



Annual Report 2010



Responsible Waste Management

NAWMA (a local Government Regional Subsidiary)

Member Councils: Gawler, Playford and Salisbury **Client Councils:** Adelaide Hills, Barossa, Clare/Gilbert Valley, Copper Coast, Goyder Regional, Light Regional, Mallala, Yorke Peninsula and Wakefield Regional

Introduction

The 2009-10 financial year has been very productive for the Northern Adelaide Waste Management Authority. Considerable time and effort has been dedicated to refining the Authority's culture and operating systems to achieve a more proactive stance. The outcomes are clearly evident in all operations. For example:

- the waste baler has performed at optimum level (10 hours per day, 5 days per week) throughout the year, primarily due to the implementation of rigid inspection and maintenance programs. To be able to operate on such a large scale with only one baler is a credit to all staff and contractors involved;
- kerbside collection services for waste, recycling, garden and food organics and household hard waste are all being carried out in accordance with the performance criteria established in the contract provisions;
- administrative processes, coupled with customer service, are functioning at the required level as specified in Service Agreements with Member Councils with adequate resources to sustain this position. NAWMA has been actively working with consultants engaged by the LGAWCS, and it has developed a series of policies and procedures that comply with the One System Model OHS/IM System Framework; and
- education and promotional programs are being well received by schools and community organisations as evidenced by the increasing demand from these groups.

A major highlight was the official opening of the \$2 million Compressed Natural Gas (CNG) refuelling station in October 2009. The State Minister for Regional Development and the Northern Suburbs, Hon. Michael O'Brien MP, and the NAWMA Chairman, formally launched the station at the Elizabeth West site. The refuelling station is dedicated for use by collection trucks and it is a first in the waste industry in Australia.

As at 30 June 2010, an independent evaluation was undertaken on all land assets held by the Authority. This process valued land assets to the current market value. Land assets for the first time this year have been shown as a separate class of asset and disclosed accordingly in the Financial Report.

The asset revaluation has impacted on the Balance Sheet by reducing the Net Asset deficit position by the valuation increment.

Adjustments to the forecasted budget were made during the year at the time of the budget reviews and were necessitated by the uncertainty in the commercial market place. There was a 20 per cent reduction in waste tonnages received for reasons explained in the report. This had no impact on the Member Councils and their service levels. However, it required a re-examination of operations to improve efficiencies and maintain cost structures.

Irrespective of the above, cash flows from operating activities are financially sound and, although receipts are \$700,000 less than in 2009, payments to suppliers and employees are \$1.5 million less than last year. This has resulted in an improved cash operating result of \$708,000 in 2009-10 compared with the previous year.

Noting that depreciation has been fully funded as an accounting expense (\$1.4 million) the accounts prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) indicate an operating deficit of \$100,000. Given the unforeseen negative impact on commodity prices (paper and cardboard) due to the global financial crisis, especially relevant to the early part of the year under review, this is considered a very satisfactory result.

The improvements to operations and administrative systems put in place this reporting period have placed the Authority on a solid footing for future years.

Cr Brian Goodall
Chairman

Mr Brian King
Executive Officer

Waste Baling Operation

NAWMA has been baling waste for the past five years. In that period it has:

- produced 241,623 bales;
- baled 333,629 tonnes; and
- utilised 2,320 km of plastic strapping.

It is an extremely cost efficient operation that is maintained at the highest standard. The maintenance engineers recently relocated the ejection ram sensor system from an internal to external position as the system was prone to being damaged during the bale ejection process.

There has been a reduction in tonnage throughput due to a major transporter redirecting waste into its own facility. This required the Authority to re-examine operating hours and the type of waste being received to improve efficiencies. The exercise proved to be extremely successful with a reduction in operating hours from 13 to 10.45 per day. Key cost savings were achieved by the elimination of double time penalty rates.

In addition, baling rates improved due to a reduction in hard waste material received from roll-on, roll-off non-compacted trucks. This material required sorting and was difficult to bale. Other benefits and cost savings will be achieved from a reduction in the use of consumables such as plastic strapping, fuel and oil.

An average of 270 tonnes of waste is baled daily, equating to around 70,000 tonnes per annum.



Front-end loaders (FELS)

For the past five years, NAWMA has leased the front-end loader and forklift used in the waste baling operation. There were a number of issues associated with this arrangement in what is a relatively harsh working environment. The forklift proved to be unsuitable and costly to operate. Furthermore, the loader clocked up more hours than was stipulated in the lease with the Authority incurring a financial penalty.

The Board, with approval from Member Councils, resolved to purchase new plant rather than lease this heavy equipment. As a result, two front-end loaders were purchased from Komatsu, both with quick-hitch arrangements making them essentially interchangeable. This removed downtime that occurred when either of the previous machines stopped working, which was more common with the forklift. Either of the Komatsu machines is able to run the baling operation, allowing the second to be temporarily out of service for maintenance or repairs. The bucket and bale grab systems can be quick-hitched on both machines.



Material Recovery Facility (MRF)

The quantity of household recyclables collected from the kerbside service and delivered to the MRF is around 1,300 tonnes more than in 2008-09.

A total of 20,744 tonnes of recyclables were received from the Authority's Member Councils, with an additional 7,624 tonnes sourced from client/rural Councils during the reporting period.

Eight rural Councils now utilise the Elizabeth West facility to deliver recyclables. Three of these Councils also drop-off residual waste collected from the kerbside into the waste baling plant.

It is pleasing to report that income derived from the sale of paper and cardboard product has increased substantially in the latter half of the reporting period as the world economic situation improves.



Administration / Customer Service

The addition of a Finance Officer on staff has assisted management considerably with the Authority's annual operating budget now exceeding \$18 million. This specialist support has improved financial reporting and freed up senior staff to concentrate more on specific service areas and management functions.

The office computer operating systems have been updated with two computers replaced. In addition, efficiency has improved by networking the facsimile system.

The use of the free-call number by residents is relatively high. In 2009-10, there were 39,143 free-calls equating to 110 calls per day over the whole year. The cost to maintain this service is around \$7,000 per annum. Currently, free-call use applies to landline only, and the Board will need to consider extending this service to mobile telephones. The majority of telephone contacts related to:

- hard waste service and booking (approximately 35 per cent);
- purchase of MGBs for the garden organics collection service (6 per cent);
- information/bookings for educational activities (5 per cent);
- new residents (10 per cent);
- garden organics service payments from Playford residents (10 per cent);
- general enquiries (30 per cent); and
- service complaints (4 per cent).



Servicing Complaints

Year	Waste	Recycling	Garden Organics
05-06	1,154	241	517
06-07	1,030	325	546
07-08	1,084	248	418
08-09	1,083	376	395
09-10	761	450	406

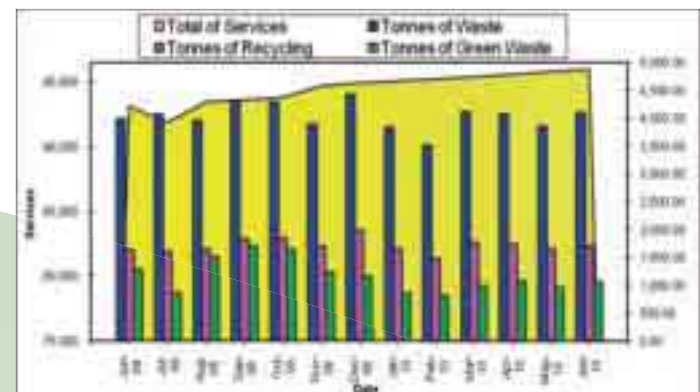
Complaints relating to the weekly kerbside waste collection averaged 2.9 per day. Complaints relating to recycling collection averaged 1.7 per day while fortnightly garden organics collection concerns averaged 1.6 per day.

The region has grown to the extent that the collection contractor is required to empty around 31,000 bins each day (Monday to Friday).

Statistical Data

The provision of statistical data is a major function for staff to quantify diversion from landfill and collection yields per household. The Authority maintains and operates two weighbridges. These are unmanned facilities electronically linked to the administration office and monitored by CCTV.

Herbside Collection Tonnages per Council per Month



Education and Promotion

The Authority expends around \$100,000 per annum on education and promotions with the majority of these funds received from our collection contractor. This expenditure is considered necessary to reinforce the recycling and resource recovery message. The education vision is to help communities understand the importance of responsible waste management.

Over the past 12 months, activity levels involving Nawma – our 'living promotions' identity – have remained high. For example:

- visitors from within the region to the Authority's Environment Education Centre (EEC) at the Elizabeth West site included 1,877 children (77 groups) and 444 adults;
- visits to schools and community groups within the region involved 35 sessions for 931 children and 185 adults; and
- 35 sessions were presented in the EEC for interested groups from outside the region, comprising of 680 children and 329 adults.

In total, 147 sessions were held for 3,446 children and 958 adults. It is important to note that 50 per cent of visitors to the EEC also went on to the Uleybury landfill utilising the informative viewing platform at that location.

As part of its customer service, the Authority also provides promotion and education support to the Barossa Council. A highlight of the year was a sustainability schools day at Mount Pleasant in September 2009. Sixteen primary schools attended the event with 'Nawma' conducting ten environmental workshops over a two-day period.



Requirement to Re-Route Collection Days

Mechanised kerbside collections commenced in the region in 1995 with SITA servicing around 76,000 households. Since then, the number of households has grown to 95,000.

At the commencement of the new contract in March 2009, some minor changes were made to accommodate business premises in Cavan and the main street of Gawler. The only other re-routing over the past 15 years was in 2006 when Gawler was moved from being serviced five days a week to once a week. This change provided a better solution for all involved.

Due to the large increase in new houses in specific suburbs, and the requirement for better utilisation of trucks and drivers, it was determined to conduct a re-routing exercise that affected about 10,000 households, or almost 10 per cent of the region. This was carried out in February 2010 in conjunction with distribution of the annual NAWMA calendar.

If possible, the Authority avoids making changes to residents' kerbside collection days. In this case, it was necessary but no more changes will be required in the current contract term.

New truck wash and workshop

A requirement in the collection contract arrangements with SITA is for a supervisor to be located at the Elizabeth West site. SITA has taken this a step further with the construction of the Compressed Natural Gas refuelling station, and housing of the 23 collection vehicles on site. In addition, SITA has completed a truck wash and workshop facility.

Around 70 personnel – consisting of truck drivers, recycling sorters, plant operators and administration staff – work on or from the Elizabeth West site, which is evolving into one of the State's major waste management facilities.



Household Hardwaste Collections

Salisbury and Playford Councils elected to introduce household hard waste collection in January 2008. The system chosen by both Councils is an annual scheduled service carried out in designated suburbs and months. This is considered the most cost effective system for those two Councils. Salisbury Council has included a user contribution fee or, alternatively, a voucher system to access the waste transfer station.

The Authority is achieving the following key objectives of the program:

- to maximise resource recovery opportunities and reduce the landfill component; and
- reduce the visual impact in streets by asking residents to place the hard waste within the front boundary of their properties, and not on the footpath. This also minimises any public health and safety issues. An estimated 95 per cent of residents comply with this request.

During the reporting period:

- there were 7,667 collections from households in Playford (24 per cent) and 4,465 collections from households in Salisbury (8.27 per cent). In addition, 7,387 Salisbury residents (14.1 per cent) were issued with vouchers to access the Research Road Waste Transfer Station for free tipping of hard waste;
- 2,800 mattresses were collected and stripped for material re-use or recycling;
- 243.52 tonnes of scrap metal were recycled;
- 913.71 tonnes of hard waste were collected; and
- the following E-Waste items were recycled;
 - > 2,065 televisions
 - > 1,350 computer monitors
 - > 413 computer towers
 - > 1,076 other electrical items.



Garden and Food Organics Collection and Processing

The number of residents participating in this service continues to grow. At 30 June 2010, this number had reached 33,265 households. In addition to the 14,384 tonnes of organics collected from the kerbside, 7,213 tonnes of organics comprising street sweepings, stormwater silt and bulk garden organics were collected at the Salisbury and Gawler Waste Transfer Stations. This was delivered to Jeffries for processing.

For the second successive year, the Authority has received a credit from Jeffries (\$35,100) as the annual collection of garden and food organics exceeded 20,000 tonnes. This is in accordance with the processing contract.

During the year, the Authority sold 240 litre bins to 2,346 residents equating to \$82,110. This allowed those residents to participate in the kerbside collection service.

Around 4,000 residents have collected free kitchen bench top bins provided by Jeffries to encourage householders to place food organics in the garden organics bin. This material would otherwise go to landfill via residents' waste bins. As a result, waste diversion rates are further improved



Uleybury Landfill

Stage 2 Landfill Cell Liner and Leachate Collection System.

The \$1.62 million Stage 2 construction project was completed in June 2010, and it is expected to commence receiving waste in late 2010 or early 2011.

There were slight delays during construction primarily due to slow production and delivery of the leachate drainage aggregate.

The major design changes or improvements in comparison to Stage One are:

- division of the floor into three distinct cells to improve stormwater and leachate management; and
- installation of an inclined sump (rather than a vertical sump) for easier access to the leachate pump.

Stage 2 was constructed to best practice environmental standards. It is expected this stage will service the region's waste disposal needs for the next five years.

Landfill Gas Extraction

The control of landfill gas is a priority for the Authority as well as being a major agenda item for Governments and communities. Stage 1 of the landfill is nearing completion and is almost at its final approved height contours with interim capping being put in place. The monitoring of greenhouse gas emissions from the landfill is routinely carried out on a quarterly basis.

A number of gas extraction wells will be installed in Stage 1 in late 2010 or early 2011 to initially flare the gas until levels are adequate to enable co-generation, or conversion to power source.

Alternative Daily Cover (ADC)

The trial program reported in 2009 has proven to be successful with the EPA amending the Authority's Licence and granting approval to use ADC in lieu of tarps or shade cloth.

A number of nuisance conditions such as litter, odour and flies are now more effectively controlled using ADC.

There is also a noticeable improvement in occupational health and safety practices on site as the 3.6 metre vertical face created by the placement of waste bales was difficult to adequately cover with concerns about OH&S.



Landfill Operating Contract



The landfill operator, L. R. & M. Constructions Pty Ltd, has been granted an extension to its five-year contract that terminated in May 2010.

The extension is to October 2012 at which time the Bale Transport Contract also terminates. There is potential for a number of operational efficiencies and benefits to the Authority with one contractor managing both functions.

2009 - 2010 Airspace Consumption

The annual volumetric survey that measures airspace consumed at the balefill (required as part of an annual return to the EPA) was completed on 20 June 2010. A total of 74,560 cubic metres of airspace was consumed during the 2009-10 financial year. Airspace consumed since the commencement of operations is as follows:

Period	Airspace Consumed (m3)	Tonnage during same period (t)	Compaction Ratio (tonnes WASTE Per m3)
05-06 (including material from 1 May 2005 to 30 June 2005)	103,395	74,873	0.72
06-07	108,630	94,612	0.87
07-08	96,600	98,895	1.02
08-09	97,740	87,974	0.90
09-10	74,560	76,949	1.03
TOTAL	480,925	433,303	0.90 (=overall average)

The compaction ratio of 1.03 tonnes of waste per cubic metre of airspace achieved for the reporting period is due to the efficient operation of the waste baler and landfill operators. This is assisting in preserving airspace at the landfill.



Future Major Project

The Authority recognises an opportunity to establish a Public Resource Recovery and Waste Transfer Station after June 2012.

The Elizabeth West site is well positioned to accommodate such a facility. A vacant block of land (7,000 square metres) that abuts the site has been secured pending development of a business model, potential partners and design work.

Should the project proceed, it will be a fully enclosed facility allowing for stringent OH & S standards with all waste streams received from residents and small business operators.

The objective would be to maximise resource recovery opportunities and provide a gate price for disposal that will be attractive to residents.

Although still in the early planning stages, the project has been well supported by Board Members.

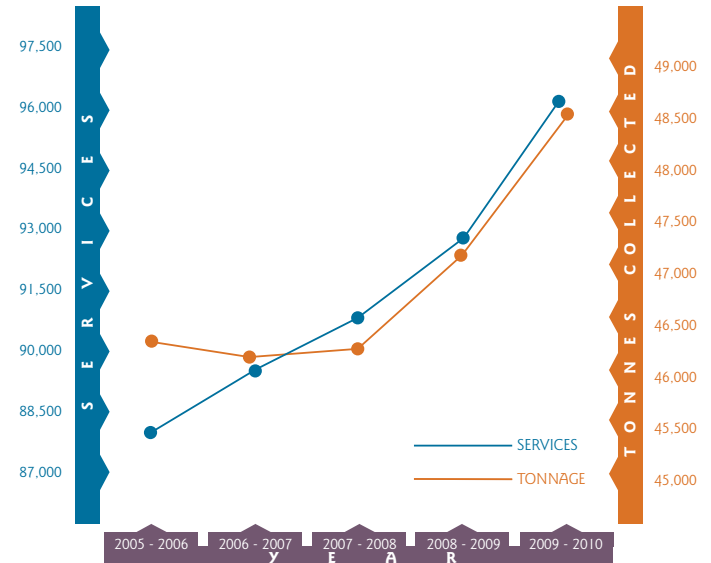


Performance Summary 2009 - 2010

Waste Tonnage comparisons 2009 - 2010

Year	Services	Tonnes Collected
05-06	87,387	46,297
06-07	89,312	46,062
07-08	90,879	46,279
08-09	92,104	47,143
09-10	95,959	48,589

The number of households has increased by 3,855 during the reporting period. *(Please note in this reporting period on-property bulk services have also been included in the service numbers and tonnage figures, this equates to around 850 additional services).* Waste collected per household per week is 9.7kg, which is similar to the previous year. The maintenance of waste collected at less than 10kg per household per week is a good result.



Recycling Tonnage comparisons

Year	Services	Tonnes Collected
05-06	84,838	19,040
06-07	87,223	18,935
07-08	89,559	20,269
08-09	91,732	20,101
09-10	93,772	20,744

The collection yield from the kerbside system is 4.25kg per household per week, which is similar to the previous year. This indicates that the kerbside collection service is being well utilised, and reflects the effectiveness of the Authority's educational and promotional activities.



Performance Summary 2009 - 2010

Garden Organics Tonnage comparisons

Year	Services	Tonnes Collected
05-06	28,413	13,252
06-07	29,658	11,039
07-08	28,834	12,244
08-09	30,866	12,892
09-10	33,265	14,385

The average yield of 8.3kgs per household per week is a good result that assists in the diversion of material from landfill, particularly organics. The slight increase of 0.3kg compared to the previous year may be attributed to the inclusion of food organics with the gardens organics.

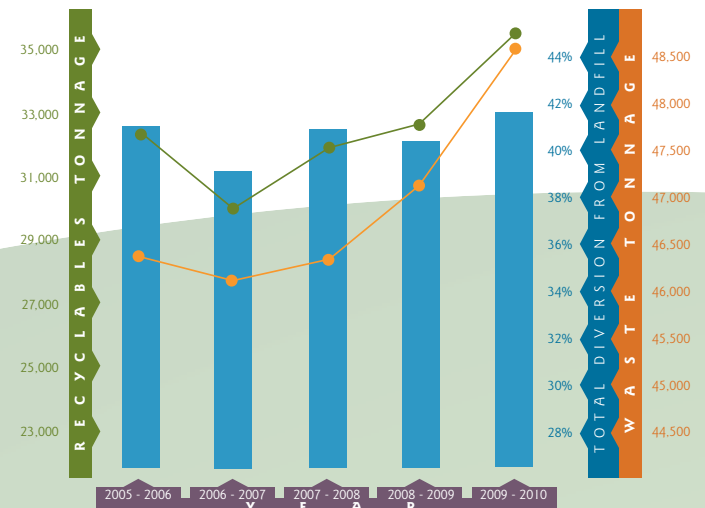


Regional performance comparison with previous years

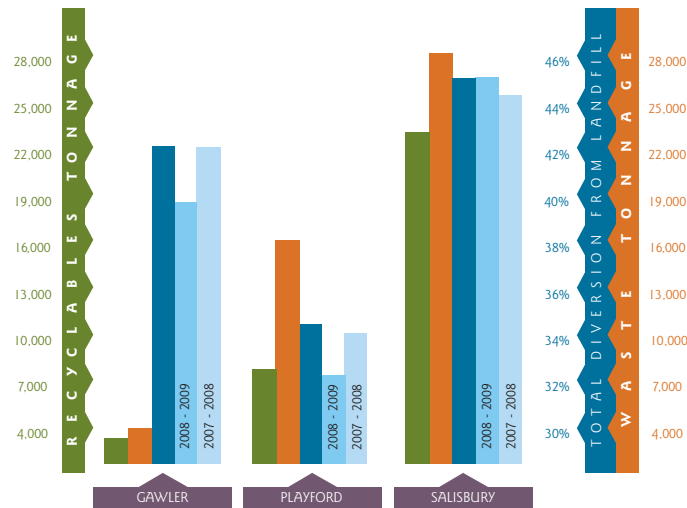
Year	Recyclables (tonnages)	Waste (tonnages)	Total Diversion from landfill
05-06	32,292	46,279	41.10%
06-07	29,974	46,062	39.40%
07-08	32,513	46,279	41.30%
08-09	32,993	47,143	40.57%
09-10	35,129	48,589	41.96%

The regional diversion rate is more than acceptable considering garden organics collections are only available to residents who elect/register for the service. Member Council participation levels in the garden organics collection service are:

Gawler	2,620 households	(30.33%)
Playford	3,983 households	(12.87%)
Salisbury	26,662 households	(51.13%)



Performance Summary 2009 - 2010



Member Councils performance 2009 - 2010

	Recyclables (tonnages)	Waste (tonnages)	Total Diversion from landfill	Compared to 2008-09 and 2007-08
Gawler	3,078	4,179	42.4%	39.9% 42.4%
Playford	8,802	16,405	34.9%	32.2% 34.5%
Salisbury	23,248	28,007	45.4%	45.6% 44.3%

Note:

1. The City of Playford's garden organics collection service is user-pays, and it has been in place for the whole of the reporting period.

2. The diversion rates shown above are based on kerbside collection services only. They do not include recycling/resource recovery initiatives in place at member Council's Waste Transfer Stations or through the hard waste collection program.

INDEPENDENT AUDITOR'S REPORT
To the members of the Northern Adelaide Waste Management Authority
Report on the Concise Financial Report

The accompanying concise financial report of Northern Adelaide Waste Management Authority comprises the balance sheet as at 30 June 2010, the statement of comprehensive income, statement of changes in equity, cash flow statement, and related notes for the year then ended, derived from the audited financial report of Northern Adelaide Waste Management Authority for the year ended 30 June 2010. The concise financial report does not contain all disclosures required by the Australian Accounting Standards.

Directors' Responsibility for the Concise Financial Report

The Directors are responsible for the preparation and presentation of the concise financial report in accordance with Accounting Standard AASB 1039 Concise Financial Reports. This responsibility includes establishing and maintaining internal control relevant to the preparation of the concise financial report; 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 concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of Northern Adelaide Waste Management Authority for the year ended 30 June 2010. Our audit report on the financial report for the year was signed on 3 September 2010 and was not subject to any modification. The Australian 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 for the year is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts, disclosures and analysis, and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standard AASB 1039 Concise Financial Reports.

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 have complied with the independence requirements of relevant Australian Ethical Pronouncements. We confirm that the independence declaration required by the Local Government Act 1999, provided to the directors of Northern Adelaide Waste Management Authority on 3 September 2010, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's Opinion

In our opinion, the concise financial report of Northern Adelaide Waste Management Authority for the year ended 30 June 2010 complies with Accounting Standard AASB 1039 Concise Financial Reports.

GALPIN ENGLER BRUINS AND DEMPSEY



S.C. Smith FCPA
Partner

26th September 2010

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

Concise Financial Report for the year ended 30 June 2010

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The Concise Financial Report is an extract from the General Purpose Financial Report.

The Financial Statements and specific disclosures included in the Concise Financial Report have been derived from the General Purpose Financial Report.

The Concise Financial Report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the entity as the General Purpose Financial Report.

Further financial information can be obtained from the General Purpose Financial Report which is available, free of charge, on request to the Northern Adelaide Waste Management Authority

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2010

	Notes	2010 \$'000	2009 \$'000
INCOME			
User charges	2	16,775	17,726
Investment income	2	67	59
Reimbursements	2	33	70
Other	2	154	203
Total Income		<u>17,029</u>	<u>18,058</u>
EXPENSES			
Employee costs	3	600	562
Materials, contracts & other expenses	3	14,190	15,554
Finance costs	3	701	512
Depreciation, amortisation & impairment	3	1,638	1,150
Total Expenses		<u>17,129</u>	<u>17,778</u>
OPERATING SURPLUS / (DEFICIT)		(100)	280
transfer to Equity Statement			
Asset disposal & fair value adjustments		-	(1)
Physical resources received free of charge		-	-
NET SURPLUS / (DEFICIT)		<u>(100)</u>	<u>279</u>
Other Comprehensive Income			
Changes in revaluation surplus - infrastructure, property, plant & equipment		<u>1,940</u>	<u>-</u>
Total Other Comprehensive Income		1,940	-
TOTAL COMPREHENSIVE INCOME		<u>1,840</u>	<u>279</u>

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

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

BALANCE SHEET as at 30 June 2010

ASSETS	Notes	2010 \$'000	2009 \$'000
Current Assets			
Cash and cash equivalents		1,073	1,167
Trade & other receivables		1,650	1,797
Inventories		82	82
Total Current Assets		<u>2,805</u>	<u>3,046</u>
Non-current Assets			
Infrastructure, Property, Plant & Equipment		<u>12,884</u>	<u>10,398</u>
Total Assets		<u>15,689</u>	<u>13,444</u>
LIABILITIES			
Current Liabilities			
Trade & Other Payables		1,753	1,697
Provisions		78	82
Borrowings		3,240	1,620
Total Current Liabilities		<u>5,071</u>	<u>3,399</u>
Non-current Liabilities			
Borrowings		8,177	9,512
Provisions		2,628	2,560
Total Non-current Liabilities		<u>10,805</u>	<u>12,072</u>
Total Liabilities		<u>15,876</u>	<u>15,471</u>
NET ASSETS		<u>(187)</u>	<u>(2,027)</u>
EQUITY			
Accumulated Surplus		(2,127)	(2,027)
Asset Revaluation Reserve		1,940	-
Other Reserves		-	-
TOTAL EQUITY		<u>(187)</u>	<u>(2,027)</u>

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

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2010

2010	Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
Balance at end of previous reporting period		(2,027)	-	-	(2,027)
Adjustments due to compliance with revised Accounting Standards		-	-	-	-
Adjustments to give effect to changed accounting policies		-	-	-	-
Restated Opening Balance		(2,027)	-	-	(2,027)
Net Surplus/ (Deficit) for Year		(100)	-	-	(100)
Other Comprehensive Income		-	-	-	-
Gain on revaluation of infrastructure, property, plant & equipment		-	1,940	-	1,940
Transfers between reserves		-	-	-	-
Distributions to Member Councils		-	-	-	-
Balance at end of period		(2,127)	1,940	-	(187)

2009	Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
Balance at end of previous reporting period		(2,306)	-	-	(2,306)
Adjustments due to compliance with revised Accounting Standards		-	-	-	-
Adjustments to give effect to changed accounting policies		-	-	-	-
Restated Opening Balance		(2,306)	-	-	(2,306)
Net Surplus/ (Deficit) for Year		279	-	-	279
Other Comprehensive Income		-	-	-	-
Gain on revaluation of infrastructure, property, plant & equipment		-	-	-	-
Transfers between reserves		-	-	-	-
Distributions to Member Councils		-	-	-	-
Balance at end of period		(2,027)	-	-	(2,027)

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

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

CASH FLOW STATEMENT for the year ended 30 June 2010

	Notes	2010 \$'000	2009 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Operating receipts		17,120	17,847
Investment receipts		56	53
<u>Payments</u>			
Operating payments to suppliers & employees		(14,837)	(16,540)
Finance payments		(681)	(410)
Net Cash provided by (or used in) Operating Activities		<u>1,658</u>	<u>950</u>
 CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Sale of surplus assets		-	-
<u>Payments</u>			
Expenditure on renewal/replacement of assets		-	-
Expenditure on new/upgraded assets		(2,036)	(6,218)
Purchase of Investments		-	-
Net Cash provided by (or used in) Investing Activities		<u>(2,036)</u>	<u>(6,218)</u>
 CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Receipts</u>			
Proceeds from Borrowings		1,620	6,540
<u>Payments</u>			
Repayments of Borrowings		(1,336)	(640)
Net Cash provided by (or used in) Financing Activities		<u>284</u>	<u>5,900</u>
Net Increase (Decrease) in cash held		<u>(94)</u>	<u>632</u>
 Cash & cash equivalents at beginning of period		<u>1,167</u>	<u>535</u>
Cash & cash equivalents at end of period		<u>1,073</u>	<u>1,167</u>

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

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

NOTES TO AND FORMING PART OF THE CONCISE FINANCIAL STATEMENTS
for the year ended 30 June 2010

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

The concise financial report has been prepared in accordance with the requirements of Accounting Standard 1039 'Concise Financial Reports'.

The financial report is presented in Australian Dollars.

1 Basis of Preparation

This general purpose financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations (UIGs) and relevant South Australian legislation.

The Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of City of Salisbury, City of Playford and the Town of Gawler.

Northern Adelaide Waste Management Authority operates as a regional subsidiary pursuant to Section 43 of the SA Local Government Act 1999 and Section 25 of the Local Government Implementation Act, and has its principal place of business at Cnr Peachey & Bellchambers Road, Elizabeth West SA 5113. These financial statements have been prepared for use by the Constituent Councils of the Authority.

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 2 - INCOME

	Notes	2010 \$'000	2009 \$'000
USER CHARGES			
Waste Management Operations		<u>16,775</u>	<u>17,726</u>
		<u>16,775</u>	<u>17,726</u>
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		58	50
Rental income		<u>9</u>	<u>9</u>
		<u>67</u>	<u>59</u>
REIMBURSEMENTS			
SITA Reimbursement		<u>33</u>	<u>70</u>
		<u>33</u>	<u>70</u>
OTHER INCOME			
Insurance & other recoupments		47	-
Promotional Income		<u>107</u>	<u>203</u>
		<u>154</u>	<u>203</u>

Note 3 - EXPENSES

EMPLOYEE COSTS			
Salaries and Wages		483	438
Employee leave expense		29	32
Superannuation		39	42
Workers' Compensation Insurance		6	5
Allowances		3	5
Other		<u>40</u>	<u>40</u>
Total Operating Employee Costs		<u>600</u>	<u>562</u>
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		9	8
- Other Services		-	-
Operating Lease Rentals - cancellable leases		<u>334</u>	<u>305</u>
Subtotal - Prescribed Expenses		<u>343</u>	<u>313</u>

<u>Other Materials, Contracts & Expenses</u>		
Promotions	122	144
Bank Fees	7	5
Boral Royalty	178	217
Contractors	10,575	11,468
Environmental Protection Agency Levy	1,886	2,196
Materials- Removal Exchange	442	523
Contractual & Legal Expenses	10	65
Professional services	32	39
Waste Recycle Bins	514	492
Administration & Other Expenses	81	92
Subtotal - Other Materials, Contracts & Expenses	<u>13,847</u>	<u>15,241</u>
	<u>14,190</u>	<u>15,554</u>

	Notes	2010 \$'000	2009 \$'000
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Waste Processing Facility		79	57
Uleybury Landfill Plant & Equipment		325	347
Education Program Plant & Equipment		7	6
Office Furniture & Equipment		6	6
Property & Improvements		231	231
Landfill Cell Stage One		-	31
Landfill Capping Stage One		151	143
Landfill Cell Stage Two		-	-
Landfill Cell Stage Three		-	-
Post Closure Rehabilitation		80	77
Buildings		7	3
Mobile Garbage Bins		752	249
Less: Capitalised and distributed costs		-	-
		<u>1,638</u>	<u>1,150</u>
FINANCE COSTS			
Interest on Loans and Overdraft		<u>701</u>	<u>512</u>
		<u>701</u>	<u>512</u>

Note 4 - EVENTS OCCURRING AFTER REPORTING DATE

There were no events subsequent to 30 June 2010 that need to be disclosed in the financial statements.

Discussion and Analysis

The 2009/10 financial year the Authority had an independent external valuation exercise performed on all land assets as at 30 June 2010. The valuation performed resulted in a valuation increase of \$1.940 million which has been reflected in the Asset Revaluation Reserve. The Authority also commenced significant capital works on the construction of Stage 2 Landfill design and construction with a total of \$1.633 million being capitalised in the 2009/10 financial year.

Total tonnages for 2009/10 have fallen in comparison to prior years which has resulted in the decrease in User Charges income and this has contributed to NAWMA recording an operating deficit of \$100,000 in 2009/2010.



Organisational Structure

