

Ian G McDonald FCA



To the Member of the South Australian Local Government Financial Management Group Inc. Independent Auditor's Report

We have audited the attached financial statements, being a special purpose financial report, of The South Australian Local Government Financial Management Group Inc. (Association), for the year ended 30 June 2017.

Opinion

In our opinion, the financial statements of the Association are properly drawn up:

- a) to present fairly the financial position of the Association as at the 30 June 2017 and the results of its operations for the period then ended, and;
- b) according to applicable Australian Accounting Standards.

Basis for Opinion

For the audit of the Association we have maintained our independence in accordance with the relevant ethical requirements of APES 110 Section 290. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information – Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report is prepared to assist the association to meet the requirements of Associations Incorporation Act (SA) 1985 and regulations. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the members.

Responsibilities of Management for the Financial Report

The Board of Management is responsible for the preparation of the financial report in accordance with Associations Incorporation Act (SA) 1985 and regulations and for such internal control as management determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Report

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 and plan and perform the audit to obtain reasonable assurance about whether the schedule 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 in the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation 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 association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, 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.

Ian G McDonald FCA
Registered Company Auditor

Dated at Grange this 21st day of August 2017

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SOUTH AUSTRALIAN LOCAL GOVERNMENT
FINANCIAL MANAGEMENT GROUP Inc.

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2017



Income and Expenditure For the year ended 30 June 2107

	2017	2016
	\$	\$
<u>Income</u>		
Membership subscriptions	22,161	17,151
Seminars and events	80,941	74,423
Sponsorship	74,227	78,364
Projects and new initiatives	39,652	-
Investment income	3,236	3,496
Other income	3,436	22,936
<i>Total income</i>	223,654	196,370
<u>Expenditure</u>		
Seminars and events	143,690	113,765
Projects and new initiatives	39,652	22,636
Newsletter and website	6,415	5,768
Accounting, secretarial and office expenses	17,567	17,717
Other expenditure	10,061	10,136
<i>Total Expenditure</i>	217,385	170,022
Net Surplus/ (Deficit)	6,269	26,348



Balance Sheet As at 30 June 2017

	2017	2016
	\$	\$
Assets		
Cash & cash equivalents	266,734	237,207
Accounts receivable	17,640	2,039
Accrued interest	670	807
Prepayments	8,125	10,983
	<u>293,169</u>	<u>251,036</u>
Liabilities		
Accounts payable	2,721	1,181
Income in advance	93,439	66,337
Tax payable	7,223	
Total Liabilities	<u>103,383</u>	<u>67,517</u>
Net Assets	<u>189,787</u>	<u>183,518</u>
Accumulated Surplus		
At beginning of period	183,518	157,170
Net Surplus/(Deficit) for year	6,269	26,348
Accumulated surplus at end of period	<u>189,787</u>	<u>183,518</u>



Statement of Cashflow For the year ended 30 June 2017

		2017 \$	2016 \$
Investment income		3,373	3,433
Membership subscriptions		22,161	17,042
Receipts - Other		209,758	225,595
Payments - Other		(205,764)	(165,940)
Net cash provided by/(used) by operating activities	5	<u><u>29,527</u></u>	<u><u>80,131</u></u>
Cash & cash equivalents at beginning of reporting period		237,207	157,076
Cash & cash equivalents at end of reporting period	5	<u><u>266,734</u></u>	<u><u>237,207</u></u>



Notes to the Annual Financial Statements For the year ended 30 June 2017

Note 1 - Statement of significant accounting policies

This financial report is a special purpose financial report prepared for use only by the Association.

The Association has determined that it is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the following Australian Accounting Standards.

Australian Accounting Standards.

AASB 1031: Materiality

AASB 110: Events occurring after reporting date.

No other Australian Accounting Standards, Urgent Issues Group Consensus Views or other authorities pronouncements of the Australian Accounting Standards Board have been applied.

The financial report is prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, take into account changing money values or, except where specifically stated, current valuations of current valuations of non-current assets.

	2017 \$	2016 \$
<u>Note 2 - Income</u>		
Seminars and events		
AGM	-	360
Seminar March	27,514	27,136
Seminar December	53,427	46,927
Sponsorship	74,227	78,364
	<u>155,168</u>	<u>152,787</u>
Projects and new initiatives		
Better Practice Model	3,265	19,049
Fees & Charges Project	36,388	3,587
	<u>39,652</u>	<u>22,636</u>
<u>Note 3 - Expenditure</u>		
Seminars and events		
AGM	7,033	7,861
Seminar March	46,326	36,463
Seminar December	90,331	69,441
	<u>143,690</u>	<u>113,765</u>



**Notes to the Annual Financial Statements
For the year ended 30 June 2017**

Note 4 - Income in advance

	2017	2016
	\$	\$
LGA R&D - Better Practice Model	12,686	15,951
LGA R&D - Fee & Charges Project	10,025	46,413
LGA R&D	20,000	-
Sponsorship	50,619	3,864
Membership subscriptions	109	109
	<u>93,439</u>	<u>66,337</u>

Note 5 - Cash and cash equivalents

Reconciliation Cash from operating activities		
NET SURPLUS / (DEFICIT)	6,269	26,348
(increase)/decrease in receivables	(12,606)	2,515
increase/(decrease) in creditors	35,865	51,267
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>29,527</u>	<u>80,131</u>
Cash at bank - NAB	77,601	51,788
NAB Corporate debit cards	10,000	9,638
Deposit held at call with the LGFA	179,133	179,133
	<u>266,734</u>	<u>240,558</u>