

LG PROFESSIONALS SA ANNUAL REPORT 2019 / 2020



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Agenda for the 71st Annual General Meeting

- 1.) **Opening Remarks**
Paul Sutton, President
- 2.) **Attendance Record**
Present
Apologies
- 3.) **Confirmation of Minutes**
Recommendation: That the minutes of the 2019 Annual General Meeting held on 11 September 2019 be received and confirmed as a true and correct record of proceedings.
- 4.) **President's Report**
The President's Report is contained in the Annual Report.
Recommendation: That the report be received.
- 5.) **2019-2020 Annual Report**
The report was circulated electronically prior to the meeting.
Recommendation: That the report be received.
- 6.) **Audited Financial Statements**
The statements are contained in the Annual Report.
Recommendation: That the audited financial statements for the year ended 30 June 2020 be received.
- 7.) **Appointment of Auditor**
Recommendation: That Galpins Accountants Auditors and Business Consultants be appointed as the auditor for the year 2020/21.
- 8.) **Membership Report**
The Membership Report is contained in the Annual Report.
Recommendation: That the report be received.
- 9.) **Overview of the Strategic Plan**
An overview of the Association's Strategic Plan and Business Plan will be presented.
- 10.) **Returning Officer's Report**
The Returning Officer's Report will be presented.
Recommendation: That the report be received.
- 11.) **Announcement of President**
- 12.) **Any Other Business?**
- 13.) **Close**

Minutes of the 70th Annual General Meeting

Held at The Gallery, 30 Waymouth Street, Adelaide at 4:30pm on Wednesday 11 September 2019

1) Opening Remarks

Nigel Morris, President opened the meeting and welcomed everyone.

2) Attendance Record

2.1) Present

Nigel Morris (Chair), Robert Adam, Andrew Aitken, Andy Baker, Peter Bice, Roberto Bria, Merissa Decelis, Warren Gearey, Mark Goldstone, Alan Harvey, Henry Inat, Carla Leversedge, Kerry Loughhead, Victoria MacKirdy, Michelle Mayger, Hugh McIntosh, Gemma Russell, Michael Sedgman, Matthew Spearman, Dylan Strong, Paul Sutton, Thuyen Vi-Alternetti, Bruce Williams, Mark Withers.

Staff: Taryn Sexton, Tim Goodfellow, Rhiannon Grebenshikoff, Taylor Kruger, Kate Staples, Tahlia Willey.

2.2) Apologies

Pam Andriatsakis, Andrew Cameron, Michelle Hammond, Wayne Hart, Kate Jessep, Helen Macdonald, Craig Midgley, Russell Peate, Glenn Rappensberg, Trevor Smart, Stephen Smith, Trevor Smith, Michael Taggart, Philomena Taylor.

3) Confirmation of Minutes

Robert Adam moved

That the minutes of the 2018 Annual General Meeting held on 29 November 2018 be received and confirmed as a true and correct record of proceedings.

Seconded: Mark Withers
CARRIED

4) President's Report

The President provided highlights of the President's Report.

Victoria MacKirdy moved
That the report be received.

Seconded: Andrew Aitken
CARRIED.

5) 2018-2019 Annual Report

The report was circulated electronically prior to the meeting.

Michael Sedgman moved
That the report be received.

Seconded: Peter Bice
CARRIED

6) Audited Financial Statements

The statements are contained in the Annual Report.

Michael Sedgman moved
That the audited financial statements for the year ended 30 June 2019 be received.

Seconded: Peter Bice
CARRIED

7) Appointment of Auditor

Victoria MacKirdy moved
That Galpins Accountants Auditors and Business Consultants be appointed as the auditor for the year 2019/20

Seconded: Roberto Bria
CARRIED

8) Membership Report

The Membership Report is contained in the Annual Report.

Mark Goldstone moved
That the report be received.
Seconded: Andy Baker
CARRIED

9) Overview of the Strategic Plan

The president provided an overview of the Association's Strategic Plan and Business Plan.

Matt Spearman moved
That the plan be received.
Seconded: Paul Sutton
CARRIED

Minutes of the 70th Annual General Meeting cont'd

10) Returning Officer's Report

The Returning Officer's Report was presented.

The following were declared elected to the Board:

Unopposed, to the position of President for a term of office of two years, the first as President, the second as Immediate Past President:

Paul Sutton

Unopposed, to the position of President Elect for a term of office of three years, the first as President Elect, the second as President and the third as Immediate Past President:

Michael Sedgman

To the position of Board Member for a two-year term:

Victoria MacKirdy
Henry Inat
Andrew Cameron
Dylan Strong

To the position of Board Member for a one-year term:

Hugh McIntosh
Alan Harvey

Mark Withers moved

That the report be received.

Seconded: Victoria MacKirdy
CARRIED

11) Announcement of President

Paul Sutton was announced as President.

Paul Sutton acknowledged Nigel Morris and thanked him for his contribution as President.

12) Other Business

There was no other business.

13) Close

The meeting closed at 4:50PM.

President's Report

There is no doubt that 2019/20 has been an interesting year, and this has certainly been felt by LG Professionals SA. The impacts on ordinary events and programs has been significant, however the Board and our staff have been mindful to take advantage of the opportunity also presented by the disruption of Covid -19 to proceed a range of reform, governance and strategy items.

The Board met in February for a strategic planning day (just prior to Covid -19), the outcomes of which were a renewed approach to our marketing and branding, development of a stakeholder engagement model and process for reviewing our offerings, and the resolution to pursue an advocacy platform.

Advocacy

An Advocacy platform has been strategically developed in conjunction with LG Professionals Australia and LGA to make sure we are representing the sector's professional's perspective on issues that may be facing our sector. We made a submission to the Local Government reform bill as that was being processed, and you can find a copy of the broader Advocacy Plan on the following pages of the Annual Report.

New Constitution

At a Special General Meeting of Members on the 19th October a new constitution was adopted to come into effect at our Annual General Meeting. This brings a more contemporary tone to our governance and provides for a 2-year President's term that will come into effect from the November 2021 election.



Board Diversity

Throughout the year we have also looked carefully at diversity, as a result of last year's Board Election which resulted in a gender imbalance on the Board. We have explored this, as a Board and through a number of sessions with members, to identify what this means for LG Professionals SA going forward. The Board has implemented a number of items throughout the year to ensure we are proactively addressing this, in particular utilising Network Chairs and using these positions as a gateway to the Board, as well as canvassing the views of members through surveys and workshops. On a personal note I have joined a National LG Professionals Network that is looking at Gender Diversity in the LG Workforce, I hope that this learning and research can be applied through our organisation.

Membership Model

This year has also seen the development of a new membership model – which saw us commence the transition from individual to organisation memberships – this has resulted in an 230% increase in membership so far, with this number growing everyday. This will provide for greater financial sustainability for the Association, but more importantly, provides greater accessibility to LG Professionals SA services, programs and events to a much wider local government group.

President's Report Continued...

Partnering

The Board has formalised its position to explore a deeper partnership with the LGA such that we might deliver on the potential synergies that exist between the two organisations. While it's early days the signs are positive. As these are explored, we will present and discuss with members over the coming months.

Marketing and Branding

We have undertaken a considerable revamp of our client database, the aim of which is to allow for more targeted marketing specific to job roles, areas of responsibility or interest. This will allow us to tailor relevant information and opportunities as well as provide important data on the makeup of our membership to inform advocacy items. I urge anyone who hasn't updated their contact record or member profile to do so. We are a partner in developing your whole of career journey and this information will assist us in knowing how to best support you.

Whilst we haven't been able to see each other at as many face to face events this year, we were thrilled to celebrate with over 500 attendees at our first ever virtual Leadership Excellence Awards, host our first virtual Management Challenge and provide enhanced accessibility to our various Networks through virtual forums and informal catchups.

We look forward to celebrating with the 15th cohort of the Emerging Leaders Program as they graduate in December – and wish them all the best on their leadership journeys.

Our Networks continue to be active in supporting one another and include the CEO Network, General Managers Network, Community Managers Network, Women's Network, People and Culture Network, and Continuous Improvement Network.

I would like to thank our valued Corporate Partners and event sponsors who have provided amazing support and commitment to our Association – as well as the various agencies and businesses that we have partnered with throughout the year.

I look forward to continuing on the board under Michael Sedgman's leadership as he takes on the role of President for the next 12 months. We will continue to support our members and develop and recognise local government people.

Paul Sutton
President

STRATEGIC PLAN 2020/2021

Date: September 2020

Vision

We create connected capable people committed to public good.

Mission

We develop local government people.

Context

The Strategy reflects a recognition by Local Government Professionals SA that we play a principal role in the career and personal development of the sectors people. We seek to do this through the provision of programs and opportunities that stretch and challenge our diverse range of people. We also play a role in celebrating and recognising achievement. We advocate for opportunities within our sector always looking to improve the brand and professionalism of Local Government.

Key Priority Areas

We will...

Marketing and Branding

1. Weave a diverse range of member stories into program marketing campaigns
2. Increase and improve our Social Media presence, notably via LinkedIn activity
3. Refresh and update database in order to target distinct audiences

Stakeholder Relationships

1. Develop a Stakeholder Engagement Model
2. Work with the LGA to develop clear shared view of Roles and Opportunities
3. Strengthen our relationship with LG Professionals Australia – Creating a shared view of Roles, Responsibilities, Relationship and Resourcing

STRATEGIC PLAN 2020/2021

Membership Model

1. Implement a revised Membership Offering providing broad sector access and financial sustainability
2. Effective implementation of the new Membership Model in 2020/21.
3. Develop a three-year membership option to implement from 2021/22.

Advocacy

1. A diverse and inclusive workforce

We support a diverse and inclusive local government workforce where people of all genders, ages, abilities and backgrounds can thrive.

2. A highly skilled sector committed to public good

We believe that all local government professionals, regardless of which region they are in, should have access to high quality relevant learning and development opportunities so that they are equipped to thrive at work and best serve their communities.

3. A great place to work

We will help local government to be and to be known as an exciting and rewarding sector in which to work.

4. Collaboration and benchmarking

We will use our professional skills and experience to support collaboration and benchmarking across the sector.

ADVOCACY PLAN

LG Professionals SA Advocacy Plan

Attachment:

LG Professionals Australia Advocacy Platform

Links to Strategic Plan Key Priority Areas:

Advocacy

Background:

The Board has identified advocacy as one of its key priority areas at its planning day in February 2020. This was in response to a recent survey where 89% of respondents agreed that LG Professionals SA has a role in advocating on behalf of its members. In the development of this framework, the CEO has subsequently analysed that survey data, met with key staff from the LGA and considered National Office's Advocacy Plan.

Introduction:

While this plan aims to identify areas and methods of advocacy, it is important to recognise the need to be agile and respond to emerging issues on behalf of our members. Where these issues fall outside the scope of this plan, consultation will occur with members via the Board and relevant networks and the LGA and LG Professionals Australia where relevant.

ADVOCACY PLAN

Roles:

LG Professionals SA

The Association recognises two types of advocacy:

- 1.) Inward Advocacy is advocacy within or toward the sector, including towards or with industry peak bodies such as SALGFMG, LGITSA, IPWEA. This is primarily the space where LG Professionals SA will play a role.
- 2.) Outward Advocacy is advocacy outside the sector, for example to other tiers of government. Where issues fall into this category, LG Professionals SA will triage to and work with the LGA.

LG Professionals SA will either play a leading role, a supporting role or act as an information gatherer depending on the advocacy issue.

Board

- Annual review, updating and endorsement of the Advocacy Plan
- Monitor progress against plan and report back to members on this progress
- Individual Board Members to act as spokespeople where relevant

President

- Act as a Spokesperson

CEO

- Act as a Spokesperson
- Survey membership to inform the Plan
- Work with Network Chairs to inform the Plan
- Report on progress against the Plan

National Director

- Communicate with SA Board on National's Advocacy and Policy Platform and Workplan
- Communicate with National Board on SA's Advocacy Plan

Network Chairs

- Act as spokespeople where relevant

ADVOCACY PLAN

Advocacy Action Plan

Objective 1: A diverse and inclusive workforce

We support a diverse and inclusive local government workforce where people of all genders, ages, abilities and backgrounds can thrive.

Linkages:

Networks	National	LGA
CEO GM / Director People and Culture Women's Community Managers	Objective 4- Local Government to support and practice the principles of diversity and inclusion.	Build local government capacity and the skills of our people.

Action Plan:

Action	Role (Lead, Support, Gather Info)	Due Date	Status Update
Establish a Local Government Chiefs for Diversity Group	Lead	July 2021	
Collect annual data on the number of female CEOs and GMs / Directors in each council and consider how to share this data with the sector	Gather Info	July 2021	
Ensure a balance of male and female speakers at LG Professionals SA events	Lead	Ongoing	
Consider in the context of mentoring and secondment programs	Lead	July 2021	
Advocate to include in CEO Recruitment to recruit for diversity	Support	December 2020	
Advocate to include in CEO Performance Review Guidelines to measure the creation of a culture of collaboration and diversity	Support	December 2020	

ADVOCACY PLAN

Action	Role (Lead, Support, Gather Info)	Due Date	Status Update
Work towards ensuring all LG Professionals SA events and offerings are accessible	Lead	Ongoing	
LG Professionals SA Marketing Strategy to include stories and images of a diverse range of members	Lead	Per Marketing Plan timelines	
Raise diversity of age, ability and background in attraction and retention strategies as item for People and Culture Network Committee to consider	Support	December 2020	
Work with the LGA to incorporate diversity training into leadership programs for staff and mandatory training standards for EMs with shared language for both	Lead	Ongoing	
Advocate to include diversity measures in benchmarking data sets, giving consideration to ATSI targets, targets for attracting people with a disability and workforce targets that are representative of the SA community as a whole	Support	Ongoing	

ADVOCACY PLAN

Objective 2: A highly skilled sector committed to public good

We believe that all local government professionals, regardless of which region they are in, should have access to high quality relevant learning and development opportunities so that they are equipped to thrive at work and best serve their communities.

Linkages:

Networks	National	LGA
CEO People and Culture	Objective 2- Local Government to have an appropriately skilled workforce	Facilitating continuous improvement in councils and the LGA. Equip councils for the future. Support local government through training and resources.

Action Plan:

Action	Role (Lead, Support, Gather Info)	Due Date	Status Update
Support LG Professionals Australia's advocacy efforts for training funding	Support	Ongoing	
Work with the LGA to advocate for the inclusion of training in 21/22 LG budgets and consider jointly developing an ROI on training tool	Support	April 2021	
Include more virtual training offerings	Lead	Ongoing	
Engage with People and Culture Network, SALGFMG and LGITSA to assess how we can support regions through shared human resources	Lead	March 2021	
Explore a Rising Stars program which could include a high potential framework for the sector, council pairings (regional and metro), mentorships, secondments	Lead	July 2021	

ADVOCACY PLAN

Objective 3: A great place to work

We will help local government to be and to be known as an exciting and rewarding sector in which to work.

Linkages:

Networks	National	LGA
CEO People and Culture	Objective 2- Local Government to have an appropriately skilled workforce Objective 5 – Local Government to build respectful relationships between elected members and senior officers to avoid adverse impacts to local government service delivery to communities	Increase the profile of local government. Build and maintain effective partnerships and stakeholder relations.

Action Plan:

Action	Role (Lead, Support, Gather Info)	Due Date	Status Update
Leadership Excellence Awards Program to demonstrate the importance of our work and celebrate the achievements of the sector	Lead	Ongoing	
Profile members' career stories and the great things they do	Lead	Ongoing	
Advocate to support role clarity and the building of respectful relationships between elected members and senior staff to foster local government service delivery to communities	Support	October 2020	
Consider LG Professionals WA research into executive wellbeing and whether any recommendations emerge	Lead	December 2020	
Raise with People and Culture Network	Lead	July 2021	
Discuss with the LGA and LG Professionals Australia a coordinated approach to promoting our sector through tertiary institutions	Support		

ADVOCACY PLAN

Objective 4: Collaboration and benchmarking

We will use our professional skills and experience to support collaboration and benchmarking across the sector.

Linkages:

Networks	National	LGA
CEO Continuous Improvement		Benchmark, innovate and research. Lead, initiate and promote working together.

Action Plan:

Action	Role (Lead, Support, Gather Info)	Due Date	Status Update
Review Leadership Excellence Awards categories to ensure collaboration and benchmarking efforts are being honoured	Lead	October 2020	
Include sessions in Annual State Conference	Lead	November 2020	
Offer that PEP User Group can help the LGA establish sector wide benchmarking program	Support	In line with state mandated benchmarking program	
Feature collaboration stories in marketing activities	Lead	Ongoing	
Provide training in relevant skills either through adding to existing programs or new programs	Support	For 21/22 program	
Consider secondment program of highly skilled business analytics practitioners	Lead	In line with state mandated benchmarking program	
Consider review of Leadership Capability Framework in line with skills and traits required	Lead		
Raise with CEO Network the opportunity to commit to Productivity Commission Report	Lead	20 November	

Membership Report

The Association's Membership as at 30 June 2020 was 437.

This includes the following Fellows:

Robert Adam

John Banks

Paul Di Iulio

Tim Jackson

Graeme Maxwell

Ray Pincombe

BOARD September 2019 – November 2020

Name	Appointment	To Retire	Years on Board
Nigel Morris	Immediate Past President	2020	3
Paul Sutton	President	2021	1
Michael Sedgman	President Elect	2022	1
Andrew Cameron	Board Member	2021	10
Victoria MacKirdy	Board Member	2021	10
Henry Inat	Board Member	2021	5
Peter Bice	Board Member / Treasurer	2020	2
Mark Withers	Board Member	2020	15
Alan Harvey	Board Member	2020	1
Hugh McIntosh	Board Member	2020	1
Dylan Strong	Board Member	2021	1

EXECUTIVE COMMITTEE September 2019 – November 2020

Paul Sutton

President

Nigel Morris

Immediate Past President

Michael Sedgman

President – Elect

Peter Bice

Treasurer

PAST DIVISIONAL/STATE AND NATIONAL PRESIDENTS

NAME	DIVISIONAL/STATE PRESIDENT	NATIONAL PRESIDENT
V S Shepherd OBE	1949 – 1951	1953 – 1954
W C D Veale	1951 – 1953	
F V Elliott	1953 – 1955	
S Keane	1955 – 1957	
F A Lewis OBE	1957 – 1959	1959 – 1960
H G Perry	1959 – 1961	
R A Kerr	1961 – 1963	
W W Brokate	1963 – 1965	1965 – 1966
R C Tucker	1965 – 1967	
M M Paech	1967 – 1969	
R L Pash, OAM	1969 – 1971	1971 – 1972
R E Oswald	1971 – 1973	
J Borman	1973 – 1975	
L K McKay	1975 – 1977	1977 – 1978
J R Langman	1977 – 1979	
K H Davis	1979 – 1981	
D J Williams	1981 – 1983	1983 – 1984
D K Wormald	1983 – 1985	
D O Roberts	1985 – 1987	
B R Carr	1987 – 1988	
J R Kleem	1988 – 1989	1989 – 1990
R C S Hunter	1989 – 1990	
G L Dimond	1990 – 1991	
P J Spencer	1991 – 1992	
M B Thompson	1992 – 1993	
M J Llewellyn-Smith	1993 – 1995	1995 – 1997
M A Boyd	1995 (March to August)	
J A C Comrie	Oct 1995 – 1997	
F Pedler	1997 – 1998	
V Little	1998 – 1999	
T Starr	1999 – 2000	2002 – 2003
P Vlatko	2000 – 2002	
T Jackson	2002 – 2004	
R J Green	2004 – 2006	
R J Peate	2006 – 2007	
J Coombe	2007 – 2008	
R Pincombe		2008 – 2009
M Withers	2008 – 2009	2014 – 2015
H Lawler	2009	
C Hart	2009 – 2011	
J Trotter	2011 – 2012	
M Searle	2012 – 2013	
V MacKirdy	2013 – 2014	2020 - 2021
A Aitken	2014 – 2015	
A Cameron	2015 – 2016	
M Dowd	2016 – 2017	
B Davidson-Park	2017 – 2018	
N Morris	2018 - 2019	
P Sutton	2019 - 2020	

FINANCIAL STATEMENTS

Local Government Professionals South Australia Incorporated
ABN 90176532768

FOR THE YEAR ENDED
30 June 2020

Local Government Professionals South Australia Incorporated

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Local Government Professionals South Australia Incorporated

**STATEMENT AND REPORT BY THE COMMITTEE
FOR THE YEAR ENDED 30 JUNE 2020**

In the opinion of the committee, the Financial Statements comprising the Income and Expenditure Statement, Statement of Financial Position and Notes to the Financial Statements present fairly the financial position of Local Government Professionals South Australia Incorporated as at 30 June 2020 and its performance for the year ended on that date in accordance with applicable Accounting Standards, the Associations Incorporation Act 1985 and the Association's rules.

At the date of this statement, there are reasonable grounds to believe that Local Government Professionals South Australia Incorporated will be able to pay its debts as and when they fall due.

During the financial year, no officers of the Association, firms of which an officer is a member, or corporation of which an officer has a substantial interest have received or become entitled to receive a benefit as a result of a contract between the officer, firm or corporation and the Association.

During the financial year the following officers have received payments or benefits of pecuniary value as follows:

- Nil

The Committee is responsible for the reliability, accuracy and completeness of the accounting records and the disclosure of all material and relevant information.

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



Name: Paul Sutton
Position: President
Date: 18 September 2020



Name: Taryn Sexton
Position: CEO
Date: 18 September 2020

Local Government Professionals South Australia Incorporated

**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 \$	2019 \$
Income			
Corporate Partnership Fees		140,545	146,375
Event Sponsorships		24,250	84,050
Grant Income		17,994	65,764
Grant Income - COVID		123,000	-
Interest Income		7,364	12,601
Memberships		114,310	110,130
Other Revenue		39,289	58,055
Registration & Events		696,541	904,232
Total Revenue		1,163,293	1,381,207
Operating Expenses			
Audit		-	3,700
Bank Fees		1,936	2,511
Capitation		19,328	18,856
Catering		67,065	153,547
Consulting & Accounting		12,478	2,188
Depreciation		5,621	3,648
Events		305,416	329,127
Insurance		4,819	4,875
IT Expense		36,910	22,075
Paypal Charges		2,156	2,763
Postage / Courier		3,637	4,744
Printing & Stationary		14,241	10,657
Promotions		13,231	14,398
Provision for Employee Entitlements		5,181	10,387
Rent		38,727	40,716
Sundry Expenses		39,884	126,611
Superannuation		48,011	48,669
Telephone & Internet		4,605	4,568
Training & Development		427	5,613
Travel & Accomodation		16,913	8,207
Vehicle / Mileage Allowance		9,000	9,000
Wages & Salaries		527,772	528,957
Workers Compensation Scheme		1,312	1,093
Total Expenditure		1,178,670	1,356,910
Surplus (deficit) for the year		(15,377)	24,297

The accompanying Notes form part of these financial statements

Local Government Professionals South Australia Incorporated

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2020

	Note	2020 \$	2019 \$
Assets			
Current Assets			
Cash and Cash Equivalents	2	648,938	466,091
Trade and other receivables	3	191,122	192,756
Total Current Assets		<u>840,060</u>	<u>658,847</u>
Non-Current Assets			
Plant & Equipment	4	9,696	9,867
Total Non-Current Assets		<u>9,696</u>	<u>9,867</u>
Total Assets		<u>849,756</u>	<u>668,714</u>
Liabilities			
Current Liabilities			
Trade and other payables	5	497,584	293,859
Employee Entitlements	6	82,460	77,139
Total Current Liabilities		<u>580,044</u>	<u>370,998</u>
Total Liabilities		<u>580,044</u>	<u>370,998</u>
Net Assets		<u>269,712</u>	<u>297,716</u>
Members Funds			
Retained Funds - CMN	7	36,149	48,776
Retained Funds	7	233,563	248,940
Total Members Funds		<u>269,712</u>	<u>297,716</u>

The accompanying Notes form part of these financial statements

Local Government Professionals South Australia Incorporated

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

Note 1: Statement of Significant Accounting Policies

The financial statements are special purpose financial statements that have been prepared in accordance with Associations Incorporation Act (SA) 1985. The committee has determined that the association is not a reporting entity.

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. There are no mandatory accounting standards applicable to the Association. 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 have been prepared on an accruals basis and are based on historical costs, and do not take into account changing money values or current valuations of non-current assets. The amounts presented in the financial statements have been rounded to the nearest dollar.

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

(a) Comparatives

When required due to changes in reporting formats, 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 and other short-term highly liquid investments with original maturities of three months or less.

(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 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) Property, plant and equipment

Office Equipment is carried at cost less, where applicable, any accumulated depreciation. The depreciable amount is depreciated on a diminishing value basis at rates of between 40% to 50% per annum, commencing from the time the asset is held ready for use. Items with an individual value of less than \$1,000 are fully depreciated in the year of purchase.

(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 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.

Local Government Professionals South Australia Incorporated

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

(g) Revenue

Non-reciprocal grant revenue is recognised in the income and expenditure statement 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 membership subscriptions are recognised as income in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is determined by reference to the membership year.

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 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. Prepayments comprise payments made in advance to third parties for program delivery. 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 - 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.

Local Government Professionals South Australia Incorporated

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Note 2: Cash on Hand and at Bank

	2020	2019
	\$	\$
Bank Cheque Account	151,926	51,916
Local Government Finance Authority	496,870	414,160
Petty Cash and Cash on Hand	142	15
Total Cash on Hand and at Bank	648,938	466,091

Note 3: Trade and other receivables

	2020	2019
	\$	\$
Accounts Receivable	95,602	72,657
Interest Accrued	248	595
Prepayments	95,272	119,504
Total Trade and Other Receivables	191,122	192,756

Note 4: Plant and Equipment

	2020	2019
	\$	\$
Office Furniture & Equipment	43,268	37,818
Less Accumulated Depreciation on Office Furniture & Equipment	(33,572)	(27,951)
Total Plant and Equipment	9,696	9,867

Note 5: Trade and Other Payables

	2020	2019
	\$	\$
Accounts Payable	67,276	22,094
GST	16,037	939
PAYG Withholdings Payable	8,816	11,203
Revenue in Advance	402,467	255,831
Superannuation Payable	2,988	3,792
Total Trade and Other Payables	497,584	293,859

Note 6: Employee Entitlements

	2020	2019
	\$	\$
Accrued Employee Entitlements	82,460	77,139
Total Employee Entitlements	82,460	77,139

Note 7: Retained Earnings

	Retained Funds	Retained Funds - CMN	Total Members Funds
	\$	\$	\$
Opening Balance 1 July 2019	248,940	48,776	297,716
Surplus/(Deficit) for the year	(15,377)	(12,627)	(28,004)
Closing Balance 30 June 2020	233,563	36,149	269,712

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INDEPENDENT AUDITOR'S REPORT

To the members of the Local Government Professionals South Australia Incorporated

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of the Local Government Professionals South Australia Incorporated ("the Association"), which comprises the statement of financial position as at 30 June 2020, the income and expenditure statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the statement and report by the committee.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Association as at 30 June 2020, and its financial performance for the year then ended in accordance with the Australian Accounting Standards, *Associations Incorporation Act 1985*, *Associations Incorporation Regulations 2008*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report.

We are independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our ethical responsibilities in accordance with the Code.

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

Responsibility for the Financial Report

The Association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the *Associations Incorporation Act 1985*, *Associations Incorporation Regulations 2008* and for such internal control as the Association determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Association is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Report

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

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

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

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

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Simon Smith CA, FCPA, Registered Company Auditor

Partner

22/09/2020