



The Murray and Mallee  
Local Government Association

# ANNUAL REPORT 2014 to 2015



**Berri Barmera Council  
Coorong District Council  
District Council of Karoonda East Murray  
District Council of Loxton Waikerie  
Mid Murray Council  
Rural City of Murray Bridge  
Renmark Paringa Council, and  
Southern Mallee District Council**

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## TABLE OF CONTENTS

INTRODUCTION	3
OUR ASSOCIATION	3
MMLGA CONSTITUENT COUNCILS	4
PRESIDENTS ANNUAL REPORT 2014/15	4
OVERVIEW OF THE REGION	8
ASSOCIATION PRESIDENCY	9
REPRESENTATION: LOCAL GOVERNMENT ASSOCIATION OF SA (LGA SA)	9
CHIEF EXECUTIVE OFFICER SERVICES	9
CONSTITUTIONAL STRUCTURE OF THE ASSOCIATION	9
ASSOCIATION MEETINGS	10
MEMBER COUNCIL DELEGATES TO THE ASSOCIATION	11
ASSOCIATION COMMITTEE MEMBERSHIPS	11
EXECUTIVE MEETINGS	14
GENERAL ACTIVITIES	14
SOUTH AUSTRALIAN REGIONAL ORGANISATION OF COUNCILS (SAROC)	15
FINANCIAL STATEMENTS TO 30TH JUNE, 2015	16
REGIONAL ENHANCEMENT AND CAPACITY BUILDING	16
INFORMING COUNCILS AND OTHER PARTIES	16
BEYOND 2015	17

## INTRODUCTION

This document is the Annual Report of the Murray & Mallee Local Government Association for the period 1st July 2014 to 30th June 2015. This report is prepared pursuant to the Local Government Act 1999 to report to Constituent Councils on the work and operation of the Association for the preceding financial year.

This Report details the activities of the Association to represent and serve our Constituent Councils and to advance the Murray and Mallee communities through effective advocacy, facilitation and innovation.

## OUR ASSOCIATION

The Murray & Mallee Local Government Association (MMLGA) operated as a Regional Subsidiary under the transitional provisions of the Local Government Act 1999 until December, 2001 with a formal Charter, agreed to by Member Councils, becoming effective on the 13th December, 2001.

Further statutory reviews of the Charter have taken place with a new Charter gazetted on the 8th February, 2007.

As a Regional Subsidiary of the Member Councils, the Association has as its governing document, a Charter as provided for under the Local Government Act 1999. The purpose for which the Association has been established is to:

- Undertake coordinating, advocacy and representational roles for its constituent Councils at a regional level.
- Facilitate and coordinate activities of local government at a regional level related to environment, economic and social development with the object of achieving continual improvement for the benefit of the communities of its constituent Councils.
- Develop, encourage, promote, foster and maintain consultation and cooperation and to strengthen the representation and status of local government when dealing with other levels of government, private enterprise and the community.
- Develop further cooperation between its constituent Councils for the benefit of the communities in the region.
- Develop and manage policies which guide the conduct of programs and projects in the region with the objective of securing the best outcomes for the communities in the region.
- Undertake projects that benefit the region and its communities for the advancement of matters of common interest.

## MMLGA CONSTITUENT COUNCILS

The Association is comprised of the following Constituent Councils:

- Berri Barmera Council
- Coorong District Council
- District Council of Karoonda East Murray
- District Council of Loxton Waikerie
- Mid Murray Council
- Rural City of Murray Bridge
- Renmark Paringa Council, and
- Southern Mallee District Council

## PRESIDENTS ANNUAL REPORT 2014/15

This being my third term as President of the Murray and Mallee Association, I have the greatest of pleasure in providing the following President's Annual report for the period July 2014 to June 2015.

### **Local/State Government Reform**

The LGA have been active in identifying areas to enhance State/Local Government relations and the capacity of the Local Government sector. The LGA Board authorised ongoing discussions with the Premier and Minister for Local Government to finalise a program of reform implementation over the next 12-24 months.

### **LGA Regions Work Plan**

Councils and other stakeholders have been consulted on a draft LGA Regions Work Plan and the final Plan has been endorsed by the LGA Board. SAROC will receive regular progress reports on the Work Plan.

### **Pensioner Concessions**

Following significant lobbying from LG regions such as the MMLGA over concerns that the State might remove pensioner concessions the Ordinary General Meeting authorised the inclusion of the following policy in the LGA Policy Manual 'To ensure equity between Council communities and generally within SA, State and Federal governments should fund concessions, for pensioners and concession card holders, on Council rates'.



On 14 May 2015 the State Government announced the proposed Cost of Living Concession (CLC) to replace the concession formerly available on Council rates to pensioners, low income earners and self-funded retirees holding a Commonwealth Seniors Health Card. It is important to note that the proposed CLC has not yet been introduced to parliament but it is anticipated to be part of the State Budget.

### **Supplementary Road Funding**

The LGA President and Secretariat will continue to seek Federal Government reinstatement of the South Australian Supplementary Road Funding program and encourages all Councils to continue to inform Local Federal MPs of the importance of this funding to SA communities.

### **Planning Reform**

A submission has been made to the State Government on the Expert Panel on Planning Reforms Final Report which was endorsed by the LGA Board in January 2015. The Ordinary Meeting authorised further activities proposed by the LGA to continue engaging with the State Government to represent the views of Councils regarding planning reform.

### **Reinstatement of Automatic Enrolments**

Following submissions from the MMLGA per Rural City of Murray Bridge, the LGA will continue to lobby the State Government to reinstate automatic enrolment on Councils' voters roll under the Local Government (Elections) Act 1999 - Murray Bridge.

### **Regional Public Health Plan**

Community is our great strength and nothing could be more important than the health, wellbeing and safety of our citizens. I believe our region is a great place to live and has enormous potential for growth. To achieve this we must ensure that people can live active, connected and productive lives so that we can achieve our economic and social goals for the future.

Our regional Local Government Association was established to strengthen the representation of our region when dealing with other levels of government, private enterprise and the community.

We coordinate and facilitate the activities of local government across the region to protect the environment, and promote economic and social development of the Murray and Mallee Region. Through the Regional Health Plan we will work together to implement strategies that will promote the health and wellbeing of our communities. We will continue to provide opportunities for citizens to be physically active and we will work with other agencies to prevent harm from alcohol, drugs and tobacco.

### **2015 Shandong Delegation**

In late May 2015, a delegation of 256 representatives from businesses, state and local government, including the Premier, senior Ministers and Mayors from the MMLGA region, travelled to China on a South Australian trade and investment mission. They visited Shandong Province, Beijing, Shanghai, Guangzhou and Hong Kong to promote economic opportunities in South Australia:

- The Premier co-chaired the South Australia-Shandong Cooperation and Development Forum with the Shandong Governor, to showcase how businesses from both regions could support each other's plans for growth.
- In Qingdao, the State Government and the Adelaide City Council reached an agreement with the Qingdao Municipal Government to cooperate on our shared objectives of Adelaide and Qingdao becoming low carbon cities.

- In Shandong, the Premier announced the winner of the Study, Adelaide Qingdao Sister City Student Ambassador, Ms Wang Dan, who will travel to Adelaide for a four week study tour in July.

A total of thirty Memoranda of Understanding and a number of other commercial agreements were signed during the mission. These totalled millions of dollars worth of exports in hay, wine, tuna and other food.

Next year marks the 30th anniversary of our Sister-State relationship with Shandong. This provides a significant opportunity to further strengthen the relationship and will build on Shandong being South Australia's window to China and vice-versa.

## **Summary**

As delegates would be aware 1<sup>st</sup> May 2015 saw me take the helm of the Local Government Association for the next two years.

I am proud and humbled to take up this new role and want to continue the good work done by previous Presidents in forging closer ties and consultation with the State Government. As President I will also be aiming for a higher profile for the Provincial Cities Association and the regions and will let State Government know the strength there is in the regions.

Also top of my agenda is to continue the campaign for the reinstatement, by the State Government in its forward estimates, of the rate concessions for pensioners, pension card holders and self-funded retirees who should not have to bear the brunt of an impasse between the State and Federal Governments.

LGA CEO Wendy Campana also said farewell to local government in 2015 after a long and esteemed career with the Association. I wish Wendy well in her new role as Commissioner to Kangaroo Island.

I thank our outgoing CEO Peter Campbell, Acting CEO, Russell Peate, Rose Sloper and incoming CEO, Peter Bond for their commitment and support provided to me and the Association over the past year. It is an opportune time to acknowledge Peter Campbell's service to the MMLGA over many years. He has provided continual effective services to the Association despite increased family health pressures over the last years. During the year the Association has undertaken actions, including:

- Collation of Member Councils' Special Local Roads Funding Applications with Association recommendations to the Local Government Transport Advisory Panel,
- Implementation of the Murray and Mallee Regional Public Health Plan.
- Implementation of the strategic 2030 Regional Transport Plan.
- Regional Collaboration.
- State Government commitment for planned River Murray Ferry replacements.

The Association continues to be vitally involved with:

- The Murray Darling Basin Plan and funding issues around the River Murray water flow operations,
- Regional submission for the Special Local Roads Program,
- Councils' facilitation of the NBN Co rollout and for the provision of Council land for fixed wireless towers.

During the year the Association resolved to undertake the following submissions to the SAROC Committee, being the regional Councils Advisory Committee to the Local Government Association of SA Board, as well as directly to the SA State Government:

- SAROC Submissions:

Rural Road Speed Limits Review

Retention of Pensioner Concessions by the State Government

Council Performance Improvement Program

Reinstatement of Automatic Enrolment

The Association has provided support for the following external Committees:

- The Murray and Mallee Integrated Vulnerability Assessment Committee
- The Murray and Mallee Zone Emergency Management Committee including provision of the Chair
- River Murray Ferries Working Party

I again take this opportunity to sincerely thank Vice President Mayor Peter Hunt, Mayor Leon Stasinowsky and after December 2014 Mayor Neville Jaensch (as proxy) for being Delegates to the SAROC Committee and the LGA State Executive Committee (now termed the LGA Board) and all other Member Council Mayors, Delegates, both past and present, Member Council CEO's and staff, all of whom have provided local government representation to the Association, internal and external committees and working parties.

I have a growing sense of pride about the achievements and undertakings of the Association during this second term as President and thank all Member Councils and Delegates for the opportunity afforded to me being your President again for the past year.



Mayor David Burgess,  
President 2014-2015  
Murray and Mallee Local Government Association.



## OVERVIEW OF THE REGION



The Region is located in the Murraylands Statistical Region in eastern South Australia and is dissected by the River Murray. It covers a large area in excess of 50,000 km<sup>2</sup> taking in the areas from the Riverland in the north, agriculture areas in the central, west, south and east along the Victorian border, and south westerly to the coast and lakes.

Rural based communities throughout the area share a common interest in agriculture/horticulture, with towns primarily servicing the farming and horticultural communities and supporting a growing tourism sector. The Region has a population base of approximately 68,000 (approx. 4.6% of the State population).

The Murray River, and its associated wetlands and wildlife, Lake Bonney and a number of National/Conservation Parks, support a range of rare and endangered plant and animal species, and are major tourist attractions throughout parts of the Riverland and Mallee. Towards the coast, the Coorong National Park, Lake Alexandrina and the shores of Lake Albert are all well known tourist attractions, particularly for recreational boating and fishing.

Murray Bridge provides regional services to the lower parts of the Region and supports both an industrial and commercial base.

The Murray River travels from the north, and passing through seven of the member Councils, flows into Lake Alexandrina in the south. It supports a number of tourist and recreation activities, with a number of tourism vessels operating from centres along the river.

The Region is serviced by the South Eastern Freeway, Princes, Dukes, Sturt and Mallee Highways, with the Berri (Loxton) to Murray Bridge Road providing a direct link diagonally across the Region.

The Association works closely with its major regional partners - the Murray and Mallee Regional Coordination Network, and the Regional Development Australia (RDA) Murraylands and Riverland Board.



## ASSOCIATION PRESIDENCY

Mayor Dave Burgess, Mid Murray Council was re-elected President at the Annual General Meeting held at Berri Friday 5th December 2014 and Mayor Peter Hunt, Berri Barmera Council was re-elected Vice President both for a full annual term of office.

Mayor Neville Jaensch was elected to the position as proxy to the Vice President.

## REPRESENTATION: LOCAL GOVERNMENT ASSOCIATION OF SA (LGA SA)

Mayor Dave Burgess and Mayor Peter Hunt served on the LGA Board (previously termed the State Executive of the Local Government Association of South Australia), with Mayor Leon Stasinowsky, District Council of Loxton Waikerie, as proxy up to December 2014. Mayor Neville Jaensch took up the role as a proxy member representing the Associations at the LGA Board and the SAROC Committee after December 2014.

## CHIEF EXECUTIVE OFFICER SERVICES

The Chief Executive Officer services for the Association for the year were again provided by Peter Campbell up to his retirement on December 2014. Peter Bond took over the role from 1<sup>st</sup> January 2015 under a two year contract arrangement.

In accordance with a resolution of Member Council Delegates, the Chief Executive Officer will be subject to performance review following the conclusion of the Strategic Review process and 12 months of service with the Association..

The Review Panel consists of the President and Vice-President of the Association, and two CEO's appointed from member Councils within the Association.

## CONSTITUTIONAL STRUCTURE OF THE ASSOCIATION

The Association operated as a Regional Subsidiary under the transitional provisions of the Local Government Act 1999 until December, 2001 with a formal Charter, agreed to by Member Councils, becoming effective on the 13th December, 2001.

Under the provisions of the Local Government Act 1999, a review of the Association's Charter took place during the year. The revised Charter can be viewed on the Association's website at [www.mmlga.sa.gov.au](http://www.mmlga.sa.gov.au)

## ASSOCIATION MEETINGS

During 2014-2015, the Association met on six occasions on:

1<sup>st</sup> August 2014 - General Meeting - at the Murray Bridge Town Hall, 13-17 Bridge Street, Murray Bridge - the Rural City of Murray Bridge as host.

2<sup>nd</sup> October, 2013 - General Meeting - at the Pinnaroo Institute, 21 Railway Terrace, Pinnaroo - the Southern Mallee District Council as host.

5<sup>th</sup> December, 2014 - General Meeting - at the Berri Barmera Council Chamber, 19 Wilson Street, Berri - the Berri Barmera Council as host.

6<sup>th</sup> February 2014 - General Meeting - at the Coorong Civic Centre, 95-101 Railway Terrace, Tailem Bend - the Coorong District Council as host.

27<sup>th</sup> March 2015 - General Meeting - District Council of Karoonda East Murray Council Offices, 11 Railway Terrace, Karoonda - the District Council of Karoonda East Murray as host.

26<sup>th</sup> June 2015 – Annual General Meeting – at the District Council of Loxton Waikerie Council Chamber, East Terrace, Loxton - the District Council of Loxton Waikerie as host.

All Association Meetings, including Committee Meetings Agendas and Minutes are available for viewing and or downloading from the Association's website at [www.mmlga.sa.gov.au](http://www.mmlga.sa.gov.au)

A number of guest speakers and attendees have made presentations/addresses to the Association meetings throughout the year. They include:

- Mr Peter Mylius-Clark, Executive Director, Department of State Development
- Greg Lundstrom, SA MDB NRM.
- Dr Ann Herraman, Chaffey Learning Exchange.
- Kelliann Conway and Trudy Dickson, Davies Stewart Recruitment and HR.
- Ben Black, State Manager SA, Australian Government Department of Employment.
- Joseph Rostano and Rebecca Timmings, DPTI

Representatives of the LGA, RDA , SA MDB NRM and PIRSA attended each meeting and took the opportunity to brief the Association of the relevant matters being addressed by their respective bodies.

We acknowledge the support of outgoing CEO of the LGA, Wendy Campana, Brenton Lewis, CEO, RDA Murraylands and Riverland, Sharon Starick SA MDB NRM Board Presiding Member and Tim Smythe, PIRSA who have been ready to assist the region and ensure that the LGA SA and PIRSA have a presence at our meetings.

The Association has also enjoyed a close working relationship with its State and Federal Members of Parliament, a number of whom have been regular attendees at our meetings.

The President has continued the practice of giving each of our guests the opportunity to address our meetings briefly about matters and issues before them that may be of interest to the Association and Member Councils. The contribution from all of the speakers, presenters and guests has kept the Association and the Delegates abreast of a wide ranging number of issues that impact on Local Government and the communities in the Region.

## MEMBER COUNCIL DELEGATES TO THE ASSOCIATION

The following are the current Delegates representing Member Councils as at the General Meeting of 5th December 2014;

**Berri Barmera Council (BBC):** Mayor Peter Hunt, Vice President, Deputy Mayor Andrew Kassebaum and David Beaton, CEO (proxy).

**Coorong District Council (CDC):** Mayor Neville Jaensch, Vincent Cammell, CEO, Deputy Mayor Sharon Bland (proxy) and Cr. Peter Wright (proxy).

**District Council of Karoonda East Murray (DCKEM):** Mayor Kevin Burdett, Peter Smithson, CEO and Deputy Mayor C.A. Phillips (proxy).

**District Council of Loxton Waikerie (DCLW):** Mayor Leon Stasinowsky, Peter Ackland, CEO and Deputy Mayor Michael Vowles (proxy).

**Mid Murray Council (MMC):** Mayor David Burgess, President, Cr. Mardi Jennings, Cr. Kevin Myers, (proxy) and Russell Peate, CEO (proxy).

**The Rural City of Murray Bridge (RCMB):** Mayor Brenton Lewis, Deputy Mayor Clem Schubert and Michael Sedgman, CEO (proxy).

**Renmark Paringa Council (RPC):** Mayor Neil Martinson, Deputy Mayor Peter Hunter, Tony Siviour, CEO (proxy) and Nathan Haynes, Director Corporate and Community Services (proxy).

**Southern Mallee District Council (SMDC):** Mayor Robert Sexton, Deputy Mayor Brian Toogood, Cr. Neville Pfeiffer (proxy) and Neville Gasmier, Acting CEO (proxy).

## ASSOCIATION COMMITTEE MEMBERSHIPS

The following were the Association Committee Members up until the AGM of the 26<sup>th</sup> June, 2015, noting that some representatives came into their role in November 2014 as an outcome of the Local Government elections held in that month:

### **LGA Board (Formerly State Executive Committee):**

- President, Mayor David Burgess, Mid Murray Council.
- Vice President, Mayor Peter Hunt, Berri Barmera Council.
- Mayor Neville Jaensch, Coorong District Council.
- Deputy Member for President or Vice President, Mayor Leon Stasinowsky, District Council of Loxton Waikerie.

### **South Australian Regional Organisation of Councils (SAROC):**

- President, Mayor David Burgess, Mid Murray Council.
- Vice President, Mayor Peter Hunt, Berri Barmera Council.
- Mayor Neville Jaensch, Coorong District Council.
- Proxy for President and or Vice President, Mayor Leon Stasinowsky, District Council of Loxton Waikerie.
- CEO M&MLGA - Peter Bond.

## **SA MDB NRM Board.**

- Cr. Andrew Kassebaum, Berri Barmera Council.

## **Murray and Mallee Local Government Association Regional Waste Management Strategy Committee:**

- President M&MLGA as Chair, Mayor David Burgess.
- Deputy Mayor Clem Schubert, Rural City of Murray Bridge.
- Tony Siviour, CEO, Renmark Paringa Council.
- David Mosel, Asset Manager, Coorong District Council.
- Brenton Lewis, CEO Murraylands Regional Development Board.
- Mayor Neville Jaensch, Coorong District Council.
- Paul Day, Renmark Paringa Council.
- Greg Hill, Mid Murray Council.
- Peter Ackland, CEO, District Council of Loxton Waikerie.
- Matthew Sherman, Works Manager, Southern Mallee District Council.
- Peter Smithson, CEO, District Council of Karoonda East Murray
- Greg Perry, Manager Infrastructure Services, Berri Barmera Council.
- David Beaton, CEO, Berri Barmera Council.
- Michael Sedgman, CEO, Rural City of Murray Bridge.
- Tim Tol, Infrastructure Director, District Council of Loxton Waikerie.
- Mayor Robert Sexton, Southern Mallee District Council.
- Cr. Trevor Kerley, District Council of Karoonda East Murray.
- A representative, Zero Waste SA. (external appointment)

## **Murray & Mallee Local Government Association Regional Transport Strategy Committee:**

- Mayor Robert Sexton, Southern Mallee District Council, Chair
- Peter Bond, CEO, M&MLGA
- President, Mayor David Burgess, Mid Murray Council
- Paul Day - Renmark Paringa Council
- Greg Perry, Manager Infrastructure Services, Berri Barmera Council
- Greg Hill, Director, Infrastructure - Mid Murray Council.
- Tim Tol, Director of Infrastructure - District Council of Loxton Waikerie
- Peter Smithson - District Council of Karoonda East Murray (Peter Jones - proxy)
- Simon Bradley, GM Infrastructure and Environment, Rural City of Murray Bridge (Matt James - proxy)
- Matthew Sherman, Southern Mallee District Council
- David Mosel, Coorong District Council
- Brenton Lewis, Regional Development Australia Murraylands and Riverland
- DPTI - 2 nominees (external appointment)
- Harry Du – Berri Barmera Council

## **Murray & Mallee Local Government Association Transport Reference Group - Community Transport:**

- Peter Smithson, CEO, District Council of Karoonda East Murray.
- Cr. Mike Fuller, Berri Barmera Council.

**Murraylands and Riverland Regional Coordination Network:**

- Peter Smithson, CEO, District Council of Karoonda East Murray.

**Murray and Mallee Zone Emergency Management Committee:**

- Deputy Mayor Kevin Myers, Mid Murray Council, Chair.
- Mayor Peter Hunt, Berri Barmera Council.
- Michael Sedgman, CEO, Rural City of Murray Bridge (Ros Kruger – Proxy).
- Tim Tol, Director Infrastructure Services, District Council of Loxton Waikerie.
- David Mosel, Asset Manager, Coorong District Council.
- Harc Wordsworth, Manager, Environment and Planning, Southern Mallee District Council.
- Matthew Sherman, Works Manager, Southern Mallee District Council.

**River Murray Ferries Working Group:**

- Russell Peate, CEO, Mid Murray Council,
- Tony Siviour, CEO, Renmark Paringa Council,
- Vincent Cammell, CEO, Coorong District Council,
- Dept. of Planning, Transport and Infrastructure representatives.

**Murray and Mallee CEO Network Group:**

- Peter Bond, CEO, MMLGA
- Tony Siviour, CEO, Renmark Paringa Council,
- Peter Bond, CEO, Rural City of Murray Bridge,
- Russell Peate, CEO, Mid Murray Council,
- Peter Ackland, CEO, District Council of Loxton Waikerie,
- Vince Cammell, CEO, Coorong District Council.
- David Beaton, CEO, Berri Barmera Council
- Neville Gasmier, Acting CEO, Southern Mallee District Council

**Murray and Mallee Regional Public Health Plan Committee:**

- Kelvin Goldstone, Mid Murray Council, Chair,
- Caroline Thomas, Mid Murray Council,
- Gary Brinkworth, Berri Barmera Council,
- Harc Wordsworth, Southern Mallee District Council and District Council of Karoonda East Murray,
- Jim Quinn, Coorong District Council,
- Katina Nikas, Renmark Paringa Council,
- Phil Eckert and Clarry Fisher, Rural City of Murray Bridge,
- Stephen Bateman, District Council of Loxton Waikerie.

Historically, both the President and Vice President and a further nominated proxy are appointed to the LGA State Executive, (now termed the LGA Board) and the SAROC Committee.

## EXECUTIVE MEETINGS

There were no Executive Meetings held during the year.

## GENERAL ACTIVITIES

The Association undertakes a coordinating role, in conjunction with Member Councils, on their issues and those raised by the Local Government Association of South Australia, the community, and other relevant parties' concerns and interests.

State and Federal Members of Parliament representing our Region have been briefed and support has been sought for issues raised.

Submissions and briefings undertaken include:

- Submission for Special Local Roads applications for 2014-2015 funding round.
- Association advocates for the retention of pensioner concessions
- Association advocates for the Reinstatement of Automatic Enrolment
- Association seeking urgent sign-off to the Federal Government's \$25m Murray Darling Basin Diversification Fund.
- Association advocates for the formation of the River Murray Ferries Working in association with the SA Government.
- Submission on the Draft Water Allocation Plan for the River Murray Prescribed Watercourses - NRMMDA
- SAROC Submissions as outlined in this report

The Association has provided support and representation on the following external Committees:

- The Murray and Mallee Integrated Vulnerability Assessment Committee
- The Murray and Mallee Zone Emergency Management Committee including provision of the Chair

The CEO has also attended Forums, Workshops and Briefings throughout the year regarding evolving issues and to make contribution on behalf of the Association.



The President, Mayor David Burgess, Vice President Mayor Peter Hunt, (Mayor Leon Stasinowsky and Neville Jaensch as proxy's on occasions) and the Chief Executive Officer have attended SAROC meetings during the year.

The meetings are usually held bi-monthly on the day preceding the meeting of the LGA Board.

SAROC has a Memorandum of Understanding between Regional Local Government Associations and the Local Government Association of South Australia, which was completed in August, 2003.

The Association has provided our regional input into many topics that are relevant to all communities across the State, some of which includes:

- Native Vegetation and Biodiversity
- State Government Integrated Transport and Land Use Strategy for SA
- Risk Assessment and Reduction of Financial Impost on Councils
- Local Government Roads Hierarchy and Transport Strategy
- Public Health Act
- Proposed Regional Communities State Election Campaign
- SAROC Agenda and Report Procedures
- Native Vegetation SEB Review
- Regional Waste Management Investigations Report
- Works Rehabilitation Compensation (SAMFS Fire-fighters) Amendment Bill 2013
- Regional Tourism
- Consolidation of Major LGA Events
- Integrated Transport Land Use Plan
- 2014 State Election Making Regions Matter
- Rural Speed Limits Review
- Regional Health Plans Update
- Use of Council Resources in Emergency Response Operations
- Mining Resources Protocol
- Funding for Community Facilities
- Regional Health Plans Update
- Local Excellence Expert Panel Update
- Regional Waste Management Investigations Update

- Video Conferencing Update
- National Heavy Vehicle Regulations (NHVR)
- Inquiry into Regional Capitals contribution
- Assessment of Farm Buildings
- Emergency Services Levy and Reform
- Local Government Elections Voter Enrolments
- Black Spot Funding for Roads
- Crown Land Red Tape Reduction
- Pensioner Concessions
- Regional Collaboration Projects
- Regional Work Plan

## FINANCIAL STATEMENTS TO 30<sup>TH</sup> JUNE, 2015

Regular financial reports are presented at each MMLGA General Meeting. The Audited Financial Statements for 2014-15 are included at the rear of this report.

Surplus cash flow funds have been deposited with the Local Government Finance Authority and drawn on when and as required.

## REGIONAL ENHANCEMENT AND CAPACITY BUILDING

The Association acknowledges and thanks the Local Government Research and Development Fund Scheme for their annual 2014-2015 grant of \$38,305 (excl. GST) to the Association.

This grant has ensured that the Association has been able to undertake regional enhancement and capacity building projects throughout the year.

## INFORMING COUNCILS AND OTHER PARTIES

The Minutes of Association General Meetings are produced in an expanded and explanatory form, and includes the full Agenda Item, appendices, detail of deliberations and resolutions. This initiative has received wider and favourable comment.

The Association's website [www.mmlga.sa.gov.au](http://www.mmlga.sa.gov.au) contains a wealth of information on the Association's activities, including all Agendas, Appendices, Minutes for General and Committee Meetings and past Newsletters.

General Meetings of the Association will continue where possible to be held during 2015-2016 on the first Friday in the months of August, October, December, February, April with the Annual General Meeting to be held in June. They will be held throughout the Region, hosted alphabetically by the Member Councils.

At the Annual General Meeting held on the 26<sup>th</sup> June, 2015, the Association endorsed the interim Annual Business Plan 2015-2016 and the associated Annual Budget. These documents are available to be viewed and downloaded from the Association's website at [www.mmlga.sa.gov.au](http://www.mmlga.sa.gov.au)

The status of the objectives and actions in the Association's Interim Annual Business Plan 2015-2016 will be reviewed half yearly at the December General Meeting and the June Annual General Meeting in accordance with the provisions of the Association's Charter.

A strategic review is in process commencing in March 2014 and running through to November 2015 where it is anticipated the outcomes of that review will be signed off by the MMLGA Board at the December meeting. The outcomes of that review are expected to be:

- a restatement of the purpose of MMLGA
- refinement of the regional model to be followed
- minor revisions to the Charter
- a new strategic plan 2016 -2020
- commencement of the Business Plan for 2016/17 as a derivative of the adopted strategic plan.

The review is taking place at a crucial time where significant changes are being proposed. These potential changes may focus on delivering the recommendations of the report "Strengthening South Australian Communities in a Changing World – The Council of the Future" completed for the LGA of South Australia in 2013 as well as;

- SA Government reforms which include a drive to reform the planning system
- changes to Local Government Act
- introduction of regional governance models
- taxation reform (including land tax)
- NRM funding and delivery.

### **Murray & Mallee Local Government Association Contact details:**

#### **President:**

Mayor David Burgess  
475 Cliff View Drive, Wongulla SA 5238  
Tel: 08 8570 8320  
Email: [mayor@midmurray.sa.gov.au](mailto:mayor@midmurray.sa.gov.au)

#### **Chief Executive Officer:**

Peter Bond  
PO Box 236, Victor Harbor SA 5211  
Mob: 0411 406 799  
Email: [ceommmlga@outlook.com](mailto:ceommmlga@outlook.com)

3rd October 2015

Nick Walker  
Principal  
Crowe Horwath  
133 Langtree Avenue  
MILDURA VICTORIA 3500

Dear Nick,

This representation letter is provided in connection with your audit of the financial report of Murray & Mallee Local Government Association Incorporated for the year ended 30 June 2015 for the purpose of expressing an opinion as to whether the financial report presents fairly in accordance with the accounting policies described in note 1 to the financial statements and the *Associations Incorporation Act (SA) 1985*.

We confirm that *(to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves)*:

#### **Financial report**

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated 11 June 2014, for the preparation of the financial report in accordance with Australian Accounting Standards, in particular the financial report presents fairly in accordance therewith.
2. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
3. We have considered the requirements of AASB 136 *Impairment of Assets* and AASB 139 *Financial Instruments: Recognition and Measurement* when assessing the possible impairment of assets and in ensuring that no assets are stated in excess of their recoverable amount.
4. The following have been properly recorded and/or disclosed in the financial report:
  - (a) related party transactions and related amounts receivable or payable, including sales, purchases, loans, transfers, leasing arrangements and guarantees (written or oral);
  - (b) arrangements involving restrictions on cash balances, compensating balances and line-of-credit or similar arrangements;
  - (c) agreements to repurchase assets previously sold;
  - (d) material liabilities or contingent liabilities or assets including those arising under derivative financial instruments;

#### ***Achieving Improvements for the benefit of the Murray Mallee Community***

Berri Barmera Council, Coorong District Council, District Council of Karoonda East Murray, District Council of Loxton Walkerie, Mid Murray Council, Renmark Paringa Council, Rural City of Murray Bridge, Southern Mallee District Council

- (e) unasserted claims or assessments that our lawyer has advised us are probable of assertion; and
  - (f) losses arising from the fulfilment of, or an inability to fulfil, any sale commitments or as a result of purchase commitments for inventory quantities in excess of normal requirements or at prices in excess of prevailing market prices.
5. We have no plans or intentions that may materially affect the carrying values, or classification, of assets and liabilities.
  6. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Australian Accounting Standards.
  7. All events subsequent to the date of the financial report and for which Australian Accounting Standards require adjustment or disclosure have been adjusted or disclosed.
  8. There are no violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial report or as a basis for recording an expense.
  9. The entity has satisfactory title to all assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral. Allowances for depreciation have been adjusted for all important items of property, plant and equipment that have been abandoned or are otherwise unusable.
  10. The entity has complied with all aspects of contractual agreements that would have a material effect on the financial report in the event of non-compliance.
  11. There were no material commitments for construction or acquisition of property, plant and equipment or to acquire other non-current assets, such as investments or intangibles, other than those disclosed in the financial report.
  12. We have no plans to abandon lines of product or other plans or intentions that will result in any excess or obsolete inventory, and no inventory is stated at an amount in excess of net realisable value.
  13. The application of the going concern assumption is appropriate in respect of the preparation of the financial statements and there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.
  14. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial report as a whole. A list of the uncorrected misstatements is attached to the representation letter.

#### **Information Provided**

15. We have provided you with:
  - (a) Access to all information of which we are aware that is relevant to the preparation of the financial report such as records, documentation and other matters;
  - (b) Additional information that you have requested from us for the purpose of the audit; and

#### ***Achieving Improvements for the benefit of the Murray Mallee Community***

Berri Barmera Council, Coorong District Council, District Council of Karoonda East Murray, District Council of Loxton Walkerie, Mid Murray Council, Renmark Paringa Council, Rural City of Murray Bridge, Southern Mallee District Council

- (c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
16. All transactions have been recorded in the accounting records and are reflected in the financial report.
17. We acknowledge our responsibility for the design and implementation of internal control to prevent and detect error. We have established and maintained adequate internal control to facilitate the preparation of a reliable financial report, and adequate financial records have been maintained. There are no material transactions that have not been properly recorded in the accounting records underlying the financial report.
18. We have disclosed to you the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud.
19. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
- (a) Management;
  - (b) Employees who have significant roles in internal control; or
  - (c) Others where the fraud could have a material effect on the financial report.
20. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial report communicated by employees, former employees, analysts, regulators or others.
21. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial report.
22. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial report; and accounted for and disclosed in accordance with the *Associations Incorporation Act (SA) 1985* and the Australian Accounting Standards.
23. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
24. We confirm that the Association is a not for profit entity and is exempt from income tax under the *Income Tax Assessment Act 1997*.
25. We have provided you with all requested information, explanations and assistance for the purposes of the audit
26. With respect to the publication of the financial report on our website, we:
- acknowledge we are responsible for the electronic presentation of the financial report;
  - will ensure that the electronic version of the audited financial report and the audit report on the website will be the same as the final signed hard copy version;
  - will clearly differentiate audited and unaudited information on the website and that the absence of appropriate controls to address this issue increases the risk of potential misrepresentation to users;
  - have assessed the controls over the security and integrity of the data on the website and that adequate procedures are in place to ensure the integrity of the information published; and

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- will not present the audit report on the full financial report with extracts only of the full financial report.

We understand that your examination was made in accordance with Australian Auditing Standards and was, therefore, designed primarily for the purpose of expressing an opinion on the financial report of the entity taken as a whole, and that your tests of the financial records and other auditing procedures were limited to those which you considered necessary for that purpose.

Yours faithfully,

A handwritten signature in dark ink, appearing to read 'P. Bond', with a stylized flourish at the end.

Peter Bond  
**Chief Executive Officer**

***Achieving Improvements for the benefit of the Murray Mallee Community***

Berri Barmera Council, Coorong District Council, District Council of Karoonda East Murray, District Council of Loxton Walkerie, Mid Murray Council, Renmark Paringa Council, Rural City of Murray Bridge, Southern Mallee District Council

# Murray & Mallee Local Government Association Incorporated

## **Financial Statements**

**for the year ended 30 June 2015**

## Contents

	<u>Page</u>
Financial Statements	
Statement of Profit and Loss and Other Comprehensive Income	1
Statement of Financial Position	2
Statement of Changes in Members' Funds	3
Statement of Cash Flows	4
Notes to the Financial Statements	5-20
Statement by the Committee	21
Independent Auditor's Report	22-23

# Statement of Profit and Loss and Other Comprehensive Income

for the year ended 30 June 2015

	Note	2015 \$	2014 \$
MBM LGA contributions	2	144,410	180,578
Regional enhancement fund grant	2	38,305	37,225
Interest received	2	5,262	3,717
Total revenue		<u>187,977</u>	<u>221,520</u>
Operating expenses	3	(148,456)	(208,808)
<b>Surplus (deficit) for the year</b>		<u>39,521</u>	<u>12,712</u>
Other comprehensive income		-	-
<b>Total comprehensive income (loss)</b>		<u><u>39,521</u></u>	<u><u>12,712</u></u>

The accompanying notes form part of these financial statements.

# Statement of Financial Position

as at 30 June 2015

	Note	2015 \$	2014 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	161,723	115,004
Trade and other receivables	5	7,872	3,599
<b>Total current assets</b>		<b>169,595</b>	<b>118,603</b>
<b>TOTAL ASSETS</b>		<b>169,595</b>	<b>118,603</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	6	25,998	14,527
<b>Total current liabilities</b>		<b>25,998</b>	<b>14,527</b>
<b>TOTAL LIABILITIES</b>		<b>25,998</b>	<b>14,527</b>
<b>NET ASSETS</b>		<b>143,597</b>	<b>104,076</b>
<b>MEMBERS' FUNDS</b>			
Unspent funds reserve	7	60,854	50,548
Accumulated surplus	8	82,743	53,528
<b>TOTAL MEMBERS' FUNDS</b>		<b>143,597</b>	<b>104,076</b>

The accompanying notes form part of these financial statements

## Statement of Changes in Members' Funds

for the year ended 30 June 2015

	Note	Accumulated surplus \$	Unspent funds reserve \$	Total \$
<b>2015</b>				
Balance at the beginning of the year		53,528	50,548	104,076
Surplus for the year		39,521	-	39,521
Transfers to/(from) accumulated surplus	7,8	(10,306)	10,306	-
Balance at the end of the year		<u>82,743</u>	<u>60,854</u>	<u>143,597</u>
<b>2014</b>				
Balance at the beginning of the year		53,184	38,180	91,364
Surplus for the year		12,712	-	12,712
Transfers to/(from) accumulated surplus	7,8	(12,368)	12,368	-
Balance at the end of the year		<u>53,528</u>	<u>50,548</u>	<u>104,076</u>

The accompanying notes form part of these financial statements.



# Statement of Cash Flows

for the year ended 30 June 2015

	Note	2015 \$	2014 \$
<b>Cash from operating activities</b>			
Receipts from members		158,851	180,579
Receipts from grants		42,136	37,225
Interest received		5,262	3,717
Payments to suppliers		(159,530)	(196,681)
<b>Net cash provided from operating activities</b>	9	<u>46,719</u>	<u>24,840</u>
<b>Net increase in cash held</b>		<u>46,719</u>	<u>24,840</u>
Cash at beginning of financial year		115,004	90,164
<b>Cash at end of financial year</b>	4	<u><u>161,723</u></u>	<u><u>115,004</u></u>

The accompanying notes form part of these financial statements.

## Notes to the Financial Statements

for the year ended 30 June 2015

### Structure

The financial report covers Murray & Mallee Local Government Association Incorporated (the "Association") as an individual entity. Murray & Mallee Local Government Association Incorporated is an association incorporated in South Australia under the *Associations Incorporations Act (SA) 1985*.

## Note 1: Summary of significant accounting policies

### Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Associations Incorporation Act (SA) 1985*. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on      by the members of the committee.

### Accounting Policies

#### (a) Comparatives

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the association has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

#### (b) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

#### (c) Income taxes

The activities of the Association are exempt from taxation under the Income Tax Assessment Act 1997.

#### (d) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is

## Notes to the Financial Statements

for the year ended 30 June 2015

### Note 1: Summary of significant accounting policies (continued)

recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

#### **(e) Financial Instruments**

##### ***Initial recognition and measurement***

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the association commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

##### ***Classification and subsequent measurement***

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) over the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of income or expense in profit or loss.

The association does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

## Notes to the Financial Statements

for the year ended 30 June 2015

### Note 1: Summary of significant accounting policies (continued)

(i) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(ii) *Financial liabilities*

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

#### ***Impairment***

At the end of each reporting period, the association assesses whether there is objective evidence that a financial asset has been impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") that has occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, indications that they will enter bankruptcy or other financial re-organisation and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if the management establishes that the carrying amount cannot be recovered by any means, at that point the writing off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the association recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

#### ***Derecognition***

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party, whereby the entity no longer has any significant continuing involvement in

## Notes to the Financial Statements

for the year ended 30 June 2015

### Note 1: Summary of significant accounting policies (continued)

the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

#### **(f) Impairment of assets**

At the end of each reporting period, the association assesses whether there is any indication that an asset may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs to sell and its value-in-use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is immediately recognised in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an individual asset, the association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

#### **(g) Revenue**

Non-reciprocal grant revenue is recognised in the statement of comprehensive income when the association obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the association and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the association incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

All revenue is stated net of the amount of goods and services tax (GST).

#### **(h) Trade and other payables**

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The

## Notes to the Financial Statements

for the year ended 30 June 2015

### Note 1: Summary of significant accounting policies (continued)

balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

#### **(i) Trade and other receivables**

These include amounts due from ATO and accrued interest on deposits in financial institutions. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment

#### **(j) Critical Accounting Estimates and Judgments**

##### ***Key estimates***

##### ***(i) Impairment - general***

The association assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.



## Notes to the Financial Statements

for the year ended 30 June 2015

### Note 2: Revenue

	2015 \$	2014 \$
<b>MBM LGA contributions:</b>		
Berri Barmera Council	22,239	26,649
Coorong District Council	14,730	19,339
DC of Karoonda East Murray	7,798	12,591
DC of Loxton Waikerie	23,538	27,914
Mid Murray Council	17,618	22,150
The Rural City of Murray Bridge	29,459	33,678
DC of Renmark Paringa	19,784	24,259
Southern Mallee DC	9,244	13,998
	<b>144,410</b>	<b>180,578</b>
<b>Other contributions:</b>		
Regional Enhancement Fund Grant	-	37,225
Local Government Association of SA	38,305	-
	<b>38,305</b>	<b>37,225</b>
Interest revenue	5,262	3,717
<b>Total revenue</b>	<b>187,977</b>	<b>221,520</b>

## Notes to the Financial Statements

for the year ended 30 June 2015

### Note 3: Other operating expenses

	2015 \$	2014 \$
Accounting software	578	-
Audit fees	5,563	5,323
Bank charges	82	55
Consultancy and contractors	33,115	82,632
Executive officer contract services	96,235	105,672
Insurance	5,476	5,358
Meeting expenses	1,168	1,556
Postage	26	82
President's travelling allowance	3,750	2,500
Printing and stationery	58	781
Record sentencing/archiving	224	151
SAROC regional meeting costs	261	1,353
Sundry expenses	3	92
Telephone, fax and broadband	1,867	2,933
Website maintenance	50	320
	<b>148,456</b>	<b>208,808</b>

### Note 4: Cash and cash equivalents

	2015 \$	2014 \$
Cash on hand	100	100
Cash at bank	994	22,537
LGFA Investment	160,629	92,367
	<b>161,723</b>	<b>115,004</b>

## Notes to the Financial Statements

for the year ended 30 June 2015

### Note 5: Trade and other receivables

	2015 \$	2014 \$
<b>Current</b>		
GST receivable (net)	<u>7,872</u>	<u>3,599</u>

### Note 6: Trade and other payables

	2015 \$	2014 \$
<b>Current</b>		
Trade payables - unsecured	<u>25,998</u>	<u>14,527</u>

### Note: 7: Unspent funds reserves

The unexpended funds reserve represent funds set aside for future use on projects managed by the association.

	2015 \$	2014 \$
<b>Shared Resource Cluster Project</b>		
Balance brought forward	-	19,654
Transfer to Resource Sharing Projects		(19,654)
Project funds not expended at year end	<u>-</u>	<u>-</u>

## Notes to the Financial Statements

for the year ended 30 June 2015

	2015 \$	2014 \$
<b>Discretionary Project</b>		
Balance brought forward	226	226
Transfer from accumulated surplus	8,000	-
Project funds not expended at year end	<u>8,226</u>	<u>226</u>
<b>Legal Charter Review</b>		
Balance brought forward	4,768	7,000
Transfer from accumulated surplus	1,300	-
Professional fees	-	(2,232)
Fees and charges	(33)	-
Project funds not expended at year end	<u>6,035</u>	<u>4,768</u>
<b>Council Improvement Project</b>		
Balance brought forward	-	10,000
Transfer to Resource Sharing Projects		(10,000)
Project funds not expended at year end	<u>-</u>	<u>-</u>
<b>2030 Transport Plan Project</b>		
Balance brought forward	14,100	-
Transfer from accumulated surplus	-	55,000
Consultancy	-	(40,900)
Transfer to Review of Regional Transport Strategy Plan Project	(14,100)	-
Project funds not expended at year end	<u>-</u>	<u>14,100</u>
<b>Regional Public Health Plan</b>		
Balance brought forward	500	-
Transfer from accumulated surplus	-	40,000
Consultancy	-	(39,500)
Project funds not expended at year end	<u>500</u>	<u>500</u>

**Notes to the Financial Statements**  
for the year ended 30 June 2015

**Notes to the Financial Statements**  
for the year ended 30 June 2015

	2015	2014
	\$	\$

## Notes to the Financial Statements

for the year ended 30 June 2015

### Riverland Resource Sharing Project

Balance brought forward	13,500	-
Transfer from Shared Resource Cluster Project and Council Improvement Project	-	13,500
Project funds not expended at year end	<u>13,500</u>	<u>13,500</u>

### Murraylands Resource Sharing Project

Balance brought forward	16,154	-
Transfer from Shared Resource Cluster Project and Council Improvement Project	-	16,154
Project funds not expended at year end	<u>16,154</u>	<u>16,154</u>

### Annual Priorities Project

Balance brought forward	1,300	1,300
Project funds not expended at year end	<u>1,300</u>	<u>1,300</u>

### Succession Planning Consultancy Project

Transfer from accumulated surplus	20,000	-
Consultancy	(6,210)	-
Project funds not expended at year end	<u>13,790</u>	<u>-</u>

### Review of Regional Transport Strategy Project

Transfer from 2030 Transport Plan Project	14,100	-
Transfer from accumulated surplus	13,120	-
Consultancy	(21,646)	-
Project funds not expended at year end	<u>5,574</u>	<u>-</u>

### Transport strategy project

Consultancy	(4,225)	-
Project funds not expended at year end	<u>(4,225)</u>	<u>-</u>

Total unspent funds reserves	<u>60,854</u>	<u>50,548</u>
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## Note 8: Accumulated surplus

## Notes to the Financial Statements

for the year ended 30 June 2015

	2015 \$	2014 \$
Opening balance	53,528	53,184
Surplus for the year	39,521	12,712
Net transfers (to)/from reserves:		
Discretionary Project	(8,000)	-
Legal Charter Review	(1,267)	2,232
2030 Transport Plan Project	-	(14,100)
Regional Public Health Plan	-	(500)
Succession Planning Consultancy Project	(13,790)	-
Review of Regional Transport Strategy Project	8,526	-
Transport strategy project	4,225	-
Net transfers (to)/from reserves	(10,306)	(12,368)
Balance at year end	82,743	53,528

### Note 9: Reconciliation of cash flow from operations with surplus for the year

	2015 \$	2014 \$
Net surplus for the year	39,521	12,712
<i>Changes in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	(4,273)	1
Increase/(decrease) in trade and other payables	11,471	12,127
	46,719	24,840



## Notes to the Financial Statements

for the year ended 30 June 2015

### Note 10: Financial risk management

The association's financial instruments consist mainly of deposits with bank, receivables and payables.

The total for each category of financial instrument, measured as detailed in the accounting policies to these financial statements, are as follows:

		2015 \$	2014 \$
<b>Financial assets</b>			
Cash and cash equivalents	4	161,723	115,004
Total financial assets		<u>161,723</u>	<u>115,004</u>
<b>Financial liabilities</b>			
Trade and other payables as amortised cost	6	25,998	14,527
Total financial liabilities		<u>25,998</u>	<u>14,527</u>

### Specific Financial Risk Exposures and Management

The main risks the association is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and other price risk. There have been no substantive changes in the types of risks the association is exposed to, how these risks arise, or the association's objectives, policies and processes for managing or measuring the risks from the previous period.

#### (a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the association.

Credit risk is managed through maintaining procedures (such as the utilisation of systems for the approval, granting and removal of credit limits, regular monitoring of exposure against such limits and monitoring of the financial stability of significant customers and counterparties) ensuring, to the extent possible, that members and counterparties to transactions are of sound credit worthiness.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the committee has otherwise assessed as being financially sound.

## Notes to the Financial Statements

for the year ended 30 June 2015

### ***Credit risk exposures***

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

There is no collateral held by the association securing trade and other receivables.

Accounts receivable and other debtors that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are detailed at Note 5.

The association has no significant concentrations of credit risk with any single counterparty or group of counterparties. Details with respect to credit risk of trade and other receivables are provided in Note 5.

### **(b) Liquidity risk**

Liquidity risk arises from the possibility that the association might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The association manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
- only investing surplus cash with major financial institutions; and

The association does not hold directly any derivative financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

### ***Financial assets pledged as collateral.***

No financial assets have been pledged as security for any financial liability.

### **(c) Market risk**

#### ***(i) Interest rate risk***

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The association is exposed to earnings volatility on floating rate instruments. The financial instruments that expose the association to interest rate risk that are limited to cash and cash equivalents.

## Notes to the Financial Statements

for the year ended 30 June 2015

### (ii) Other price risk

Other price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) of securities held.

The association is not exposed to other price risk.

### ***Sensitivity analysis***

The following table illustrates sensitivities to the association's exposures to changes in interest rates. The table indicates the impact on how surplus and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

These sensitivities assume that the movement in a particular variable is independent of other variables.

	2015	2014
	\$	\$
+/- 1% in interest rates impact on surplus	1,616	1,149
+/- 1% in interest rates impact on equity	1,616	1,149

### (d) Fair Values

#### **Fair value estimation**

Carrying amounts of financial assets and financial liabilities as disclosed in the statement of financial position and this note approximate fair value.

## Note 11: Contingent Liabilities and Contingent Assets

At 30 June 2015, the association is unaware of any liability, contingent or otherwise, which has not already been recorded elsewhere in this financial report.

## Note 12: Capital Commitments

At 30 June 2015, the association is unaware of any capital or leasing commitments which have not already been recorded elsewhere in this financial report.

## Notes to the Financial Statements

for the year ended 30 June 2015

### Note 13: Events after the end of the reporting period

Since the reporting date, there have been no events that would materially impact on the contents of this report.

### Note 14: Economic Dependence

Murray & Mallee Local Government Association Incorporated is dependent on the Local Councils within its jurisdiction and other funding bodies for the majority of its revenue used to operate the business. At the date of this report, the Committee believe that the Local Councils and other bodies will continue to fund the association.

### Note 15: Key Management Personnel Compensation

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the association, directly or indirectly, including its committee members, is considered key management personnel.

	2015	2014
	\$	\$
Short-term benefits	<b>96,235</b>	105,672

### Note 16: Capital Management

The Committee controls the capital of the entity to ensure that adequate cash flows are generated to fund its programs and that returns from investments are maximised within tolerable risk parameters. The Committee ensures that the overall risk management strategy is in line with this objective.

The committee operates under policies approved by the board. Risk management policies are approved and reviewed by the board on a regular basis. These include credit risk policies and future cash flow requirements.

The entity's capital consists of financial liabilities, supported by financial assets.

There have been no changes to the strategy adopted by the Committee to control the capital of the entity since the previous year.

## Notes to the Financial Statements

for the year ended 30 June 2015

### Note 17: Going concern dependent on ongoing support from funding bodies

These financial statements have been prepared on the going concern basis which contemplates the realisation and payments of liabilities in the ordinary course of business. The Association's ability to continue as a going concern is dependent upon its ability to attain profitable operations and generate funds there from and to maintain the ongoing support from the entity's funding bodies, sufficient to meet current and future obligations.

### Note 18: Association details

*The registered office of the association and principal place of business is;*

Murray & Mallee Local Government Association Inc  
PO Box 236  
Victor Harbor SA 5211

## Notes to the Financial Statements

for the year ended 30 June 2015

### Statement by the Committee

In the opinion of the committee the financial statements comprising the statement of profit and loss and other comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and notes to the financial statements:

1. Present fairly the financial position of Murray & Mallee Local Government Association as at 30 June 2015 and the results of the Association for the year ended on that date in accordance with Accounting Standards and other mandatory professional reporting requirements.
2. At the date of this statement, there are reasonable grounds to believe that Murray & Mallee Local Government Association will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:



Member .....Mayor Dave Burgess, President MMLGA.....



Member .....Peter Bond CEO, MMLGA.....

Dated this     3rd     day of October 2015

Year End: 30 June 2015  
Adjusting journal entries - normal adjusting  
Date: 1/07/2014 To 30/06/2015

Auditor	Senior	Manager	Partner

JT-6

Number	Date	Name	Account No	Reference	Debit	Credit	Net Income (Loss)	Amount Chg	Recurrence	Misstatement
Net Income (Loss) Before Adjustments							82,062.00			
1	30/06/2015	Audit and Accounting Fees (400)	400			4,400.00				
1	30/06/2015	Exec Officer Contract Services (415)	415			8,806.00				
1	30/06/2015	Rounding adjustment	451		2.00					
1	30/06/2015	Retained Earnings (960)	960		13,204.00					
Reconciliation of opening balances with prior year statutory financial statements.					13,206.00	13,206.00	95,266.00	13,204.00		
2	30/06/2015	Audit and Accounting Fees (400)	400		4,400.00					
2	30/06/2015	Creditors	810			4,840.00				
2	30/06/2015	GST (820)	820		440.00					
Recognition of accrued audit fee.					4,840.00	4,840.00	90,866.00	(4,400.00)		
3	30/06/2015	Consultancy and Contractors	410		21,646.00					
3	30/06/2015	Accumulated Surplus (961)	961			21,646.00				
Recognition of consultancy fees incurred re Review of Regional Transport Strategy Plan Project (833) through the profit or loss.					21,646.00	21,646.00	69,220.00	(21,646.00)		
4	30/06/2015	Consultancy and Contractors	410		6,210.00					
4	30/06/2015	Accumulated Surplus (961)	961			6,210.00				
Recognition of consultancy fees incurred re Succession Planning Consultancy Project (832) through the profit or loss.					6,210.00	6,210.00	63,010.00	(6,210.00)		
5	30/06/2015	Fees and Charges (417)	417		33.00					

**Year End: 30 June 2015**  
**Adjusting journal entries - normal adjusting**  
**Date: 1/07/2014 To 30/06/2015**

Auditor	Senior	Manager	Partner

**JT-6-1**

Number	Date	Name	Account No	Reference	Debit	Credit	Net Income (Loss)	Amount Chg	Recurrence	Misstatement
5	30/06/2015	Accumulated Surplus (961)	961			33.00				
		Recognition of government gazette fees incurred re Legal Charter Review (821) through the profit or loss.			33.00	33.00	62,977.00	(33.00)		
6	30/06/2015	Consultancy and Contractors	410		4,225.00					
6	30/06/2015	Accumulated Surplus (961)	961			4,225.00				
		Recognition of consultancy fees incurred re Transport Strategy Project (805) through the profit or loss.			4,225.00	4,225.00	58,752.00	(4,225.00)		
7	30/06/2015	Rounding adjustment	451			1.00				
7	30/06/2015	Accumulated Surplus (961)	961		1.00					
		Rounding correction resultinmg from corrections to reserves.			1.00	1.00	58,753.00	1.00		
8	30/06/2015	Consultancy and Contractors	410		1,034.00					
8	30/06/2015	Creditors	810			1,138.00				
8	30/06/2015	GST (820)	820		104.00					
8	30/06/2015	Review of Regional Transport Strategy	833		1,034.00					
8	30/06/2015	Accumulated Surplus (961)	961			1,034.00				
		Recognition of omitted creditor - Consultancy performed by HDS Australia re Review of Regional Transport Strategy Plan Project (833) - Invoice 14-214 dated 27/08/15			2,172.00	2,172.00	57,719.00	(1,034.00)		
9	30/06/2015	Record Sentencing/Archiving (465)	465		18.00					
9	30/06/2015	Creditors	810			20.00				



Year End: 30 June 2015  
Adjusting journal entries - normal adjusting  
Date: 1/07/2014 To 30/06/2015

Auditor	Senior	Manager	Partner

JT-6-2

Number	Date	Name	Account No	Reference	Debit	Credit	Net Income (Loss)	Amount Chg	Recurrence	Misstatement
9	30/06/2015	GST (820)	820		2.00					
		Recognition of omitted creditor - Document management services rendered by Recall - Invoice 1130011546 dated 22/05/15			20.00	20.00	57,701.00	(18.00)		
10	30/06/2015	Exec Officer Contract Services (415)	415		18,180.00					
10	30/06/2015	Creditors	810			20,000.00				
10	30/06/2015	GST (820)	820		1,820.00					
		Recognition of omitted creditor - Executive services rendered by Peter Bond and Associates - Invoice 0002 dated 21/07/15 in respect of May 15 and June 15.			20,000.00	20,000.00	39,521.00	(18,180.00)		
					72,353.00	72,353.00	39,521.00	(42,541.00)		