits with only the major financial institutions.

There is no material impact of a 1% movement in interest rates on cash and investments as the Council's investments consist of short term deposits.

(b) Receivables

Council's major receivables comprise user charges and fees. The major risk associated with these receivables is credit risk - the risk that the debts may not be repaid. Council manages this risk by monitoring outstanding debt and employing debt recovery policies.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subject to a re-negotiation of repayment terms.

The profile of the Council's credit risk a balance date was:

	30.6.2010	30.6.2009
Percentage of Other Receivables:		
Current	97%	70%
Overdue	3%	30%

Notes to and Forming Part of the Financial Statements for the year ended 30 June 2010

33 FINANCIAL RISK MANAGEMENT

(c) Payables and Borrowings

Payables and borrowing are both subject to liquidity risk - that is the risk that insufficient funds may be on hand to meet payment obligations and when they fall due. Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required.

The contractual undiscounted cash flows of Council's Payables and Borrowings are set out in the Liquidity Sensitivity Table below:

	Due within 1 year	Due between 1 and 5 years	Due after 5 years	Total Contractual Cash flows	Carrying values
Year Ended 30 June 2010					
Payables	6,589,155	0	0	6,589,155	6,589,155
Borrowings	3,730,156	15,138,462	3,923,934	22,792,552	19,501,152
	10,319,311	15,138,462	3,923,934	29,381,707	26,090,307
Year Ended 30 June 2009					
Payables	3,267,655	0	0	3,267,655	3,267,655
Borrowings	3,866,303	18,128,005	4,664,547	26,658,855	21,933,876
	7,133,958	18,128,005	4,664,547	29,926,510	25,201,531

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. Council manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation.

The following table sets out the carrying amount, by maturity, of the financial instruments exposed to interest rate risk:

Year Ended 30 June 2010	within 1 year	1- 2 years	2-3 years	3-4 years	4-5 years	greater than 5 years	Total	Weighted Average Effective Interest Rate
	\$	\$	\$	\$	\$	\$	\$	\$
Borrowings								
Fixed Rate								
Borrowings		9,583,290	7,853,849	310,558		1,753,455	19,501,152	6.06%
Weighted average effective interest rate		5.98%	6.16%	6.45%		5.97%		
Year Ended 30 June 2009	within 1 year	1- 2 years	2-3 years	3-4 years	4-5 years	greater than 5 years	Total	Weighted Average Effective Interest Rate
	\$	\$	\$	\$	\$	\$	\$	\$
Borrowings								
Fixed Rate								
Borrowings			11,249,970	8,366,657	376,434	1,940,815	21,933,876	6.06%
Weighted average effective interest rate			5.98%	6.16%	6.45%	5.97%		

Notes to and Forming Part of the Financial Statements for the year ended 30 June 2010

34 New Accounting Standards and Interpretations for Application in Future Periods

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Council for the annual reporting period ending 30 June 2010.

Council's assessment of these new standards and interpretations is set out below.

Title and topic	Issued	Applicable	Impact
(i) AASB 9– Financial Instruments	December 2009	01 January 2013	Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Council, it is not anticipated the standard will have any material effect.
(ii) AASB 124– Related Party Disclosures	December 2009	01 January 2011	Nil – It is not anticipated the Council will have any related parties as defined by the Standard.
(iii) AASB 2009-5 - Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 8, 101, 107, 117, 118, 136 & 139]	May 2009	01 January 2010	Nil – The revisions are part of the AASB's annual improvement project to help ensure consistency with presentation, recognition and measurement criteria of IFRSs. It is not anticipated these will have any effect on the Council.
(iv) AASB 2009-8 - Amendments to Australian Accounting Standards – Group Cash – Settled Share-based Payment Transactions [AASB 2]	July 2009	01 January 2010	Nil - The Council will not have applicable transactions.
(v) AASB 2009-12 Amendments to Australian Accounting Standards [AASB 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052]	December 2009	01 January 2011	Nil – The revisions embodied in this standard relate to standards which do not apply to local government (ie AASB8) or are largely editorial in nature and will have minimal effect (if any) on the accounting practices of the Council.
(vi) AASB 2009– 11 Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12)	December 2009	01 January 2013	Nil – The revisions embodied in this standard give effect to the consequential changes arising from the issuance of AASB 9 which is not anticipated to have any material effect on the Council (refer (ii) above).
(vii) AASB 2009-13 Amendments to Australian Accounting Standards arising from Interpretation 19 [AASB 1]	December 2009	01 July 2010	Nil – None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.
AASB 2010- 1 Amendment to Australian Accounting Standards – Limited Exemption from Comparative AASB 7 Disclosure for First-time Adopters [AASB 1 & AASB 7]	February 2010	01 July 2010	

Notes to and Forming Part of the Financial Statements for the year ended 30 June 2010

(vi) (Continued)

AASB 2009- 10 Amendments to Australian Accounting Standards – Classification of Rights Issues [AASB132]	October 2009	01 February 2010	Nil – None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.
Interpretation 19– Extinguishing Financial Liabilities with Equity Instruments	December 2009	01 July 2010	
AASB 2009– 14 Amendments to Australian Interpretations – Prepayments of a minimum Funding Requirement [AASB Interpretation 14]	December 2009	01 January 2011	

35 Adoption of New and Revised Accounting Standards

During the current year, the Council adopted all of the new and revised Australian Accounting Standards and Interpretations which became mandatory and which were applicable to its operations.

The following is an explanation of the impact the adoption of these standards and interpretations has had on the financial statements of the Council.

AASB 101: Presentation of Financial Statements

In September 2007, the Australian Accounting Standards Board revised AASB 101 and as a result, there have been changes to the presentation and disclosure of certain information within the financial statements. Below is an overview of the key changes and the impact on the Council's financial statements.

Disclosure Impact

Terminology changes – The revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements.

Reporting changes in equity – The revised AASB 101 requires all changes in equity arising from transactions with owners, in their capacity as owners, to be presented separately from non-owner changes in equity. Owner changes in equity are to be presented in the statement of changes in equity, with non-owner changes in equity presented in the statement of comprehensive income. The previous version of AASB 101 required owner changes in equity and other comprehensive income to be presented in the statement of changes in equity.

Statement of comprehensive income – The revised AASB 101 requires all income and expenses to be presented in either a single statement, the statement of comprehensive income, or two statements, a separate income statement and a statement of comprehensive income. The previous version of AASB 101 required only the presentation of a single income statement.

The Council has adopted the single statement approach and the financial statements now contain a statement of comprehensive income.

Other Comprehensive Income – The revised version of AASB 101 introduces the concept of 'other comprehensive income' which comprises income and expenses not recognised in profit or loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the statement of comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.