



Naracoorte Lucindale Council

Better by Nature

NOTICE OF MEETING

Members are advised that a Meeting of the Naracoorte Regional Livestock Exchange Board will be held on Tuesday 5 February 2019 commencing at 5.30pm in the Council Chamber, DeGaris Place, Naracoorte.

AGENDA OF BUSINESS FOR DISCUSSION IS ATTACHED.

If you are unable to attend the meeting, please advise Reception at the Naracoorte Office (phone 8760 1100) as soon as possible.

CHIEF EXECUTIVE OFFICER

1 February 2019

Distributed to:

Board Members

Cr Scott McLachlan

Cr Ken Schultz

Cr Cameron Grundy

Mr Ian O'Loan

Mr Jonathan England

Council Officers

Mr Trevor Smart CEO

Mr Steve Bourne Director Operations

Mr Richard James Manager NRLE

NARACOORTE LUCINDALE COUNCIL

AGENDA FOR NARACOORTE REGIONAL LIVESTOCK EXCHANGE BOARD MEETING BEING HELD ON 5 February 2019

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ITEM 1	COMMITTEE MEMBER'S DECLARATION OF INTEREST (IF ANY)	4
	<p>Members of the Committee shall comply with the conflict of interest provisions contained within Sections 73, 74, 75 and 75A of the Local Government Act, 1999.</p> <p>Members are reminded of their obligations under Division 3 – Conflicts of Interest.</p> <p>Under section 74 – Material conflicts of interest, if a member of a council has a material conflict of interest in a matter to be discussed at a meeting of the council, the member must:</p> <ul style="list-style-type: none">a) inform the meeting of the member's material conflict of interest in the matter; andb) leave the meeting room (including any area set aside for the public) such that the member cannot view or hear any discussion or voting at the meeting, and stay out of the meeting room while the matter is being discussed and voted on. <p>Under section 75A - Actual and perceived conflicts of interest, if in relation to a matter to be discussed at a meeting of a council, a member of the council:</p> <ul style="list-style-type: none">a) has a conflict of interest in the matter (an actual conflict of interest); orb) could reasonably be taken, from the perspective of an impartial, fair-minded person, to have a conflict of interest in the matter (a perceived conflict of interest), <p>the member must deal with the actual or perceived conflict of interest in a transparent and accountable way. The member must inform the meeting of:</p> <ul style="list-style-type: none">a) the member's interest in the matter; andb) if the member proposes to participate in the meeting in relation to the matter, how the member intends to deal with the actual or perceived conflict of interest.	
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NARACOORTE LUCINDALE COUNCIL
AGENDA FOR NARACOORTE REGIONAL LIVESTOCK EXCHANGE
BOARD MEETING BEING HELD ON
5 February 2019

COMMENCED: Meeting commenced at **pm in Naracoorte Council Chamber,
DeGaris Place, Naracoorte

PRESENT:

APOLOGIES:

ON LEAVE:

MEDIA
REPRESENTATIVES:

ITEM 1 COMMITTEE MEMBER'S DECLARATION OF INTEREST (IF ANY)
(Section 74, Local Government Act, 1999)

ITEM 2 PUBLIC FORUM

(The Public Forum is an opportunity for community members to ask questions, or to address the Committee on matters relating to the Committee's activities.)

ITEM 3 CONFIRMATION OF COMMITTEE MINUTES

RECOMMENDATION

MOVED
SECONDED

That the Minutes from the meeting held on 19 December 2018 are taken as read and confirmed as an accurate record of the proceedings of the meeting.

ITEM 4 MATTERS LAID ON THE TABLE FROM PREVIOUS MEETINGS

ITEM 5 REPORTS FOR DECISION/DISCUSSION

5.1 FINANCIAL

YTD Report

The financial report to 31 December is attached. The first 6 months have been stronger compared to last year with cattle ahead and sheep and lambs just behind.

As at 31 December, revenue was approximately \$177,000 ahead of the same time last year with YTD expenditure \$75,000 less than 2017 YTD figures.

Council approved the budget increase of \$60,000 for infrastructure for the waste water treatment plant separation area. We have been advised the installation will occur in February.

A budget review has been completed and is attached. Changes from the adopted budget are:

- \$60,000 increase for Waste Water Treatment Plant parts (capital)
- \$100,000 increase in operating and maintenance costs for the WWTP (depending on approach to the sand solution)
- \$42,000 decrease in electricity costs with the WWTP non-operational for an extended period
- \$10,000 decrease in L&B General Maintenance
- \$32,000 decrease in L&B Yard Maintenance

The forecast is to achieve the revenue target and keep operational expenditure to the adopted budget. The reserve is forecast to be approximately \$89,000 at the end of the financial year, down from \$209,132 at 30 June 2018.

REFER TO ATTACHMENTS 5.1

- [Financial report to 31 December including EOY forecast](#)

RECOMMENDATION

**MOVED
SECONDED**

That;

- **the NRLE financial report as at 31 December 2018 is noted; and**
- **the budget review for the 2018/19 budget is submitted to the Audit Committee for approval and submission to Council.**

ITEM 6 OFFICERS' REPORTS FOR INFORMATION

6.1 Capital Works

The tender documents for the cattle selling pens upgrade were released on 21 January to close 11 February. These were sent to 6 companies who provided a Registration of Interest through the process conducted in November 2016. As per previous planning, the project has been broken into stages with Stage 1 to reconstruct 72 selling pens. This will leave the bull pens in place as well as the unloading ramps and associated pens. The water troughs and reticulation have been kept separate to manage the installation project internally rather than combining steelwork and watering system construction into a single contract, which would necessarily involve multiple skill sets and incur management fees by a lead contractor.

A site inspection was held 31 January with 3 companies attending. Mr Bill Vowles, the project designer, was in attendance to respond to questions regarding the design

and construction methodology. Following questions raised by the prospective contractors, a revised technical specification will be provided and an extension for submission given.

6.2 Operations

Usage Report

Livestock throughput has been strong with sheep and lambs near last year's levels and cattle well ahead. Weaner cattle sales in December and January were good. One sale in January saw stock withdrawn due to extreme heat however it is hoped we will see these at a future sale.

Cattle throughput is 59,927 up from 48,007 and sheep and lambs 327,688 compared to 327,559 to the end of January.

Manager Richard James will be in attendance to discuss operational matters.

REFER TO ATTACHMENT 6.2

- [Usage Report December 2018](#)
- [Usage Report January 2019](#)

6.3 Management

Waste Water Treatment Plant (WWTP)

The Board received a report at its December meeting regarding the WWTP. The report noted;

- Officers will work with Factor UTB to;
 - Reinstate the solid waste separator
 - Evaluate options to redirect water flow into the SBR and Balance Tanks to reduce sand ingress
 - Determine a solution for sand removal at the truckwash
 - Restart the waste water system to adequately treat waste water for irrigation. The ponds store the bulk of water over summer with evaporation assisting with keeping levels down, so we have an opportunity over the next few months to address issues prior to autumn irrigation.

The Board recommended a budget adjustment of \$60,000 to purchase replacement separators for separating solid waste from liquid, prior to this being transferred to the Balance Tank. This was approved by Council.

Factor UTB has been requested to evaluate the option of directing water from the separator to the ponds before drawing water into the Balance Tank. A response has not been received at the time of preparing the agenda.

6.4 Promotion and Marketing

Prices are being sought to replace the Naracoorte Regional Livestock Exchange sign at the facility entrance, using the branding developed for Council and specific NRLE branding.



6.5 WHS and Risk Management

No incidents have been reported.

6.6 Compliance

EPA

We have had regular correspondence with the EPA regarding the non-operation of the Waste Water Treatment Plant. They are being kept informed of progress and are urging the NRLE to meet the requirements of the Wastewater Irrigation Management Plan.

EUCAS

The EUCAS audit report has been received (as attached). The audit relates to the NRLE retaining its European Union (EU) approved status. One major non-compliance was identified which related to EU eligible cattle being delivered through individual agent ramps and not through the designated EU ramps. Manager Richard James has raised this with the Combined Agents.

REFER TO ATTACHMENT 6.6

- [EUCAS Audit Report](#)

ITEM 7 PUBLICATIONS / DOCUMENTS / INFORMATION FROM OTHER BODIES

ITEM 8 MATTERS RAISED BY MEMBERS

8.1 QUESTIONS WITH NOTICE

8.2 MOTIONS WITH NOTICE

8.3 QUESTIONS WITHOUT NOTICE

8.4 MOTIONS WITHOUT NOTICE

ITEM 9 MATTERS THAT MAY BE CONSIDERED IN CONFIDENCE

THE CHIEF EXECUTIVE OFFICER ADVISES THAT THE FOLLOWING ITEM MAY BE CONSIDERED IN CONFIDENCE ON THE GROUNDS SPECIFIED IN THE RECOMMENDATION. IF MEMBERS ARE OF THE VIEW THAT THE ITEM SHOULD BE CONSIDERED IN CONFIDENCE, THE RESOLUTION APPEARING BELOW SHOULD BE ADOPTED.

9.1 Energy Audit

File Reference:

Responsible Officer: Steve Bourne – Director Operations

REFER TO ATTACHMENT 9.1

- Energy audit

RECOMMENDATION

**MOVED CR
SECONDED CR**

Pursuant to Section 90(2) of the Local Government Act 1999 the Committee orders that all members of the public except Chief Executive Officer, Trevor Smart and Director Operations, Steve Bourne, will be excluded from attendance at the meeting for Agenda Item 9.1, Energy Audit.

The Committee is satisfied that, pursuant to Section 90(3)(b) of the Act, the information to be received, discussed or considered in relation to this Agenda Item could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and is on balance, be contrary to the public interest.

The Committee is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances to prevent the disclosure of this information.

IF THE COMMITTEE IS OF THE VIEW THAT THE REPORT, THE MINUTES, OR A DOCUMENT RELATING TO THE ITEM SHOULD BE KEPT CONFIDENTIAL THE FOLLOWING RESOLUTION SHOULD BE ADOPTED.

RECOMMENDATION

**MOVED CR
SECONDED CR**

That having considered Agenda Item 9.1, Energy Audit in confidence under Section 90(2) and (3)(b) of the Local Government Act 1999, the Committee, pursuant to Section 91(7)(b) of that Act orders that all documents and all minutes be retained in confidence until the matter is finalised.

ITEM 10 DATE OF NEXT MEETING

NEXT MEETING: April 2019 at 5.30pm

ITEM 11 MEETING CLOSURE

CLOSURE: Meeting closed at xx

NARACOORTE LUCINDALE COUNCIL
NARACOORTE REGIONAL LIVESTOCK EXCHANGE
PROFIT & LOSS AS AT 31 DECEMBER 2018

	ACTUAL	ACTUAL	ACTUAL	BUDGET	YTD	FORECAST
	2015-2016	2016-2017	2017-2018	2018-2019	2018-2019	2018-2019

Operational Income

10324800	Agistment - Land	-2,534	-6,121	-91	-3,570	-91	-3,570
10324801	Canteen Lease	-6,493	-6,969	-7,197	-7,523	-3,681	-7,523
10324810	Fees	-1,050,846	-1,069,154	-985,188	-1,271,400	-703,290	-1,271,400
10324811	Fees - EU Cattle	-46,471	-25,226	-20,725	-21,840	-9,435	-21,840
10324814	Fees - Store Cattle	-87,128	-64,741	-154,037	-57,120	-47,921	-57,120
10324815	Fees - Non Sale Day			-1,181	-9,690	-274	-9,690
25324765	Grant Income - Operating						
10324830	Interest Income	-2,720	-1,653	-2,227		-1,329	
10324839	Licence Fees (Agents)	-7,609	-7,705	-5,576	-8,300	-11,280	-8,300
	Recoveries						
10324843	NLIS Tags	-12,702	-10,694	-10,791	-10,200	-9,314	-10,200
10324846	Other Income	-4,600	-50,066	-36			
	Phylloxera Shed						
10324848	Paddock Charges	3,570	-1,903	-7,330	-5,100		-5,100
10324861	Reimbursement Reporting Costs		-3,900	-5,400	-3,500	-2,100	-3,500
10324885	Stock Disposal Income	-9,501	-8,241	-8,993	-10,200	-5,974	-10,200
10324899	Truckwash Fees	-139,458	-136,532	-157,993	-148,500	-81,263	-148,500
	TOTAL INCOME	-1,366,492	-1,392,905	-1,366,765	-1,556,943	-875,952	-1,556,943

General Expenditure

324005	Administration	59,381	59,381	61,355	62,582	31,291	62,582
324006	Advertising	5,614	3,660	4,568	4,080	900	4,080
324023	Annual Audits	1,386	1,035	1,354	1,428	916	5,000
324033	Board Expenses	2,652	2,163	3,837	3,060	1,353	3,060
324187	Consultants Fee/Legal Fees						
324074	Consumables	4,347	4,138	3,385	3,060	1,877	3,060
324083	Council Rates	27,614	26,060	29,158	29,828	27,158	27,158
324111	Electricity	56,287	57,808	64,527	102,000	14,366	60,000
324115	EPA & Water Licence	4,443	8,532	12,763	8,466	11,090	11,090
324122	Furniture & Office Equip Mtce		31		1,530		1,530
324158	Insurance	23,860	20,344	19,230	19,810	19,900	19,900
324187	Legal Fees				5,100		
324192	Licences - EPA & Safework	7,922		204	10,200		10,200
324242	Other Expenses	9,048	837	860	1,020	80	1,020
324244	Plant & Equipment Maintenance	17,021	7,831	16,035	10,200	3,003	10,200
324249	Paddock Costs	189	107	120	510	140	510
324268	Printing & Stationery	1,767	1,146	2,152	2,550	969	2,550
324288	Refuse Collection	3,210	5,409	4,724	6,120	2,908	6,120
324308	Scanning Charges	9,463	4,176	1,582	5,100	1,066	5,100
324310	Security Charges					261	500
324344	Subscriptions	8,725	9,650	9,544	8,000	5,981	8,000
324352	Telephone/Internet	7,394	5,009	5,199	6,000	2,154	6,000
324376	Truck Wash (Avdata) Costs	14,844	13,632	14,005	14,280	8,266	14,280
324395	Water Monitoring	123	4,729				
324445	Market Reporting Costs	800	8,600	10,000	7,000	3,400	7,000

Land & Building Maintenance

324054	Cleaning & Gardening	12,963	12,762	11,820	15,300	6,714	15,300
324171	L&B Mtce - General	49,456	43,101	61,517	40,800	9,851	30,000
324174	L&B Mtce - Compost Pit	5,752	6,002	7,346	7,140	4,171	7,140
324175	L&B Mtce - Effluent Dams	5,746	14,589	8,161	10,200	2,651	10,200
324176	L&B Mtce - Truckwash	21,349	19,361	20,056	20,400	5,451	20,400
324177	L&B Mtce - Water Reuse Plant	85,666	83,484	75,661	71,400	14,992	170,000
324178	L&B Mtce - Weighbridge	13,574	5,958	9,106	10,200	6,945	10,200
324179	L&B Mtce - Yards	136,528	96,421	85,311	112,200	22,103	80,000
324324	Soft Flooring	38,023	37,889	42,553	51,000	25,704	51,000
324408	Yard Washing	50,982	50,322	49,782	56,375	31,832	56,375
324455	Wastewater Irrigation Management			19,660			

Depreciation

324093	Depreciation Buildings & Infrastructure	367,960	368,867	371,085	379,000	185,543	379,000
324096	Depreciation Plant & Furniture	27,774	30,448	34,362	31,604	17,181	31,604

Employee Costs

	Clerking of the Market						
324123	FBT Liability	10,452	9,167	10,128	10,763		10,763

NARACOORTE LUCINDALE COUNCIL
NARACOORTE REGIONAL LIVESTOCK EXCHANGE
PROFIT & LOSS AS AT 31 DECEMBER 2018

	ACTUAL	ACTUAL	ACTUAL	BUDGET	YTD	FORECAST	
	2015-2016	2016-2017	2017-2018	2018-2019	2018-2019	2018-2019	
324155	Income Protection Insurance	6,507	6,361	6,181	6,672	6,587	6,672
	Liveweight Wages						
324207	LSL Liability	13,002	10,836	4,686	10,088	5,046	10,088
20324270	Project Management/Business Plan						
324272	Protective Clothing/Uniform	3,505	3,394	3,738	4,100	1,610	4,100
324306	Salaries	126,094	140,722	125,274	119,891	61,357	119,891
324307	Sale Day Support	54,852	51,612	50,775	61,500	26,880	61,500
324345	Superannuation	37,670	38,214	36,571	38,431	16,895	38,431
324364	Training Costs	6,011	4,282	4,925	5,125	2,492	5,125
324386	Workers Comp	21,960	22,107	15,908	21,416	13,330	21,416
Interest							
324160	Interest Payment - Cash Advance	227	629	424	2,000		2,000
324161	Interest Payment	111,890	103,624	94,868	88,087	20,302	88,087
	Interest Payment						
IT Expenditure							
324164	IT Consumables	6,600	4,060	6,411	4,080	927	4,080
324167	IT Recovery	3,000	5,196	5,196	5,200	2,600	5,200
Vehicle Expenditure							
324381	Vehicle Expenses	8,672	8,509	6,744	8,000	5,837	8,000
	TOTAL EXPENDITURE	1,492,305	1,422,195	1,432,851	1,502,896	634,080	1,515,512
	OPERATING PROFIT/(LOSS)	-125,813	-29,290	-66,086	54,047	241,872	41,431
	ADJUSTED FOR DEPRECIATION	269,921	370,025	339,361	464,651	444,596	452,035
Capital Sales & Income							
	Diposal of Asset		-11,364				
	Sale of Plant						
	Loan Income						
	Grant Income						
Principal Repayments							
324162	Loan Repayment - Council (Internal)	17,280	17,280	17,280	17,280	17,280	17,280
925509	Loan Repayment - Principal	37,163	39,791	42,605	45,617	22,419	45,617
925510	Loan Repayment - Principal	102,724	108,241	114,054	120,179	59,304	120,179
Capital Expenditure							
	Capital Expenditure						
860001	Furniture & Equipment	7,045	6,690	1,500			
860005	IT	14,595	9,008	9,779	10,000		10,000
860010	Fleet		33,995				
860015	Infra Addition Minor Plant	9,646	16,946	15,012		8,210	8,210
860020	Infra Addition Major Plant	10,164					
860030	Infra Additions Buildings	23,618	69,009	2,979			
50860YA050	Infra Addition Loading Ramps upgrade						
	Infra Addition Shed						
	Infra Addition Water Reuse Project						60,000
	Infra Addition Weighbridge						
860051	Infra Addition D Yards			19,468			
860053	Infra Addition Signs		7,376		10,000		10,000
860052	Infra Addition Cattle Sselling Pens	86,460	14,400	3,206	300,000		300,000
860054	Infra Addition Raceway						
	TRANSFER TO RESERVE	-38,774	58,653	113,478	-38,425	337,383	-119,251
	NRLE RESERVE	37,001	95,654	209,132	170,707	546,515	89,881

NARACOORTE LUCINDALE COUNCIL

NARACOORTE REGIONAL
LIVESTOCK EXCHANGE

Budget Est. For 2018/2019
Cattle 90,000 Sheep 385,000

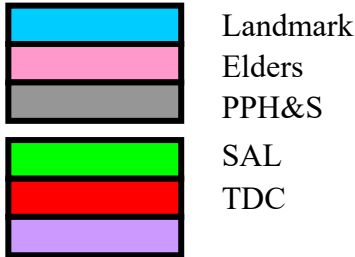
Cumulative figures fat/store/Spec

Sales included = July 1st - 2018
Month Ending – December 31st

Thru-put for month of December

Position of thru-put in relation
to budget

Individual Agents Performance



Assoc Agents

Private Sales L/Weight All Agents

Cattle		Sheep	
	43,738		308112
Prev.Year	34,527	Prev Year	310109
	12,414		26,623
Prev.Year	11,017	Prev.Year	16,252
Stock %	49%	Stock %	80%
Year %	50%	Year %	50%
Total For December			
CATTLE		SHEEP	
Year	Dec	Year	Dec
8,765	2,250	36,387	1,822
12,175	3,354	68,297	3,905
16,114	4,361	160,852	16,171
4,383	1161	38,904	4,725
1,687	1,091	3,672	
614	197		

NARACOORTE LUCINDALE COUNCIL

**NARACOORTE REGIONAL
LIVESTOCK EXCHANGE**

Budget Est. For 2018/2019
Cattle 90,000 Sheep 385,000

Cumulative figures fat/store/Spec

Sales included = July 1st - 2018
Month Ending – January 31st 2019

Thru-put for month of January

Position of thru-put in relation
to budget

Individual Agents Performance

	Landmark
	Elders
	PPH&S
	SAL
	TDC

Assoc Agents
Private Sales L/Weight All Agents

Cattle		Sheep	
	59,297		327688
Prev. Year	48,007	Prev Year	327559
	15,559		19,576
Prev. Year	13,480	Prev. Year	17,450
Stock %	66%	Stock %	85%
Year %	58%	Year %	58%
Total For January			
CATTLE		SHEEP	
Year	Jan	Year	Jan
10,791	2,026	39,223	2,836
15,683	3,508	71,898	3,601
22,091	5,977	170,843	9,991
5,894	1511	42,052	3,148
3,993	2306	3,672	-----
845	231		



October 2018

An evaluation of the performance against industry standards and determining the validity of the adopted Management System

Naracoorte Regional Livestock Exchange

Brendan Ryan

Auditee Details

Auditee:	Naracoorte Regional Livestock Exchange		
PIC:	EUSY5271	Audit Date:	23/10/2018
Representative:	Richard James	Auditor:	Brendan Ryan
Accredited Manager:	Richard James		
Location Address:	400 Carters Road, NARACOORTE, 5271, SA		
Postal Address:	PO Box 555, NARACOORTE, 5271, SA		
Contact Details:	Phone: 08 8762 1613, Fax: 08 8762 1613, Mobile: 0417 842 214, Email: richard.james@nlc.sa.gov.au		
Latitude:	S36 94.699		
Longitude:	E140 77.806		
Audit Rating Legend:	AO = Auditor Observation NFV = Not fully Verified N/A = Not applicable N/C = Non Conformance		
Audit Outcome:	Pass Provisional (complete CARs)		

Audit Summary

ENTRY MEETING: A brief entry meeting was held with the Management Representative, Richard James to discuss the audit plan, confirm the audit objectives, scope and criteria. As the Management Representative, Richard James provided the necessary authorisation to proceed with the audit.

AUDIT OBJECTIVES: This audit is an evaluation of the property requirements for the accredited EU Saleyard to ensure compliance with the EUCAS program and maintain market access requirements to the European Union. During the audit areas for potential improvement within your management system may be identified.

AUDIT SCOPE: This audit, as agreed, will cover sections of the property quality management system conducted by sampling the activities related to cattle movements on and off the Saleyard, documentation and other approved practises. The scope may be extended at the discretion of the auditor.

AUDIT CRITERIA: This audit will evaluate the capability of the enterprises activities to ensure compliance with: a) EUCAS Rules for Saleyard September 2014 b) EU schedule 7.

AUDIT FINDINGS: Audit findings are summarised in the various sections of this report - also discussed at the Exit Meeting with the Management Representative.

AUDIT CONCLUSION: The sections of the Quality Management Systems audited today have adequately demonstrated ability to conform to the audit criteria. Conformity Assessment against the EUCAS Rules September 2014 and the effectiveness of the quality management system in place allows me to recommend continuation of your EU accreditation pending close-out of CAR's raised.

Important Information: If the Manager requires an extension of time to complete the CAR, then the Manager MUST contact EUCAS for an approval to extend the CAR closure date. Failure to contact EUCAS prior to the agreed close out date for an extension could lead to your EU accreditation being withdrawn. email: eucas@agriculture.gov.au or phone 1800 305 544.

EUCAS Please note, that all contact information provided has been confirmed as correct by the Manager.

Audit Outcome Matrix

No.	Section	Compliant	Majors	Minors
1	Audit Details	✓		
2	Management Plan & Code of Practice	✓		
3	Receival at Saleyards (Inward Delivery)	✘	1	
4	Penning	✓		
5	Sales	✓		
6	Weighing Procedures	✓		
7	After Sales Penning	✓		
8	Outward Delivery	✓		
9	Fail Safe Systems	✘		1
10	Training	✓		
11	Record Keeping	✓		
12	Internal Audits	✓		

Key Audit Findings

No.	Description	Item Reference	Type
1	EU eligible cattle are being delivered through the individual agent ramps, not through the designated and signed EU ramps. In addition, at receipt, the cattle are being placed into pens without EU signs on the pens	3.02	Major
2	The NLIS database identified 155 active orange post breeder tags on site. The reconciliation identified 147 orange post breeder tags on hand at the time of the audit.	9.03	Minor

AUDITOR _____

ENTERPRISE REPRESENTATIVE _____

Signed to confirm that the audit took place on this day and that the auditor was accompanied by an enterprise representative whilst making the observations recorded above.

Audit Findings

1 Audit Details

No.	Item	Rating	Comments
1.01	Is this audit for initial EU accreditation purposes?	No	The Saleyard is EU accredited. The audit was conducted as an Annual Certification Audit.
1.02	If the audit is for initial EU accreditation purposes does the saleyard have a Department of Agriculture approved EU Management Plan available on site for the audit?	Yes	The saleyard manager retains the Department of Agriculture and Water Resources (DAWR) approved EU Management Plan on site. Sighted DAWR Certificate of registration: EUSY5271 Manager: Richard James Naracoorte Regional Livestock Exchange South AUstralia 22/03/2018.
1.03	Is this audit for annual EU accreditation renewal purposes?	Yes	The audit is conducted as the annual EU accreditation Audit.
1.04	Have findings, including CAR's, from the previous audit been addressed?	Yes	The manager provided evidence confirming close out of the Corrective Action Request (CAR) raised at the previous audit on 24/10/2017.
1.05	Has the Auditor obtained an NLIS audit report for the saleyard PIC from the NLIS database?	Yes	The NLIS database identified 155 Active devices on the PIC.
1.06	Can the accredited EU Manager demonstrate that access to the current EUCAS Rules for Saleyards is available either in hard copy or electronically?	Yes	Access to the current EUCAS Rules for Saleyards is available. Sighted: September 2014 Rules in hard copy and electronic formats.

2 Management Plan & Code of Practice

No.	Item	Rating	Comments
2.01	Has the Auditor sighted the letter and / or The Department of Agriculture certificate of accreditation?	Yes	Sighted DAWR Certificate of registration: EUSY5271 Manager: Richard James Naracoorte Regional Livestock Exchange South AUstralia 22/03/2018.
2.02	Are EU management details current and correct?	Yes	The EU management details are current and correct, with Richard James identified as the nominated management representative.
2.03	Does the EU management plan seen in operation at the saleyard match the plan approved by The Department of Agriculture?	No	The night audit identified, EU eligible cattle are being loaded through non-EU designated ramps (Individual agents ramps) and placed into pens without EU identification (signs on the pens) at initial receipt. The EU pen identification is occurring when the agents arrive some time after initial receipt. Refer to the CAR raised in Section 3.02
2.04	Is the saleyard Manager managing agents to ensure that they comply with the EU Management Plan at all times?	Yes	The manager reviews completion of EU Pre-Sale Check Report and Vendor Declarations by Agents. Sighted: Completed EUVD's and EU Pre-Sale Check for Agents: Elders dated 23/10/2018 in the managers office. Sighted email advice to Agents from the manager dated 19 October 2018 confirming EUCAS requirements. Manager/Agents Meeting 27/09/2018

Audit Findings

2 Management Plan & Code of Practice

No.	Item	Rating	Comments
2.05	Does the saleyard have a copy of the Code of Practice for handling scheme cattle on site? Is the Code of Practice signed by all Agents handling scheme cattle?	Yes	<p>The saleyard manager maintains a copy of the Code of Practice for handling scheme cattle on site in hard copy format.</p> <p>The Code of Practice is signed by all agents handling scheme cattle.</p> <p>Sighted: Completed Codes of Practice from agents Landmark-01/03/2018 Pinkerton-Palm-Hamlyn & Steen- 25/09/2018 Elders- 20/09/2018 Souther Australian Livestock (SAL) - 21/09/2018 TDC - Penola- 27/09/2018</p>

3 Receipt at Saleyards (Inward Delivery)

No.	Item	Rating	Comments
3.01	When EU and non-EU cattle are transported on the same truck are they being sorted on arrival into EU and non-EU pens?	AO	<p>When EU and non-EU cattle are transported on the same truck they are sorted on arrival into separate pens (not EU signed).</p> <p>Sighted: EUVD: (E0413) D00353785, PIC SA243168, AP & VK Schwarz, dated 22/10/2018. Three bulls and two cows.</p> <p>The two EU cattle (cows) were transferred to pen 119 on arrival (Pen not signed EU).</p> <p>The EU eligible cattle were not presented for sale as EU cattle.</p> <p>The three Hereford bulls (non-EU eligible) were placed into a separate pen.</p> <p>Observation: Cattle arriving on an EUVD should be placed in a EU designated pen (signed EU) until their sale status is determined i.e. for EU sale or not presented for sale as EU cattle.</p> <p>Refer to CAR in Section 3.02</p>
3.02	Are EU cattle being delivered in and out of the saleyard via the designated EU ramp?	No	<p>The pre-sale evening audit identified, EU eligible cattle are being delivered through the individual agents ramps and not the signed designated EU ramps. In addition, EU eligible cattle are being placed into pens without EU signs in place.</p> <p>A Corrective Action Request (CAR) is raised.</p>
3.03	Are the curfew times (if specified in the management plan) being followed and are procedures being followed for cattle that arrive late at the saleyard?	Yes	<p>The curfew time for EU Cattle is identified as in the Management Plan as 12 p.m. the day prior to the sale.</p>
3.04	Are Agents physically checking to verify that the EUVD is properly completed and the NLIS device is in place ?	Yes	<p>Discussion with agents (PPHS & Elders) identified they are physically checking the EUVD is properly completed and the NLIS device is in place.</p>
3.05	What action is taken if scheme cattle arrive without an EUVD or incorrect/ incomplete EUVD?	Yes	<p>The manager advised, if scheme cattle arrive without an EUVD or incorrect/ incomplete EUVD, they are isolated until their details can be confirmed.</p> <p>If they cannot be confirmed they are identified as non EU Eligible.</p> <p>He noted, scheme cattle had not arrived without correct information since the last audit.</p>

Audit Findings

3 Receival at Saleyards (Inward Delivery)

No.	Item	Rating	Comments
3.06	Are EU cattle downgraded (made non-eligible) if they have no RFID upon arrival?	Yes	The Management Plan identifies that cattle without an RFID in place are drafted into the non-EU section and have an orange post breeder tag attached. EU-Ineligible Cattle have not been identified since the last audit.
3.07	Are records of cattle with missing RFID's being maintained?	Yes	The saleyard manager records the application and use of orange post breeder tags along with invoice (cost) documentation to the vendor. Sighted: Last completed record dated 19/10/2018.
3.08	Are Agents actively looking for the triangle punches/implants in the right (off side) ear?	Yes	Discussion with agents (PPHS & Elders), confirmed agents are looking at EU eligible cattle for HGP ear punch marks in the right (off side) ear on receipt.
3.09	Prior to sale of Scheme cattle is a pre-sale eligibility check of the NLIS database being done to confirm that the cattle are registered as Scheme cattle? Are records of the NLIS database check being maintained?	Yes	The manager provided a copy of the database check for the sale. Hard copies are maintained on file. Sighted: Completed EU Pre-Sale Check Reports for Elders (Agents) with 19 animals presented for sale as EU eligible animals presented for sale.
3.10	Are cattle deemed non-eligible being drafted/separated from the Scheme cattle into the non-Scheme section of the saleyard prior to sale of Scheme cattle?	Yes	Cattle deemed non-eligible are drafted and separated from the scheme cattle into the non-Scheme section of the saleyard prior to sale of Scheme cattle. In addition, scheme eligible cattle that are withdrawn from EU sale are moved to non-EU eligible pens within the saleyards prior to commencement of the sale. Sighted: Two EU cattle presented on an EUVD pre sale placed into non-EU pens and not present as EU Eligible at the sale.
3.11	Was the NLIS database notified when "scheme" cattle were "downgraded" (ie) no longer EU eligible?	Yes	The manager advised, saleyard staff upload all livestock transactions to the NLIS database at the completion of the sale. Cattle moved out of the system are identified via transfer to a non-EU PIC.
3.12	Is there evidence that the Agents are passing on details of any anomalies found to the accredited Manager for recording and follow-up action if required?	Yes	The manager advised, agents pass on anomalies as they occur. The manager makes notations on the file attached to the Agents EU Pre-Sale Check Report as required. Sighted: Managers comments noting- two animals were not to be sold as EU eligible (withdrawn from the scheme) and moved to Non-EU section on advice from agents (Elders). Sighted: Pre-Sale Catalogue dated 23/10/2018, PIC SA127206-5 Cattle presented and sold as non-EU eligible.
3.13	Is the NLIS database being notified of the movement of cattle onto the saleyard prior to the sale commencing?	Yes	All livestock are scanned prior to the commencement of sale, with copies of database reports attached to EU Pre Sale Check Report reviewed and retained by the Manager. Sighted Pre-Sale Catalogue dated 23/10/2018.

4 Penning

No.	Item	Rating	Comments
4.01	Are EU eligible cattle being held in the designated pens after their EU status has been verified?	Yes	EU Pens are allocated and signed (white letters on green background) as EU Pens for EU eligible cattle. Sighted: EU signed pens dispatch pen-D3 with 19 scheme eligible cattle awaiting dispatch.

Audit Findings

4 Penning

No.	Item	Rating	Comments
4.02	Are the EU eligible pens being identified as per the approved EU management Plan?	AO	<p>EU eligible cattle pens were clearly identified at the sale. With EU eligible livestock identified in signed EU pens: With 19 EU eligible cattle located in pen 10 and 11 as per the approved management plan.</p> <p>Observation: One agents sign was placed on pen 40 with visible EU ELigible sign (on the back of the agents sign). To avoid confusion, the EU eligible signs should only be on display/visible on dedicated EU pens where EU eligible cattle are located in the pens.</p>
4.03	Do all EU pens have a supply of drinking water at all times?	Yes	Water is provided to all holding pens in concrete troughs. Troughs were sighted in clean condition on the day of the sale.
4.04	Is the procedure in operation for identifying cattle with faulty RFID's the same as in the approved EU Management Plan?	Yes	<p>Faulty devices are recorded on the EU Pre Sale Check Report.</p> <p>Faulty RFID's have not been recorded for EU eligible cattle since the last audit.</p>
4.05	Are records being maintained of cattle that arrive with faulty RFID's?	Yes	<p>Faulty devices are recorded on the EU Pre Sale Check Report. Faulty RFID's have not been recorded since the last audit.</p> <p>The manager retains records for replacement tags used at the sale.</p> <p>Sighted: Naracoorte Luncindale Council Request for NLIS Saleyard Tag Record dated 16/10/2018. 4 tags used. PIC SA188526, tag 4409/4492.</p>
4.06	How are these cattle identified?	Yes	<p>The Livestock are identified with the orange ear tag (Saleyard RFID) and recorded on the database.</p> <p>Sighted: Naracoorte Luncindale Council Request for NLIS Saleyard Tag Record dated 16/10/2018. 4 tags used. PIC SA188526 tag 4409/4492.</p>
4.07	Is the Manager keeping a record of the serial numbers of saleyard tags used on cattle for a minimum of two (2) years after use?	Yes	<p>Records are retained for tags used from 2015 to 16/10/2018. 4 tags were used in Non EU cattle at the previous sale and recorded.</p> <p>The manager advised, the records are retained indefinitely.</p>
4.08	What is the management identification system that allows traceability in the case of scheme cattle losing their RFID whilst in the saleyard?	Yes	The cattle are consigned to Non EU pens with two green painted mark placed on the animals head and have post breeder tag is applied.

5 Sales

No.	Item	Rating	Comments
5.01	Was the nominated order of sale followed on the day of sale?	Yes	<p>The order of sale for EU eligible cattle was followed on the day of sale.</p> <p>Sale of bulls, followed by sale of EU eligible cattle and then non-EU eligible cattle sales.</p>
5.02	Was separation of EU and non-EU cattle maintained at all times?	Yes	Non EU eligible cattle were segregated at the sale. Nineteen EU eligible cattle were clearly identified in their EU signed pens at all time throughout the sale through to dispatch.
5.03	Were pre-sale catalogues for EU eligible cattle made available prior to the sale?	Yes	<p>Pre-sale catalogues were provided agents handling EU Eligible cattle at this sale.</p> <p>Nineteen cattle were presented as EU eligible at the sale.</p>

Audit Findings

6 Weighing Procedures

No.	Item	Rating	Comments
6.01	Was adequate separation maintained whilst moving EU eligible cattle to and from the scales area?	Yes	EU eligible cattle remaining in the scheme post sale were weighed prior to non-scheme cattle and located in a designated/signed EU dispatch pen D3
6.02	Are EU eligible cattle scanned and their details entered into the NLIS database immediately after a sale is conducted?	Yes	EU eligible cattle are scanned and their details are entered into the NLIS database by the manager immediately after a sale is conducted. Nineteen EU eligible cattle presented for sale remained in the scheme.

7 After Sales Penning

No.	Item	Rating	Comments
7.01	Are animal welfare issues abided by for EU eligible cattle?	Yes	A review of cattle management at the sale did not identify any animal welfare issues.
7.02	Are the designated pens used solely for the holding of EU cattle following weighing and prior to delivery?	Yes	EU cattle are allocated pens at the day of the sale. Pens are allocated an EU sign with cattle placement and the EU sign remains with the cattle through to dispatch. Refer to CAR in Section: 3.02.

8 Outward Delivery

No.	Item	Rating	Comments
8.01	Is the NLIS database being notified of the movement of cattle off the saleyard on the day of departure?	Yes	The NLIS database is being notified of the movement of cattle off the saleyard on the day of departure.
8.02	Does the Agent provide a signed and completed copy of the EUVD to the buyer?	Yes	The Agents Code of Practice requires presentation of a signed copy to the buyer. Signs are prominently displayed for all parties to see, noting a signed and completed copy of the EUVD is to be provided to the buyer. Discussion with agents confirmed the information.
8.03	Does the copy of the EUVD provided by the Agent include the number of EU cattle purchased from the consignment?	Yes	Discussion with agent confirmed the copy of the EUVD includes the number of cattle purchased.
8.04	Does a copy of the completed EUVD or post sale summary travel with the eligible cattle on the truck?	Yes	The Agents Code of Practice requires presentation of a signed copy to the buyer. Signs are prominently displayed for all parties to see, noting a signed and completed copy of the EUVD is to be provided to the buyer.
8.05	Is there a procedure in operation to reconcile numbers of incoming and outgoing EU eligible cattle?	Yes	The reconciliation procedures included the use EUVD's, RFID scanning and completion of the EU Receipt Form on the day of the sale. Pre-sale Catalogue.
8.06	Has the manager verified that all cattle movements off the saleyard have been recorded in the NLIS database?	Yes	The manager retains copies of movements through the NLIS database and on EU Pre Sale Check Report. Sighted ERP checks for EU eligible livestock presented through Elders on the day of the sale.
8.07	Did a check by the Auditor on a selection of post sale summaries verify that cattle purchased by EU eligible properties had originated from eligible sources?	Yes	Post Sale records are retained with EU Pre Sale Catalogue. Sighted: Completed records at this audit. 19 EU eligible cattle from PIC SA181286, scanned and confirmed as EU eligible, presented as EU at the sale. Purchased by Teys, Naracoorte, PIC EUAB0423.

Audit Findings

9 Fail Safe Systems

No.	Item	Rating	Comments
9.01	Has there been a scanning system failure? If "yes", how was it dealt with and what records were kept?	No	The manager advised, scanning system failures have not been recorded in the last twelve months.
9.02	Does the saleyard have post breeder tags on hand? Are the post breeder tags stored securely and only allocated for use to authorised personnel?	Yes	Post Breeder tags are maintained on site in the managers office. The tags are distributed by the manager with records retained for application.
9.03	If the answer to 9.2 is "yes" audit their use against receival documentation and determine if they can be reconciled and their non-EU status verified?	No	The manager advised, orange post breeder tags have not been used on EU eligible cattle since the previous audit. The NLIS database identified 155 active orange post breeder tags on site. The reconciliation identified 147 orange post breeder tags on hand at the time of the audit. A CAR is raised.
9.04	Is a copy of the Australian Code of Practice for Animal Welfare available at the saleyard?	Yes	A copy of the Australian Code of Practice for Animal Welfare SCARM Report 31 and the Australian Animal Welfare Standards and Guideline for Cattle January 2016 are on site in the managers office.

10 Training

No.	Item	Rating	Comments
10.01	Is there evidence that training has been provided for staff and Agents on the requirements of the EU Management Plan and EU requirements?	Yes	Training is conducted and recorded for general saleyard functions. Sighted record for EU Agents Code of Practice 2018. In addition, the agents have been provided with a copy of the EUCAS rules and signed off on Appendix A.

11 Record Keeping

No.	Item	Rating	Comments
11.01	Are the following records being kept; (a) records of the movement of Scheme cattle onto the accredited saleyard, including records of notification to the NLIS database and accompanying original EUVD; (b) records of checks of EUVDs, identification requirements and eligibility as Scheme cattle against the NLIS database; (c) records of the movement of Scheme cattle off the accredited saleyard, including the final destination and the records of the notification to the database of these movements; and (d) records of the regular monitoring for compliance with the management plan and code of practice and Reference taken (a record should still exist demonstrating the monitoring took place, regardless of whether non-compliance was detected).	Yes	Records for handling EU livestock are recorded on the EU Pre Sale Check Report. Sighted: Records from 17/11/2015 to 23/10/2018. Livestock Exchange- NLIS database is used to identify incoming and dispatched livestock on day of sale.
11.02	Are these records being maintained for a minimum of two (2) years?	Yes	The Manager advised, he maintains records for a period longer than two years. With records being archived on site
11.03	Are cattle that arrive dead or die while under the control of the saleyard notified to the NLIS database within 24 hours?	Yes	The NLIS database is notified within 24 under the EUCAS and NSQA programs. The NLIS database identifies four cattle deaths in 2018.

12 Internal Audits

No.	Item	Rating	Comments
12.01	Is there evidence of internal audits being carried out by the saleyards manager?	Yes	An EU internal audit was conducted on 11/01/2018 and September 2018. Using the EU Check list. Completed and signed by Richard James.

Audit Findings

12 Internal Audits

No.	Item	Rating	Comments
12.02	Is there evidence that the accredited Manager is monitoring the allocation of identified pens on EU sale days?	Yes	<p>The Manager has the capacity to identify the allocation EU pens on sale days.</p> <p>Sighted: Record of EU pen allocation dated 22/10/2018.</p> <p>The manager retains a copy of the pen allocation for each sale and monitors EU pen allocation on the day of the sale via observation of EU pen signs being retained with all EU eligible cattle.</p>

Corrective Action Report

Company:	Naracoorte Regional Livestock Exchange	Type:	Major
PIC:	EUSY5271	Date Raised:	23/10/2018
Section:	3	Due Date:	22/11/2018
Item:	3.02	Completed On:	27/10/2018

Item Requirement

Are EU cattle being delivered in and out of the saleyard via the designated EU ramp?

Description

EU eligible cattle are being delivered through the individual agent ramps, not through the designated and signed EU ramps. In addition, at receipt, the cattle are being placed into pens without EU signs on the pens

Corrective Action (to be undertaken by Auditee)

To ensure all EU eligible cattle presented on an EUVD are unloaded through the signed designated EU ramps at the saleyards and placed into signed designated EU pens.

Action Taken

The saleyard manager provided evidence for identification of designated EU ramps

Corrective Action Report

Company:	Naracoorte Regional Livestock Exchange	Type:	Minor
PIC:	EUSY5271	Date Raised:	23/10/2018
Section:	9	Due Date:	22/11/2018
Item:	9.03	Completed On:	27/10/2018

Item Requirement

If the answer to 9.2 is "yes" audit their use against receival documentation and determine if they can be reconciled and their non-EU status verified?

Description

The NLIS database identified 155 active orange post breeder tags on site. The reconciliation identified 147 orange post breeder tags on hand at the time of the audit.

Corrective Action (to be undertaken by Auditee)

To recocile the NLIS tags on hand and provide evidence to the auditor.

Action Taken

The saleyard manager provided evidence for reconcillation of the NLIS tags on hand

Instructions for closing Corrective Actions

Step 1:	Review the reason for the non-conformance being issued.
Step 2:	Implement procedures/activities as specified in the CORRECTIVE ACTION section.
Step 3:	On completion of the Corrective Action contact your Auditor and advise them of the close out details via email or fax
Please note that:	
(i):	All CARs must be addressed within the agreed closure period.
(ii):	Failure to provide supporting documentation within the agreed timeframe may result in withdrawal of your accreditation.
(iii):	If the establishment is encountering difficulties closing the CAR, details should be advised in writing to the contact below before the agreed close out date .

Audit Administration Contact Details

EUCAS Co-Ordinator Contact Details
 EUCAS
 GPO Box 858
 Canberra, 2601

Email: eucas@agriculture.gov.au
 Free call: 1800 305 544
 Fax: 02 6272 5442