

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF ILLAWARRA DISTRICT WEEDS AUTHORITY

Report on the Financial Report

We have audited the accompanying financial report being a special purpose financial report, of Illawarra District Weeds Authority, which comprises the Balance Sheet as at 30 June 2018, the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year then ended and accompanying notes to the special purpose financial statements.

The responsibility of those charged with governance

The management committee is responsible for the preparation of the financial report and has determined that the basis of accounting described in Note 1 to the financial statements is appropriate to meet the financial reporting needs of the management committee.

This management committee's responsibility also includes such internal control as the management committee determine is necessary to enable the preparation of a 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. No opinion is expressed as to whether the accounting policies used, as described in Note 1 to the financial statements, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. Those Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 judgement, 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 those charged with governance, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the management committee's financial reporting requirements. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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 APES 110 Code of Ethics for Professional Accountants.

Opinion

In our opinion, the financial report presents fairly, in all material respects the financial position of Illawarra District Weeds Authority as at 30 June 2018 and of its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

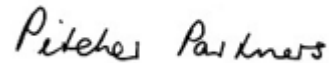
Basis of Accounting

Without modifying our opinion, we draw your attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements have been prepared to assist the Illawarra District Weeds Authority to meet the financial reporting needs of the members as determined by the management committee. As a result, the financial statements may not be suitable for another purpose.



C R MILLINGTON
Partner

31 May 2019



PITCHER PARTNERS
Sydney

Illawarra District Weeds Authority

Financial Statements

Year ending 30 June 2018

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Income Statement for the year ended 30 June 2018

	Notes	2018 \$	2017 \$
Revenue from continuing operations			
Constituent Council Contributions	2a	155,878	142,796
Interest	2b	25,691	27,233
Other revenues	2c	63,380	57,266
Grants and contributions provided for operating purposes	2d	108,278	122,539
Other Income			
▪ Net gain from the disposal of assets	4	-	6,640
Total revenue from continuing operations		353,227	356,474
Expenses from continuing operations			
Employee benefits and on-costs	3a	233,474	243,464
Materials and contracts	3b	5,021	27,497
Depreciation and amortisation	3c	28,897	23,017
Other expenses	3d	56,918	81,232
Net loss from the disposal of assets	4	20,759	-
Total expenses from continuing operations		345,069	375,210
Operating result from continuing operations		8,158	(18,734)
Net operating result for the year		8,158	(18,734)

Statement of Financial Position as at 30 June 2018

	Notes	2018 \$	2017 \$
Assets			
Current Assets			
Cash and cash equivalents	5	938,065	840,959
Receivables	6	10,395	-
Total current assets		948,460	840,959
Non-current assets			
Infrastructure, property, plant and equipment	7	62,895	142,727
Total non-current assets		62,895	142,727
Total assets		1,011,355	983,686
Liabilities			
Current liabilities			
Payables	8	800	-
Provisions	8	208,938	190,227
Total current liabilities		209,738	190,227
Total Liabilities		209,738	190,227
Net assets		801,617	793,459
Equity			
Accumulated surplus		801,617	793,459
Total equity		801,617	793,459

Statement of Changes in Equity for the year ended 30 June 2018

	2018 \$			2017 \$		
	Accumulated Surplus	Equity interest	Total equity	Accumulated Surplus	Equity interest	Total equity
Opening Balance	793,459	793,459	793,459	812,193	812,193	812,193
Net operating result for the year	8,158	8,158	8,158	(18,734)	(18,734)	(18,734)
Closing balance	801,617	801,617	801,617	793,459	793,459	793,459

Statement of Cash Flows for the year ended 30 June 2018

		2018 \$	2017 \$
Cash flows from operating activities			
<i>Receipts</i>			
Constituent Council Contributions		155,878	142,796
Investment revenue and interest		25,691	27,233
Grants and contributions		108,278	122,539
Other		52,984	57,266
<i>Payments</i>			
Employee benefits and on costs		214,758	222,466
Materials and contracts		5,020	27,494
Other		56,118	81,232
Net cash provided from (or used) in operating activities	9	66,935	18,642
Cash flow from investing activities			
<i>Receipts</i>			
Sale of infrastructure, property, plant and equipment		30,170	31,009
<i>Payments</i>			
Purchase of infrastructure, property, plant and equipment		-	124,228
Net cash provided from (or used in) investing activities		30,170	(93,219)
Net increase/decrease in cash and cash equivalents		97,105	(74,577)
Cash and cash equivalents at the beginning of the reporting period		840,959	915,537
Cash and cash equivalents at end of reporting period		938,065	840,959

Note 1 Statement of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial report preparation requirements of the Illawarra District Weeds Authority. The Member Councils have determined that the group is not a reporting entity. The Management Committee has determined that the accounting policies adopted are appropriate to meet the needs of the Member Councils.

The financial report does not comply with International Financial Reporting Standards. It has been 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, current valuations of non-current assets.

The reporting layout is consistent with the requirements for Local Government authorities in New South Wales.

The following specific accounting policies are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report:

Investments

Investments are brought to account at cost. Dividends and interests are brought to account when received.

Property Plant and Equipment

All assets have been revalued to Fair Value. All assets, excluding freehold land are depreciated over their useful lives.

Note 2 Income from Continuing Operations

	2018 \$	2017 \$
a. Constituent Council Contribution		
<i>NSW WAP</i>		
Wollongong City Council	72,624	65,046
Kiama Council	35,580	35,054
Shellharbour Council	47,674	42,696
Total User Charges	155,878	142,796
b. Interest		
Interest on Investments – I.D.N.W.A	25,691	26,822
Interest on Investments – Bitou Bush Task Force	-	411
Total Interest Revenue	25,691	27,233
c. Other revenues		
<i>I.D.N.W.A</i>		
Private Works	59,392	51,958
Motor Vehicle Leaseback	3,955	4,958
Certificates	33	150
Penalty Notice	-	200
Total other revenue from continuing operations	63,380	57,266
d. Grants and Contributions		
Grant – General Purpose – Local Lands Service	85,258	84,039
Grant – CFC Boneseed Program	17,111	17,000
Grant – CFC Aquatic Weeds Program	-	12,000
Grant – V.C.L Prog	5,909	4,500
Grant – Contain and Connect Program	-	5,000
Total Grants and Contributions	108,278	122,539

Note 3 Expenses from Continuing Operations

	2018 \$	2017 \$
a. Employee Benefits And On Costs		
I.D.N.W.A		
<i>Salaries and Wages</i> - Administration	27,805	19,064
- Private Works	15,453	26,588
Employee Leave Entitlements	18,711	20,998
Workers Compensation Insurance	5,094	8,635
Superannuation	17,970	18,729
Fringe Benefit Taxation	2,749	-
Category A & B Weeds		
<i>Salaries and Wages</i>		
Property inspections	41,469	37,786
African Lovegrass	-	31
Alligator Weed	1,947	466
Boneseed	793	342
Cats Claw Creeper	63	-
Chilean Needs Grass	338	941
Coolatai Grass	3,198	4,115
Groundsel Bush	2,230	2,864
Ludwigia	350	217
Mysore Thorn	1,709	2,342
Giant Parramatta Grass	2,198	9,263
Serrated Tussock	159	124
St Johns Wort	509	622
Salvinia	476	249
Water Hyacinth	1,125	902
Category C & D Weeds		
<i>Salaries and Wages</i>		
Property inspections	12,980	17,937
Blackberry	4,604	5,321
Green Cestrum	63	31
African Lovegrass	31	124
Bitou Bush	13,102	11,537
Lantana Common Pink	-	1,399
NWC – WAP Priorities		
<i>Salaries and Wages</i>		
NRM Integration	1,635	3,240
Administration	14,577	20,114
Publicity	2,779	1,340
Training	5,192	4,436
Invasive Weeds	6,190	1,337
High Risk Pathways	10,451	7,832
Training Costs	5,374	824
SOTS Bitou Bush Program		
<i>Salaries and Wages</i>		
Boneseed	-	3,139
Admin	-	1,331

LLS Contain and Connect Program		
<i>Salaries and Wages</i>		
Weed Control	12,132	1,731.28
SOTS Alligator Weed Program		
<i>Salaries and Wages</i>		
Property Inspections	-	3,320
Workers Comp	-	308
Superannuation	-	669
Weed Control	-	3,197
Total Employee Costs Expensed	233,474.48	243,464
b. Materials And Contracts		
<i>I.D.N.W.A. Other:</i>		
Contracts	-	6,380
Private Works Materials	2,520	557
	2,520	6,937
<i>V.C.L. Program Other Expenses:</i>		
Contractors	-	11,700
<i>SOTS Alligator Weed Program</i>		
Contractor Charges	-	5,170
<i>SOTS Bitou Bush Program</i>		
Contractor Charges	-	3,686
<i>LLS Contain and Connect Expenses:</i>		
Contractor Charges	2,500	-
TOTAL MATERIALS AND CONTRACTS	5,020	27,494
c. Depreciation		
Vehicles	18,307	14,276
Plant & Equipment	4,456	4,146
Office Equip, Furniture & Fittings	6,133	4,595
TOTAL DEPRECIATION COSTS EXPENSED	28,897	23,017
d. Other Expenses		
<i>I.D.N.W.A. Administration:</i>		
Audit Fees	800	800
Delegates Expense	1,054	-
Insurance	-	2,353
Admin. Fee - I.R.O.C.	8,514	8,388
Admin. Fee - Kiama Council	-	9,943
Sundry Expenses	759	166
	11,127	21,650
<i>I.D.N.W.A. Office Expenses:</i>		
Printing & Stationery	1,907	351
Telephone	3,436	3,105
Postage	412	265
Rent	2,897	2,759
	8,652	6,480

<i>I.D.N.W.A. Other:</i>		
Vehicle Running Costs	17,654	35,649
Chemicals	6,727	12,416
Protective Clothing/Safety Equipment	329	642
	24,710	48,707
<i>I.D.N.W.A. Computer Expenses</i>		
Maintenance - Computers	221	50
Contribution - Computer Bureau	7,449	-
	7,670	50
<i>V.C.L. Program Other Expenses:</i>		
VCL Project - IDNWA	3,722	3,465
<i>SOTS Alligator Weed Program</i>		
Chemicals	-	477
<i>SOTS Bitou Bush Program</i>		
Chemicals	-	153
<i>LLS Contain and Connect Expenses:</i>		
Chemicals	1,036	247
TOTAL OTHER EXPENSES FROM CONTINUING OPERATIONS	56,918	81,232

Note 4 Gain or loss from disposal of assets

	Note	2018 \$	2017 \$
Gain (or loss) on disposal of infrastructure, property, plant and equipment	7		
Proceeds from disposal		30,170	31,009
Less : carrying amount of assets sold		50,929	24,369
Net gain (or loss) from disposal of assets		(20,759)	6,640

Note 5(a) Cash and cash equivalents

	2018 \$	2017 \$
Cash at bank and on hand	938,065	840,959
	938,065	840,959

Note 5(b) Restricted cash, cash equivalents and investments

	2018	2017
	Current \$	Current \$
Purpose		
EXTERNAL RESTRICTIONS		
Included in liabilities (offset liabilities)		
Bitou Bush Task Force	24,209	24,209
TOTAL EXTERNAL RESTRICTIONS	24,209	24,209
INTERNAL RESTRICTIONS		
Included in liabilities (offset liabilities)		
Employee Leave Ent.	208,938	190,226
TOTAL INTERNAL RESTRICTIONS	208,938	190,226
TOTAL UNRESTRICTED	704,917	626,523
TOTAL CASH, CASH EQUIVALENTS AND		
INVESTMENTS	938,065	840,959

Note 6 Receivables

	2018 \$	2017 \$
Receivables	10,395	-
	10,395	-

Note 7 Infrastructure, property, plant and equipment

By Asset Class	At June 30 2017 (\$)			Movements during the year (\$)			As at June 30 2018 (\$)		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions	Disposals	Depreciation and impairment	Gross Carrying amount	Accumulated depreciation and impairment	Net Carrying amount
Vehicles	139,735	36,609	103,125	-	50,929	18,307.01	86,740	52,854	33,885
Plant and Equipment	36,793	22,949	13,844	-	-	4,456.18	36,793	27,405	9,388
Office Equipment and Furniture	41,708	15,952	25,756	-	-	6,133.94	41,708	22,086	19,622
Totals	218,237	75,510	142,722	-	50,929	28,897.13	165,242	102,346	62,895

Note 8 Payables and Provisions

	2018 \$	2017 \$
PAYABLES		
Accrued Expenses	800	-
TOTAL PAYABLES	800	-
PROVISIONS		
Annual Leave	23,565	23,221
Sick Leave	43,372	40,782
Long Service Leave	142,001	126,223
TOTAL PROVISIONS	208,938	190,226

Note 9 Statement of Cash Flows Information

	2018 \$	2017 \$
(a) RECONCILIATION OF CASH ASSETS		
Total Cash Assets	938,065	840,959
BALANCES AS PER CASH FLOW STATEMENT	938,065	840,959
(b) RECONCILIATION OF NET OPERATING RESULT TO CASH PROVIDED FROM OPERATING ACTIVITIES		
<i>ADD:</i>		
Surplus(Deficit) from ordinary activities	8,158	(18,734)
Depreciation	28,897	23,017
Increase in employee leave entitlements	18,711	20,998
Increase in payables		
Loss on sale of assets	20,759	-
<i>LESS:</i>		
Increase in receivables	10,395	-
Gain on sale of assets	-	6,640
NET CASH PROVIDED FROM (OR USED IN) OPERATING ACTIVITIES FROM CASH FLOW STATEMENT	66,931	18,642.