



The Murray and Mallee
Local Government Association

THE MURRAY AND MALLEE LOCAL GOVERNMENT ASSOCIATION

ANNUAL REPORT 2013-2014



Comprising:

Berri Barmera Council

District Council of Karoonda East Murray

Mid Murray Council

Renmark Paringa Council, and the

Coorong District Council

District Council of Loxton Waikerie:

Rural City of Murray Bridge

Southern Mallee District Council



President, Mayor David Burgess.

This being my second term as President of the Association, I have the greatest of pleasure in providing the following President's Annual report for the period 2013 to 2014.

This Report focuses on the activities undertaken, and as outlined in the Association's Annual Business Plan 2013-2014.

I am continually proud of the Association's achievements and increase in public awareness and profile over the past year, especially addressing the number of new and emerging issues that affect local government and the community.

The Association has focused on the fostering of partnership approaches to regional issues and projects and the lobbying for the benefit of our regional communities.

The following provides a snapshot of the key activities undertaken:

- Completion of the Murray and Mallee Regional Public Health Plan.
- Completion of the strategic 2030 Regional Transport Plan.
- Finalisation of the Murray and Mallee region chapter of the "Making Regions Matter" Election Platform document.
- Achievement of the review of the Association's Charter for a Regional Subsidiary.
- Undertaking community consultation and subsequent preparation on the region's Annual Priorities Report document seeking partnership arrangements to further the aims of the Report.

During the year the Association has undertaken actions, including:

- Lifting of the ban on fishing for catfish in the River Murray,

- Provision of assistance and local government representation with the NRM Board on the Integrated Vulnerability Assessment project, with the completion of Phase 2 of the project and distribution of the draft Sector Agreement,
- Commencement of the pilot Murraylands Councils Video Conferencing Project,
- Collation of Member Councils' Special Local Roads Funding Applications with Association recommendations to the Local Government Transport Advisory Panel,
- Ensuring that a review of Community Transport arrangements was included in the State Government's Integrated Transport and Land Use Plan,
- Furthering of Resource Sharing Initiatives between Member Councils,
- Gained State Government commitment for planned River Murray Ferry replacements,
- Facilitated Member Councils' direct representational input into planned changes to offset planting costs under the Native Vegetation Act,
- Facilitation of changes to Council memberships to the Murray Darling Association.

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, this year providing \$1.897m in funding availability,
- 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:

- Association response to the "Statement for Regional SA" – Minister Gail Gago, MLC.
- Dept. of Premier and Cabinet requesting equity provisions for Cabinet submissions for Recreation and Sport funding.
- SAROC Submissions:

Employee Sick Leave

Council requirements for financial contribution for street lighting on State Government controlled roads

Governmental and economic funding support for regional SA

Councils' Risk Assessment and the Financial Impost on Councils

Recycling of used tyres

Work load imposed on Councils due to changes in the Public Health Act

Rural Road Speed Limits

Maintenance of Murray River Markers and navigable channels
ICAC submission re Elected Members Code of Conduct
CFS requirements for Large Farm Sheds
State Government's contravention of the SA Government/LGA Memorandum of Understanding
Regional Mobile Phone Coverage

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
- The Catfish Project Committee

I again take this opportunity to sincerely thank Vice President Mayor Peter Hunt, Mayor Leon Stasinowsky (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.

Timely information has again been provided to the Association from the Local Government Association of SA. I especially recognise the efforts of both Wendy Campana and Chris Russell. These efforts have been mirrored by the PIRSA by the regular reports provided by both Bengy Paolo and Tim Smythe. I recognise their support, advice and well researched information provided.

I thank our CEO Peter Campbell for his continued commitment and support provided to me and the Association over the past year. He has provided continual effective services to the Association despite increased family health pressures.

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 2013-2014
Murray and Mallee Local Government Association.

ASSOCIATION PRESIDENCY.

Mayor David Burgess, Mid Murray Council was elected President at the Annual General Meeting held at Tailem Bend on the 1st June, 2012 and Mayor Peter Hunt, Berri Barmera Council was elected Vice President both for a full annual term of office. In accordance with the provisions of the Association's Charter for a Regional Subsidiary, the office holders retain their positions until the first meeting of the Association following the November, 2014 Local Government Elections.

REPRESENTATION: LOCAL GOVERNMENT ASSOCIATION OF SOUTH AUSTRALIA (LGA SA).

Mayor David 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.

ASSOCIATION: CHIEF EXECUTIVE OFFICER SERVICES.

The Chief Executive Officer services for the Association for the year were again provided by Peter Campbell.

In accordance with a resolution of Member Council Delegates, the Chief Executive Officer underwent performance review process in April, 2014, coinciding with the production of the Association's draft 2014-2015 Annual Business Plan and draft 2014-2015 Budget.

The Review Panel consists of the President and Vice-President of the Association, Russell Peate, CEO, Mid Murray Council and Peter Bond, CEO of the Rural City of Murray Bridge. The Association has noted that satisfactory Chief Executive Officer service has been provided and extended the Contract of Service to December, 2014.

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

THE PURPOSE OF THE ASSOCIATION.

As a Regional Subsidiary of the Member Councils, the Association has as its governing document, the Charter gazetted on the 8th February, 2007 (reviewed 2011) as provided for under the Local Government Act 1999. The purpose for which the Association has been established is to:

- work with the Local Government Association of South Australia in achieving its aims and objectives;
- assist in the coordination of resource sharing between Constituent Councils, other Councils, State Government Departments and Agencies to reduce costs and increase operational efficiencies;
- associate, collaborate and work in conjunction with other local government bodies for the advancement of matters of common interest;
- undertake coordination, advocacy and representation roles for its Constituent Councils at a regional level;
- facilitate and coordinate activities of local government at a regional level related to community and economic development with the object of achieving continual improvement for the benefit of the communities of the Constituent Councils;
- develop, encourage, promote, foster and maintain consultation and cooperation with other levels of government, private enterprise and the community;
- strengthen the representation and status of local government when dealing with other levels of government, private enterprise and the community;
- develop further cooperation between the 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 of the region; and
- undertake projects that benefit the region and its communities.

ASSOCIATION MEETINGS.

During 2013-2014, the Association has met bi-monthly General Meetings, convened on:

7th June, 2013 - Annual General Meeting - at the Berri Barmera Council Chamber, 19 Wilson Street, Berri - the Berri Barmera Council as host.

2nd August, 2013 - General Meeting - at the Tailem Bend Town Hall, 93A Railway Terrace, Tailem Bend - the Coorong District Council as host.

4th October, 2013 - General Meeting - at the District Council of Karoonda East Murray Council Chamber - the District Council of Karoonda East Murray as host.

6th December, 2013 - General Meeting - at the District Council of Loxton Waikerie Council Chamber, East Terrace, Loxton - the District Council of Loxton Waikerie as host.

7th February, 2014 - General Meeting - at the Mid Murray Council Meeting Room, 49 Adelaide Road, Mannum - the Mid Murray Council as host.

4th April, 2014 - General Meeting - at the District Council of Karoonda East Murray Council Chamber - the District Council of Karoonda East Murray and the Karoonda Farm Fair as hosts.

6th June 2014 – Annual General Meeting – at the Renmark Paringa Community and Civic Centre, 61 Eighteenth Street, Renmark 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

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

- Senator Simon Birmingham,
- Hon. Bruce Lander, QC, Independent Commissioner against Corruption,
- Sue Filby, General Manager Customer Relations and Alexandra Lewis, SA Power Networks,
- Chris Gregory, NBN Co.,
- Ray Najer, now past General Manager, Murray Darling Association,
- Sharon Starick, Presiding Member and Rod Ralph, Board Member, SA MDB NRM Board,
- Danny Broderick, SA Dept. Of Health,
- Glen Jones, General Manager, Boating Industry of SA, and
- Rob Edwards, Local Government Workers Compensation Scheme.

Representatives of both the LGA 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 Wendy Campana, Executive Director, and Chris Russell, LGA SA 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 AGM of the 6th June, 2014:

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

Coorong District Council (CDC): Mayor Roger Strother, Cr. Sharon Bland (proxy) and Deputy Mayor Peter Wright (proxy).

District Council of Karoonda East Murray (DCKEM): Mayor Kevin Burdett, Peter Smithson, CEO and Deputy Mayor Colin Zadow (proxy).

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

Mid Murray Council (MMC): Mayor David Burgess, President, Deputy Mayor Kevin Myers, Cr. Inez Bormann (proxy), Russell Peate, CEO (proxy) and Robin Bourne, Deputy CEO, (proxy).

The Rural City of Murray Bridge (RCMB): Mayor Allan Arbon, OAM, Deputy Mayor Barry Laubsch, Cr. Jerry Wilson, (proxy) and Peter Bond, CEO (proxy).

District Council of Renmark Paringa (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 and Anthony Renshaw, CEO (proxy).

ASSOCIATION COMMITTEE MEMBERSHIPS.

The following were the Association Committee Members up until the AGM of the 6th June, 2014:

LGA Board:

President, Mayor David Burgess, Mid Murray Council (*by virtue of position held*).

Vice President, Mayor Peter Hunt, Berri Barmera Council (*by virtue of position held*).

Proxy 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 (*by virtue of position held*).

Vice President, Mayor Peter Hunt, Berri Barmera Council (*by virtue of position held*).

Proxy for President and or Vice President, Mayor Leon Stasinowsky, District Council of Loxton Waikerie.

CEO M&MLGA - Peter Campbell (*by virtue of position held*).

Regional Development Australia (Murraylands and Riverland) Board.

Deputy Mayor Barry Laubsch - Rural City of Murray Bridge.

President, Mayor David Burgess - Mid Murray Council.

Mayor Neil Martinson - Renmark Paringa Council.

Cr. Trevor Norton, District Council of Loxton Waikerie.

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 Barry Laubsch, Rural City of Murray Bridge.

Tony Siviour, CEO, Renmark Paringa Council. *(by virtue of position held)*

David Mosel, Asset Manager, Coorong District Council.

Brenton Lewis, CEO Murraylands Regional Development Board.

Mayor Roger Strother, Coorong District Council.

Paul Day, Renmark Paringa Council. *(by virtue of position held)*

Greg Hill, Mid Murray Council. *(by virtue of position held)*

Peter Ackland, CEO, District Council of Loxton Waikerie. *(by virtue of position held)*

Matthew Sherman, Works Manager, Southern Mallee District Council. *(by virtue of position held)*

Peter Smithson, CEO, District Council of Karoonda East Murray - proxy to be advised. *(both by virtue of positions held)*

Greg Perry, Manager Infrastructure Services, Berri Barmera Council. *(by virtue of position held)*

David Beaton, CEO, Berri Barmera Council. *(by virtue of position held)*

Peter Bond, CEO, Rural City of Murray Bridge. *(by virtue of position held)*

Tim Tol, Infrastructure Director, District Council of Loxton Waikerie. *(by virtue of position held)*

Cr. Gordon Hancock, Southern Mallee District Council.

Cr. Trevor Kerley, District Council of Karoonda East Murray.

A representative, Zero Waste SA. (external appointment)

Murray and Mallee Local Government Association Regional Transport Strategy Committee:

Mayor Roger Strother, Coorong District Council, Chair

Peter Campbell, 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. *(by virtue of position held)*

Tim Tol, Director of Infrastructure - District Council of Loxton Waikerie

Peter Smithson - District Council of Karoonda East Murray (Ron Palm - proxy)

Peter Bond, CEO, Rural City of Murray Bridge (David Allen - proxy)

Matthew Sherman, Southern Mallee District Council

David Mosel, Coorong District Council

Brenton Lewis, Regional Development Australia (Murraylands and Riverland) Board

DTEI (Transport SA) - 2 nominees (external appointment)

M&MLGA Transport Reference Group. - Community Transport:

Peter Smithson, CEO, District Council of Karoonda East Murray. *(by virtue of position held)*

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.

Peter Bond, CEO, Rural City of Murray Bridge.

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 Annual Priority Working Party:

Tony Siviour, CEO, Renmark Paringa Council,

Peter Bond, CEO, Rural City of Murray Bridge,
Russell Peate, CEO, Mid Murray Council,
Tony Renshaw, CEO, Southern Mallee District Council,
Mayor Leon Stasinowsky, District Council of Loxton Waikerie,
Tim Smythe, Regional Manager Murray Mallee, PIRSA.

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.

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 response to the "Statement for Regional SA" – Minister Gail Gago, MLC.

- Dept. of Premier and Cabinet requesting equity provisions for Cabinet submissions for Recreation and Sport funding.
- SAROC Submissions:

Employee Sick Leave

Council requirements for financial contribution for street lighting on State Government controlled roads

Governmental and economic funding support for regional SA

Councils' Risk Assessment and the Financial Impost on Councils

Recycling of used tyres

Work load imposed on Councils due to changes in the Public Health Act

Rural Road Speed Limits

Maintenance of Murray River Markers and navigable channels

ICAC submission re Elected Members Code of Conduct

CFS requirements for Large Farm Sheds

State Government's contravention of the SA Government/LGA Memorandum of Understanding

Regional Mobile Phone Coverage

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 Catfish Project Committee

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

- Regional LGA CEO's Briefings (6).
- Native Vegetation Council briefings and consultative workshops (X4)
- I-Vision – Telstra Video Conferencing briefing and demonstration.
- NBN Briefing – Murray Bridge..
- Integrated Vulnerability Assessment Project Workshop.

SOUTH AUSTRALIAN REGIONAL ORGANISATION OF COUNCILS (SAROC).

The President, Mayor David Burgess, Vice President Mayor Peter Hunt, (Mayor Leon Stasinowsky as proxy 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
- Rural Property Addressing
- Local Excellence Expert Panel
- Recycling Used Tyres, Used CCA Posts and Irrigation Dripper Lines
- Funding Sport and Recreation
- Risk Assessment and Reduction of Financial Impost on Councils
- Video Conferencing Pilot Project
- Local Government Roads Hierarchy and Transport Strategy
- Public Health Act
- SAROC Federal Election Platform
- 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 Visitor Information Centres
- 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 Round Table EP
- Bushfire Summary - January 2014

- SA Regional Statement
- State Election Update - Making Regions Matter
- Funding for Community Facilities
- Regional Health Plans Update
- Video Conferencing Pilot - Update
- Local Excellence Expert Panel Update
- Regional Waste Management Investigations Update
- Video Conferencing Update
- National Heavy Vehicle Regulations (NHVR)
- Native Vegetation Council
- Local Excellence Expert Panel
- Bushfire Survey Results
- Native Vegetation - SEB Review
- Proposed Change to the Behavioural Code of Conduct Clause 2.25

FINANCIAL STATEMENTS TO 30TH JUNE, 2014.

The audited Financial Statements 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 2013-2014 grant of \$37,225 (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 contains a wealth of information on the Association's activities, including all Agendas, Appendices, Minutes for General and Committee Meetings and past Newsletters.

BEYOND 2014.

General Meetings of the Association will continue to be held during 2014-2015 on the first Friday in the months of August, 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 6th June, 2014, the Association endorsed the Annual Business Plan 2014-2015 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

The status of the objectives and actions in the Association's Annual Business Plan 2014-2015 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.



Contact details:

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Murray & Mallee Local Government Association Incorporated

Financial Statements

For the Year Ended 30 June 2014

Murray & Mallee Local Government Association Incorporated

For the Year Ended 30 June 2014

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 Equity	3
Statement of Cash Flows	4
Notes to the Financial Statements	5-22
Statement by the Committee	23
Independent Auditor's Report	24-26

Murray & Mallee Local Government Association Incorporated

Statement of Profit and Loss and Other Comprehensive Income

For the Year Ended 30 June 2014

	Note	2014 \$	2013 \$
MBM LGA contributions	2	180,578	102,914
Regional enhancement fund grant	2	37,225	36,424
Interest received	2	3,717	4,556
Other income	2	-	4,728
		<u>221,520</u>	<u>148,622</u>
Other operating expenses	3	<u>(208,808)</u>	<u>(132,853)</u>
Surplus (deficit) for the year		12,712	15,769
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income (loss)		<u>12,712</u>	<u>15,769</u>

The accompanying notes form part of these financial statements

Murray & Mallee Local Government Association Incorporated

Statement of Financial Position

As At 30 June 2014

	Note	2014 \$	2013 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	115,004	90,164
Trade and other receivables	5	<u>3,599</u>	<u>3,600</u>
Total current assets		<u>118,603</u>	<u>93,764</u>
TOTAL ASSETS		<u>118,603</u>	<u>93,764</u>
LIABILITIES			
Current liabilities			
Trade and other payables	6	<u>14,527</u>	<u>2,400</u>
Total current liabilities		<u>14,527</u>	<u>2,400</u>
TOTAL LIABILITIES		<u>14,527</u>	<u>2,400</u>
NET ASSETS		<u>104,076</u>	<u>91,364</u>
EQUITY			
Accumulated surplus		53,528	53,184
Unspent funds reserve	7	<u>50,548</u>	<u>38,180</u>
TOTAL EQUITY		<u>104,076</u>	<u>91,364</u>

The accompanying notes form part of these financial statements

Murray & Mallee Local Government Association Incorporated

Statement of Changes in Equity

For the Year Ended 30 June 2014

2014

		Unspent Funds Reserve	Accumulated Surplus	Total
	Note	\$	\$	\$
Balance at 1 July 2013		38,180	53,184	91,364
Surplus for the year		-	12,712	12,712
Transfers to/from accumulated surplus	7	12,368	(12,368)	-
Balance at 30 June 2014		<u>50,548</u>	<u>53,528</u>	<u>104,076</u>

2013

		Unspent Funds Reserve	Accumulated Surplus	Total
	Note	\$	\$	\$
Balance at 1 July 2012		27,946	47,649	75,595
Surplus for the year		-	15,769	15,769
Transfers to/from accumulated surplus	7	10,234	(10,234)	-
Balance at 30 June 2013		<u>38,180</u>	<u>53,184</u>	<u>91,364</u>

The accompanying notes form part of these financial statements

Murray & Mallee Local Government Association Incorporated

Statement of Cash Flows

For the Year Ended 30 June 2014

	Note	2014 \$	2013 \$
Cash from operating activities:			
Receipts from members		180,579	102,914
Receipts from grants		37,225	36,424
Other income		-	4,728
Interest received		3,717	4,568
Payments to suppliers		<u>(196,681)</u>	<u>(132,553)</u>
Net cash provided from operating activities	8	<u>24,840</u>	16,081
Net increase in cash held		24,840	16,081
Cash at beginning of financial year		<u>90,164</u>	<u>74,083</u>
Cash at end of financial year	4	<u>115,004</u>	<u>90,164</u>

The accompanying notes form part of these financial statements

Murray & Mallee Local Government Association Incorporated

Notes to the Financial Statements For the Year Ended 30 June 2014

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.

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.

Murray & Mallee Local Government Association Incorporated

Notes to the Financial Statements For the Year Ended 30 June 2014

(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) 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.

Murray & Mallee Local Government Association Incorporated

Notes to the Financial Statements For the Year Ended 30 June 2014

(e) Financial Instruments (continued)

(i) Financial assets at fair value through profit or loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in fair value (i.e. gains or losses) being recognised in profit or loss.

(ii) 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.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the association's intention to hold these investments to maturity. They 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.

(iv) Available-for-sale financial assets

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any re-measurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

(v) 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.

Murray & Mallee Local Government Association Incorporated

Notes to the Financial Statements For the Year Ended 30 June 2014

(e) Financial Instruments (continued)

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 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.

Murray & Mallee Local Government Association Incorporated

Notes to the Financial Statements For the Year Ended 30 June 2014

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

Murray & Mallee Local Government Association Incorporated

Notes to the Financial Statements For the Year Ended 30 June 2014

(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.

Murray & Mallee Local Government Association Incorporated

Notes to the Financial Statements For the Year Ended 30 June 2014

2 Revenue

	2014	2013
	\$	\$
Interest received	3,717	4,556
MBM LGA contributions		
Berri Baramba Council	26,649	15,849
Coorong District Council	19,339	10,497
DC of Karoonda East Murray	12,591	5,557
DC of Loxton Waikerie	27,914	16,775
Mid Murray Council	22,150	12,556
The Rural City of Murray Bridge	33,678	20,994
DC of Renmark Paringa	24,259	14,099
Southern Mallee DC	<u>13,998</u>	<u>6,587</u>
Total MBM LGA contributions	180,578	102,914
Regional Enhancement Fund Grant	37,225	36,424
Income from RISE economic model and other		<u>4,728</u>
Total Revenue	<u>221,520</u>	<u>148,622</u>

3 Other operating expenses

	2014	2013
	\$	\$
Audit fees	5,323	2,400
Bank charges	55	93
Consultancy and contractors	82,632	9,766
Executive officer contract services	105,672	102,594
Insurance	5,358	5,212
Meeting expenses	1,556	4,470
Postage	82	110
President's travelling allowance	2,500	2,500
Printing and stationery	781	710
Record sentencing/archiving	151	193
SAROC regional meeting costs	1,353	1,143
Sundry expenses	92	412
Telephone, fax and broadband	2,933	3,200
Website maintenance	<u>320</u>	<u>50</u>
Total expenses	<u>208,808</u>	<u>132,853</u>

Murray & Mallee Local Government Association Incorporated

Notes to the Financial Statements For the Year Ended 30 June 2014

4 Cash and cash equivalents

	2014	2013
	\$	\$
Cash on hand	100	100
Cash at bank	22,537	11,200
LGFA Investment	92,367	78,864
	<u>115,004</u>	<u>90,164</u>

5 Trade and other receivables

	2014	2013
	\$	\$
Current	-	-
Accrued interest	-	786
GST receivable (net)	3,599	2,814
	<u>3,599</u>	<u>3,600</u>

6 Trade and other payables

	2014	2013
	\$	\$
Current - unsecured		
Trade payables	14,527	2,400
	<u>14,527</u>	<u>2,400</u>

7 Unspent funds reserves

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

	2014	2013
	\$	\$
Shared Resource Cluster Project Income		
Balance brought forward	19,654	-
Transfer from accumulated surplus	-	19,000
Transfer from Discretionary Projects	-	6,000
	<u>19,654</u>	<u>25,000</u>
Total income	<u>19,654</u>	<u>25,000</u>
Less Expenses		
Transfer to Resource Sharing Projects	(19,654)	-
Transfer to Annual Priorities Project	-	(5,000)
Facility of video conferencing expense	-	(346)
	<u>(19,654)</u>	<u>(5,346)</u>
Total expenses	<u>(19,654)</u>	<u>(5,346)</u>
Project funds not expended at 30 June	<u>-</u>	<u>19,654</u>

Murray & Mallee Local Government Association Incorporated

Notes to the Financial Statements For the Year Ended 30 June 2014

7 Unspent funds reserves (continued)

	2014	2013
	\$	\$
Discretionary Project Income		
Balance brought forward	226	21,946
Transfer to Council Improvement Project	-	(10,000)
Transfer to Shared Resource Cluster Project	-	(6,000)
Total income	<u>226</u>	<u>5,946</u>
Less Expenses		
Delivery of RISE workshop	-	(4,620)
Other expenses	-	(1,100)
Total expenses	<u>-</u>	<u>(5,720)</u>
Project funds not expended at 30 June	<u>226</u>	<u>226</u>
	2014	2013
	\$	\$
Legal Charter Review Income		
Balance brought forward	7,000	6,000
Transfer from accumulated surplus	-	1,000
Total income	<u>7,000</u>	<u>7,000</u>
Less Expenses		
Professional fees	<u>(2,232)</u>	-
Total expenses	<u>(2,232)</u>	-
Project funds not expended at 30 June	<u>4,768</u>	<u>7,000</u>

Murray & Mallee Local Government Association Incorporated

Notes to the Financial Statements For the Year Ended 30 June 2014

7 Unspent funds reserves (continued)

	2014	2013
	\$	\$
Council Improvement Project		
Income		
Balance brought forward	10,000	-
Transfer from Discretionary Project	-	10,000
Transfer to Resource Sharing Projects	<u>(10,000)</u>	-
Total income	<u>-</u>	<u>10,000</u>
Project funds not expended at 30 June	<u>-</u>	<u>10,000</u>
	2014	2013
	\$	\$
2030 Transport Plan Project		
Income		
Transfer from accumulated surplus	<u>55,000</u>	-
Total income	<u>55,000</u>	-
Less Expenses		
Consultancy	<u>(40,900)</u>	-
Total expenses	<u>(40,900)</u>	-
Project funds not expended at 30 June	<u>14,100</u>	-
	2014	2013
	\$	\$
Regional Public Health Plan		
Income		
Transfer from accumulated surplus	<u>40,000</u>	-
Total income	<u>40,000</u>	-
Less Expenses		
Consultancy	<u>(39,500)</u>	-
Total expenses	<u>(39,500)</u>	-
Project funds not expended at 30 June	<u>500</u>	-

Murray & Mallee Local Government Association Incorporated

Notes to the Financial Statements For the Year Ended 30 June 2014

7 Unspent funds reserves (continued)

	2014	2013
	\$	\$
Riverland Resource Sharing Project Income		
Transfer from Shared Resource Cluster Project and Council Improvement Project	-	-
	<u>13,500</u>	-
Total income	<u>13,500</u>	-
Project funds not expended at 30 June	<u>13,500</u>	-
	2014	2013
	\$	\$
Murraylands Resource Sharing Project Income		
Transfer from Shared Resource Cluster Project and Council Improvement Project	-	-
	<u>16,154</u>	-
Total income	<u>16,154</u>	-
Project funds not expended at 30 June	<u>16,154</u>	-
	2014	2013
	\$	\$
Annual Priorities Project Income		
Balance brought forward	1,300	-
Transfer from Shared Resource Cluster Project	-	5,000
	<u>1,300</u>	5,000
Total income	<u>1,300</u>	5,000
Less Expenses		
Facilitation fee	-	(3,700)
	<u>-</u>	<u>(3,700)</u>
Total expenses	<u>-</u>	<u>(3,700)</u>
Project funds not expended at 30 June	<u>1,300</u>	1,300
Total unspent funds reserve	<u>50,548</u>	<u>38,180</u>

Murray & Mallee Local Government Association Incorporated

Notes to the Financial Statements For the Year Ended 30 June 2014

8 Cash Flow information

(a) Reconciliation of Cash Flow from Operations with Surplus for the year

	2014	2013
	\$	\$
Net surplus for the year	12,712	15,769
Changes in assets and liabilities,		
Decrease in trade and other receivables	1	12
Increase in trade and other payables	<u>12,127</u>	300
	<u>24,840</u>	<u>16,081</u>

9 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 in accordance with AASB 139, as detailed in the accounting policies to these financial statements, are as follows:

	Note	2014	2013
		\$	\$
Financial Assets			
Cash and cash equivalents	4	115,004	90,164
Trade and other receivables	5	<u>3,599</u>	3,600
Total financial assets		<u>118,603</u>	<u>93,764</u>
Financial liabilities			
Financial liabilities at amortised cost			
Trade and other payables		<u>14,527</u>	2,400
Total financial liabilities		<u>14,527</u>	<u>2,400</u>

Murray & Mallee Local Government Association Incorporated

Notes to the Financial Statements For the Year Ended 30 June 2014

9 Financial Risk Management (continued)

Financial Risk Management Policies

The association's Treasurer is responsible for, among other issues, monitoring and managing financial risk exposures of the association. The Treasurer monitors the association's transactions and reviews the effectiveness of controls relating to credit risk, liquidity risk and market risk. Discussions on monitoring and managing financial risk exposures are held bi-monthly and minuted by the committee of management.

The Treasurer's overall risk management strategy seeks to ensure that the association meets its financial targets, while minimising potential adverse effects of cash flow shortfalls.

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.

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.

Murray & Mallee Local Government Association Incorporated

Notes to the Financial Statements For the Year Ended 30 June 2014

9 Financial Risk Management (continued)

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.

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.

Murray & Mallee Local Government Association Incorporated

Notes to the Financial Statements For the Year Ended 30 June 2014

9 Financial Risk Management (continued)

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

	Surplus	Equity
Year ended 30 June 2014	\$	\$
+/- 2% in interest rates	+/-1,649	+/-1,649
	Surplus	Equity
Year ended 30 June 2013	\$	\$
+/- 2% in interest rates	+/-1,801	+/-1,801

There have been no changes in any of the assumptions used to prepare the above sensitivity analysis from the prior year.

Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying amounts as presented in the statement of financial position. Fair value is the amount at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Murray & Mallee Local Government Association Incorporated

Notes to the Financial Statements For the Year Ended 30 June 2014

9 Financial Risk Management (continued)

Fair value may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices.

	2014		2013	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	115,004	115,004	90,164	90,164
Trade and other receivables	3,599	3,599	3,600	3,600
Total financial assets	<u>118,603</u>	<u>118,603</u>	<u>93,764</u>	<u>93,764</u>
Financial liabilities				
Trade and other payables	<u>14,527</u>	<u>14,527</u>	<u>2,400</u>	<u>2,400</u>
Total financial liabilities	<u>14,527</u>	<u>14,527</u>	<u>2,400</u>	<u>2,400</u>

The fair values disclosed in the above table have been determined based on the following methodologies:

- (i) Cash and cash equivalents, accounts receivable and other debtors and accounts payable and other payables are short-term instruments in nature whose carrying amount is equivalent to fair value.

10 Contingent Liabilities and Contingent Assets

At 30 June 2014, the association is unaware of any liability, contingent or otherwise, which has not already been recorded elsewhere in this financial report.

11 Capital Commitments

At 30 June 2014, the association is unaware of any capital or leasing commitments which have not already been recorded elsewhere in this financial report.

Murray & Mallee Local Government Association Incorporated

Notes to the Financial Statements For the Year Ended 30 June 2014

12 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.

13 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.

14 Key Management Personnel Compensation

(a) 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.

	Short term benefits	Total
2014		
Total compensation	108,172	108,172
2013		
Total compensation	105,094	105,094

Murray & Mallee Local Government Association Incorporated

Notes to the Financial Statements For the Year Ended 30 June 2014

15 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.

16 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.

17 Association Details

The registered office of the association is;

Murray & Mallee Local Government Association Inc
65 Underwood Avenue
Goolwa Beach SA 5214

The principal place of business is:

Murray & Mallee Local Government Association Inc
65 Underwood Avenue
Goolwa Beach SA 5214

Murray & Mallee Local Government Association Incorporated

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 2014 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



Member



Dated this 14th day of September, 2014



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Murray Darling
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INDEPENDENT AUDITOR'S REPORT

to the Members of Murray & Mallee Local Government Association Incorporated

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report of Murray & Mallee Government Association Incorporated (the Association), which comprises the statement of financial position as at 30 June 2014, the statement of profit and loss and comprehensive income, statement of changes equity and statement of cash flows for the year then ended, a summary of significant accounting policies, other explanatory notes, report by members of the committee and the statement by members of the committee.

Committee's Responsibility for the Financial Report

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the

effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee, as well as evaluating the overall presentation of the financial report.

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

Independence

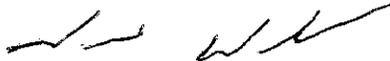
In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Opinion

In our opinion the financial report of Murray & Mallee Local Government Association Incorporated is in accordance with the requirements of the Associations Incorporation Act (SA) 1985, including:

- i. presenting fairly, in all material respects the Association's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
- ii. complying with Australian Accounting Standards to the extent described in Note 1.

CROWE HORWATH MURRAY DARLING



Nick Walker

Partner

14 September 2014

Mildura