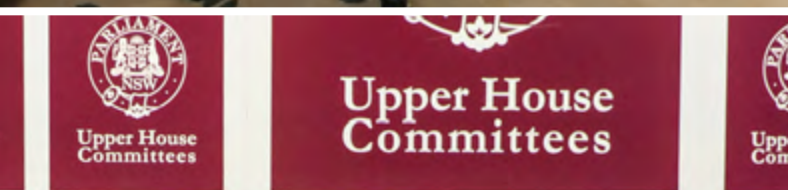




# ANNUAL PERFORMANCE STATEMENT 2020



*Strong Regions,  
Progressive Local Government,  
Vibrant Communities*



# TABLE OF CONTENTS

Chairman's Foreward.....	3
Our Strategic Priorities.....	6
Our Achievements against our Regional Priorities.....	8
Priority One: Transport and Connectivity.....	8
Priority Two: Energy, Water and Environment.....	10
Priority Three: Workforce Development.....	12
Priority Four: Leadership and Collaboration.....	13
Priority Five: Economic Development.....	17
Priority Six: Healthy and Vibrant Communities.....	18
Annual Performance Statement Reporting as required under Clause 217 of the <i>Local Government (General) Regulations 2005</i> .....	20
Financial Statements.....	22
Board Members and Delegates.....	54
Members and Associate Members.....	55

# CHAIRMAN'S FOREWARD

The Riverina Joint Organisation (JO) has three principle functions, which are to:

- establish strategic regional priorities and develop strategies and plans for delivering these priorities;
- provide regional leadership and be an advocate for strategic regional priorities; and
- identify and take up opportunities for inter-governmental cooperation on matters that relate to our Region.

It has been a busy year for the JO. We have been able to fulfil the above functions for our Member Councils and deliver on the priorities that have been identified in our Strategic Plan. The activities the JO has undertaken are detailed in this report, against its Strategic Priorities, however I would like to mention some of our highlights.

In September 2019 we paid a visit to Federal Parliament, meeting with a number of Ministers to discuss issues that were of significance to the Members. The Board met at NSW Parliament House in February, and again met with a number of ministers about issues ranging from health to roads. The visit to Canberra was facilitated by Hon Michael McCormack's Office and we thank him and his staff for their assistance. The visit to State Parliament was arranged through the Member for Cootamundra, Steph Cooke's Office and we thank Steph and her staff for their assistance.

We have used the last 12 months to forge stronger ties with LGNSW to further our advocacy for our Members. Cr Linda Scott, President of LGNSW, met with the Joint JO Chairs suggesting that the JOs include LGNSW in its advocacy activities. As a result, the Riverina JO Board resolved to send copies of all our advocacy to LGNSW. This has proved to be fruitful as our ties with LGNSW have strengthened as a result. We have been able to meet regularly with Cr Scott and LGNSW staff to further our advocacy and to look at ways we can work together for the benefit of the entire sector.

A grant of \$150,000 through the Office of Local Government's (OLG) Capacity Building program

has allowed the JO to undertake projects that were identified in our Strategic Plan. I am particularly excited by the Skills Shortages in Local Government project which aims to establish activities that will help us attract young people to careers in local government. This project is so important because it supports councils to provide opportunities for young people, it encourages them to consider a career in local government and it allows our Member Councils to promote themselves as an employer of choice.

The Capacity Building Program has also allowed us to undertake important work on our Regional Freight Transport Plan. For some considerable time, we have recognised that the Plan would benefit from more robust data on the transport task in our Region. The JO has contracted the CSIRO's TraNSIT group to analyse freight transport flows to provide data on the volume and value of freight that is passing through and within our Region. The first stage of this project is expected to be concluded by the end of 2020, with further work to be undertaken in early 2021.

We have worked closely with our fellow JOs; the Central NSW JO, RAMJO and CRJO on a joint project on procurement which was again funded through the Capacity Building program. The project aims to bring together legal, governance and project management resources to assist JOs to provide best practice procurement for its Member Councils. While in our Region, REROC continues to provide procurement services, we have supported this project recognising that we are not sure what the future brings. By supporting the project through REROC's substantial experience in the field a better outcome will result for everyone.

I have welcomed the regular meetings with my fellow JO Chairs, through the Joint Chairs' Forum, as it has provided us with an opportunity and platform to discuss common issues and develop a collaborative approach. I was honoured to be elected by my fellow Chairs to the position of Deputy Chairman of the Forum.

Many of our meetings have focused on the long-term sustainability of JOs which is of concern to all of us. The only answers that currently seem viable

are that member councils must either increase their contributions or cut their JO's services. Hopefully, JOs will be able to attract grant funding that will offset some of their core operating costs. The JO will continue working with the OLG and its fellow JOs to find a viable solution. We are hopeful that the long-awaited review of the JO Network will take place before the end of 2020 and that this will provide some guidance.

I would like to sincerely thank the JO Board for its on-going commitment of time and resources which ensures the success of the Organisation. My thanks to our Deputy Chairman Mayor John Seymour OAM who has provided strong support through the year. I warmly express gratitude to our Chief Executive Officer, Mrs Julie Briggs, her efforts under some

challenging circumstances are most appreciated by myself and the JO Board. I would also like to thank Anneke Gehrmann for all her work bringing the compliance requirements of the JO up to the mark, it was a lot of work which was essential to us meeting required milestones.

I look forward to the forthcoming year and hope that it brings many successes both for the Riverina JO and the entire JO Network.



Cr Rick Firman OAM  
Chairman

*The JO Board met with Hon. Rob Stokes MP, Minister for Planning, at Parliament House Sydney in February 2020.*





## OUR STRATEGIC PRIORITIES

*Senator the Hon Michaelia Cash Minister  
for Employment, Skills, Small & Family  
Business at Parliament House, Canberra*

In early 2019, the Riverina Joint Organisation Board embarked on a series of workshops to identify the Strategic Priorities for the Region. The Strategic Priorities were to inform the actions and directions that the Joint Organisation undertook. The Board completed and adopted the Strategic Priorities in June 2019 and we now report, as required by the Local Government Regulation (General) 2005, clause 397], on our progress in addressing those priorities.

The Riverina Joint Organisation's six priority areas are:

1. Transport and Connectivity
2. Energy, Water and Environment
3. Workforce Development
4. Leadership and Collaboration
5. Economic and Community Development
6. Healthy and Vibrant Communities

## OUR FOCUS AREAS

The Board identified Focus Areas for each Priority; the Focus Areas were the issues that the JO was to address through its work. Our Focus Areas are:



### TRANSPORT AND CONNECTIVITY

1. Freight Transport
2. The Road Network
3. Passenger Transport
4. Mobile and Broadband Connectivity



1. Water and Wastewater
2. Waste Management and Resource Recovery
3. Energy Management
4. Environment and Climate Change



### WORKFORCE DEVELOPMENT

1. Skilled Regional Workforce
2. Employer of Choice



### LEADERSHIP AND COLLABORATION

1. Regional Leadership and Advocacy
2. Partnerships and Collaboration



### ECONOMIC AND COMMUNITY DEVELOPMENT

1. Regional Economy
2. Tourism and Visitation



### HEALTHY AND VIBRANT COMMUNITIES

1. Community Well-being and Livability
2. Health and Allied Services

# OUR ACHIEVEMENTS AGAINST OUR REGIONAL PRIORITIES

## Priority One: Transport and Connectivity

*Focus Area 1: Freight Transport – the JO's high priority strategy is to identify and remove impediments in the Region's transport corridors.*

### *Achievements:*

- We completed and released an updated Regional Freight Transport Plan in November 2019. The Plan profiles 36 freight transport routes and identifies the constraints that impede efficient freight transport in the Region. The 2019 Plan builds on previous work completed by REROC.
- The 36 routes identified in the 2019 Freight Transport Plan have been mapped using GIS Cloud. The mapping allows users to overlay layers of data to provide a picture of road and rail routes in the Region along with layers showing industry related information. The map can be accessed at: <https://reroc.giscloud.com/>
- The JO has engaged the CSIRO TraNSIT team to provide robust data on intra-regional and inter-regional freight transport. The project is being undertaken as part of the OLG's JO Capacity Building program, Stage 1 is expected to be completed by late 2020. CSIRO TRaNSIT have undertaken much of the freight data analysis for the Federal Government's Inland Rail project and it is expected that data from the JO's project should easily integrate with data for Inland Rail; providing a platform for future funding applications.
- The JO has actively engaged with the Federal Government's Roads of Strategic Importance (ROSI) program. The JO attended a consultation with the Department held in Narrandera in early February, where we provided an overview of the Regional Freight Transport Plan. The JO has since remained in contact with Program administrators in relation to funding opportunities for the Region.
- The JO provided input to the State Government's Regional Roads Transfer program, we prepared a response to the Independent Panel's Terms of Reference and then followed this with attendance at consultations. The JO has also been seeking ways to support Member Councils in their applications for the Program.

*Yarara Gap, Greater Hume Shire, Photo by Marg Killalea*





## ***Focus Area 2: The Road Network – the highest priority strategy is to advocate to improve the funding models that support a better road network***

### ***Achievements:***

- The Regional Freight Transport Plan is intended to support Member Councils' applications for funding, particularly for Fixing Country Roads and Fixing Local Roads funding.
  - The JO submitted a response to the draft Terms of Reference for the Regional Roads Transfer program.
  - The JO has engaged with the Federal Department of Infrastructure on the Roads of Strategic Importance (ROSI) program with a view to identifying opportunities for either a regional project or council-based projects.
  - The JO has continued to advocate with the State for opportunities to apply for funding on a regional basis to address road routes rather than single constraints. This is important because this type of approach would provide a more effective way of addressing freight transport constraints.
  - The JO has representation on REROC's Infrastructure/Engineers Technical Group, where its role is to take issues forward to the JO Board for advocacy and lobbying.
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## ***Focus Area 3: Passenger Transport – there were no high priority strategies identified for implementation in 2020.***

The JO sought opportunities to improve public transport in the Region and have engaged with Transport for NSW on this issue, particularly in relation to passenger rail.

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## ***Focus Area 4: Mobile and Broadband Connectivity – there were two high priorities identified for this Focus Area, the first was to identify connectivity blackspots and lobby for funding to address the problems and the second was to promote the connectivity benefits of the Southern Lights NSW project.***

### ***Achievements:***

- Mobile phone black spots have been mapped for all the main providers in the Region: Vodaphone, Telstra and Optus. The maps have been provided to all local State and Federal members as well as the Federal Minister for Communications, the Federal Minister for Regional Services, the Deputy Premier and Minister for Regional NSW and LGNSW to inform decision making.
- The mobile phone black spot maps have been added to the GIS Cloud mapping that we use for the Freight Transport Plan at <https://reroc.giscloud.com/> Site users can use the "Switch Maps" feature to view the mobile phone maps.
- The JO Board continues to look for opportunities to partner with telecommunications providers to improve mobile phone reception across the Region.
- The JO has continued to support the roll out of the Southern Lights project. The almost 75,000 smart-enabled streetlights that comprise the project will be capable of providing both connectivity and Smart City benefits for the 41 councils that are part of Southern Lightst.

## Priority Two: Energy, Water and Environment

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***Focus Area 1: Water and Wastewater – two high priority strategies were identified for this Focus Area, the first to support upgrades to water and sewer infrastructure to meet identified future demand and the second was to retain the ownership of Local Water Utilities with local government.***

### ***Achievements:***

- The JO has representation on REROC's Water and Wastewater Technical Group. The JO's role is to identify issues that require advocacy and lobbying to support the delivery of water and wastewater services by the Member Councils.
- The JO Board has committed to the retention of ownership of Local Water Utilities by Local Government. The Board monitors the on-going arrangements for the delivery of these essential services to ensure that they remain with Local Government. We have supported the advocacy of our two County Council members in relation to the appointment of their Chairs for a period of two years to bring arrangements in line with General Purpose councils.

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***Focus Area 2: Waste Management and Resource Recovery – this Focus Areas recognised the long history of work the REROC Waste Forum has in waste management and resource recovery projects. The JO working in partnership with the Waste Forum is key to achieving our outcomes. There was one high priority strategy identified which was to support the delivery of regional solutions to waste management and resource recovery. The JO also addressed a medium priority strategy to respond to State and Federal initiatives that proposed changes to waste management or resource recovery.***

### ***Achievements:***

- The JO supported the delivery of regional waste management and resource recovery solutions through the REROC Waste Forum. The Waste Forum is one of 14 Voluntary Waste Groups (VRWGs) partially funded by the EPA. The JO has representation on the Waste Forum where its role is to identify opportunities to advocate and lobby to support the Member Councils.
- One of the issues identified through the Waste Forum was the impact of the Waste Export Bans on the operations of regional MRFs. The JO continues to monitor the situation, as it is imperative that regional MRFs continue to operate sustainably if councils are to continue to have access to efficient resource recovery alternatives. We want to ensure that the special challenges that face regional and rural areas in relation to the management of waste and resource recovery are not lost in the rush to implement the bans.
- The State Government released its draft 20 Year Waste Strategy during the year, following consultations with the Member Councils and the REROC Waste Forum the JO prepared and lodged a response. The new Strategy will inform the State's direction and investments in waste management and resource recovery for the foreseeable future. Our focus in responding to the Strategy was to ensure that future directions and policies take into account the unique problems that rural, remote and regional communities face in delivering sustainable solutions for waste. The final version of the Strategy is to be released in the first half of 2021.

**Focus Area 3: Energy Management – there were two high priority strategies to be addressed in this Focus Area, firstly to monitor and respond to changes in the energy sector and their likely impacts on Member Councils and their communities and to identify initiatives that improve energy management and efficiency for Member Councils and their communities.**

**Achievements:**

- The JO continues to monitor the energy sector to identify possible impacts on Member Councils. The JO has a representative on REROC’s Energy Management Technical Group, the role of the JO on that Group is to identify opportunities for advocacy and lobbying and to respond to changes in the sector.
- The JO looks for opportunities to develop projects that address energy management and efficiency. The JO supports the Southern Lights NSW project and the energy efficiency benefits it will deliver to councils through the deployment of energy efficient LED lighting.

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**Focus Area 4: Environment and Climate Change – there was one high priority strategy which was to identify opportunities to implement initiatives that improve environmental outcomes and a medium priority strategy to identify opportunities to implement regional actions and activities that increase resilience to climate change**

**Achievements:**

- The JO has sought opportunities to implement initiatives that improve environmental outcomes and to work with Member Councils on their development.
- Through its representation on the Energy Management Technical Group the JO has worked with the Department of Environment now DPIE on projects that address climate change. The Technical Group is working on developing a project for Increasing Resilience to Climate Change funding to address energy usage on public buildings using alternative to grid energy.

*Hon Trevor Evans, Assistant Minister for Waste Reduction and Environmental Management speaks to the Board about Waste Export Bans*



## Priority Three: Workforce Development

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**Focus Area 1: Skilled Regional Workforce – the JO’s highest priority strategy is to develop a range of employment pathways that underpins a “grow your own” workforce.**

### **Achievements:**

- The JO works closely with the REROC Workforce Development Group to identify skills shortages in Local Government. A survey of Member Councils was undertaken to identify shortages which showed that the most critically difficult occupations to fill were:
  - Engineering
  - Surveyors
  - Mapping & GIS
  - Town Planners
- Councils also reported difficulty in recruiting rangers, marketing and communications staff, IT and environmental science staff. The information informed the JO Skills Shortages in Local Government project and was also shared with RDA-Riverina who were undertaking a regional skills shortage project.
- The JO received funding through the OLG’s JO Capacity Building program to deliver a Skills Shortages in Local Government project. The project operates under the *Start Your Career Here* banner, project activities are:
  - *Start Your Career Here* – these days will be held in individual Member Councils to introduce careers in local government to secondary students. Students visit their local council to participate in a series of structured activities over a single day that allows them to develop a better understanding of the careers available in local government.
  - *Come and Try Events* – the JO will identify events that can be conducted where students experience careers they are interested in. The Member Councils already support the Build a Bridge...and get over it! program. The JO will look at other skills shortage areas like town planning to run similar events.
  - *Professional Placements* – the JO will seek to offer students the opportunity to undertake unpaid work placements in a career area that is relevant to their TAFE or University studies
  - *Sharing of Highly Skilled Workers* - the aim is to develop a sustainable and accountable model whereby the JO can establish a shared senior position in an identified shortage area, e.g. town planning.

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**Focus Area 2: Employer of Choice – the JO’s two high priority strategies are to promote the benefits of working and living in the Region and to promote the diversity of work in local government and the benefits of employment in the sector.**

### **Achievements:**

- The JO supports the Country Change project that is delivered by the Riverina RDA. Country Change aims to promote working and living in country NSW.
- The Skills Shortages project aims to showcase the diversity of work in Local Government. Start Your Career Here offers the opportunity for students to see different aspects of careers in Local Government and to meet staff and talk about their careers. Come and Try Events allows students to try a career working with council mentors while Professional Placements puts students into councils to work side-by-side with council staff on activities that are relevant to the courses they are studying.

## Priority Four: Leadership and Collaboration

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*Focus Area 1: Regional Leadership and Advocacy – the JO's highest priority strategies are to advocate for identified regional priorities and to provide a representative voice on regional, state and national networks and platforms.*

### **Achievements:**

- The JO is a member of the State Government's Regional Leadership Network, formerly run by the DPC and now by the Department of Regional NSW.
- The JO is part of the State Government's regional Drought Committee. The Committee met regularly over the last 12 months to discuss State agency responses to the drought and then COVID-19.
- The JO has built its relationship with LGNSW, by providing the Organisation with copies of all its advocacy and lobbying correspondence with Ministers and with copies of its responses to State policy and programs. The JO Chair and CEO have met with the LGNSW President on a regular basis to discuss issues that are common to both organisations.
- The JO had advocated on a number of significant issues including:
  - *The application of the EP & A Act's s7.12 contributions of State Significant Developments* – the advocacy on this issue commenced with REROC and has continued with the JO. Members are asking that the State Planning Panel impose the requirement to pay the s7.12 contributions on State Significant Developments.

The current process does not mandate the requirement to pay the contribution on all developments and consequently, councils across NSW are missing out on much needed funding. In February of this year in a meeting between the JO Board and the Minister for Planning, Hon Rob Stokes MP, the Minister indicated that he was in support of a change of wording for the section from “may impose” to “must impose” as this would provide certainty for developers, councils and the Planning Commission in relation to the developments. The JO continues to pursue this issue.
  - *Joint Organisation Core Funding* – the JO joined with the other JOs in the Network to continue to call for core funding from the State. In August, the Minister for Local Government, Hon Shelley Hancock MP, announced funding of \$150,000 per JO to run capacity building projects. The funding was welcomed as it enabled the JOs to deliver on their strategic plans, however, it also disappointed because it did not address the underlining structural, financial issues that the JOs are facing.
  - *The impact of rising costs of ESL and Local Government elections on Local Government Revenue* – our Members continue to raise concerns about the impact of rising State agency costs on council budgets. The ESL cost increases are never consistent with the rate peg which means that councils are forced to pay for the Levy by cutting back on other services to residents. Our analysis last year showed that on a regional level, over half of the additional income raised through the rate peg, was to be paid out in ESL, leaving our Member Councils with budgets which no longer balanced.

The rising costs of local government elections is also of great concern to members, again the rises are inconsistent with the rates peg forcing councils to cut services to ratepayers in order to meet the additional costs.
  - *Methodology to accommodate unexpected imposition of costs by third parties* – the JO opened discussions with IPART about the issue of costs being imposed on councils after the rate peg has been determined. These costs such as increased ESL and rising insurance must be absorbed by the councils. IPART had suggested that councils could apply for a Special Rate Variation, (SRV) but this approach is not consistent with the purpose of SRVs. The

JO is advocating for a streamlined variation process that addresses the issue.

- *Regional Roads Transfer Program* – we met with Minister Toole at the end of 2019 to discuss the proposed program and to raise concerns members had about loss of council jobs. We responded to the draft Terms of Reference for the Independent Panel.
- *Proposed Audit, Risk and Improvement Framework* - The Government released a Discussion Paper on the introduction of this new framework in September 2019 with responses due by the end of December.

The JO provided feedback to the Government about the proposed regime, including expressing concern that existing, cheaper internal audit and risk committee arrangements which over 70% of councils in NSW already had in place were not considered by the Office of Local Government. The JO estimated that the proposed regime would cost each Member Council approximately \$170,000 per year.

*Review of the NSW Planning Infrastructure Contributions Scheme* - In May the Department of Planning released a bundle of proposed changes to the infrastructure contributions scheme in NSW. Unfortunately, while the changes included a proposal for a higher section 7.12 percentage it did not include the change that the JO had lobbied for in relation to enforcing the obligation to pay the section 7.12 contribution on State Significant Developments.

The REROC Planning Technical Group reviewed the papers and proposed changes and provided feedback to the JO. The JO subsequently captured that feedback and included it in a response to the Department of Planning.

- *20 Year Waste Strategy* – Throughout the 2019/20 period the REROC Waste Forum and the JO Member Councils participated in numerous consultations, webinars and workshops on the development and implementation of the proposed 20 Year Waste

Strategy. A discussion paper for the Strategy - *Cleaning up our Act: The Future of Waste and Resource Recovery in NSW* was released in March 2020 with an invitation to respond to the paper by May 2020. The JO in consultation with the REROC Waste Forum prepared a response which was submitted in May.

- *Local Government Recovery Package* - the State Government released funding support for councils mid-year. The JO examined the ramifications of the package and the implications for the Member Councils. The JO responded to the issues that it identified in the package and also met with LGNSW to discuss the issues that Members identified.
- *Post-COVID Recovery Package* - the JO Board recognised that Local Government was in a position to play a key role in the recovery from COVID-19. The JO canvassed its Members to identify areas where investment could be made by the State to drive recovery, the following areas were identified:
  - a. Residential Development – meeting the upfront capital costs for new residential developments in regional towns.
  - b. Industrial Development – meeting the upfront costs associated with the expansion of available industrial land.
  - c. Community and Social Infrastructure – parks, recreation, arts landscaping, lighting, streetscapes and public spaces. Projects that support social and community well-being.
  - d. Small Business Growth Initiatives – programs that support and facilitate the growth of small business in regional areas. Initiatives that attract young entrepreneurs, support new business start-ups, creation of spaces and places that allow collaboration, co-working and support.
  - e. Revitalisation of the Main Street/CBD - programs like Creative Spaces, main street programs, visitor and shopper attraction campaigns and events centred on main street locations.

- *Disaster Recovery Funding Arrangements* – new Disaster Recovery Funding Arrangements were put into place in 2018 and were due for review after one year of operations. The JO wrote to the Minister to seek a timeline for the review which has still not occurred.
- *Introduction of Mandatory webcasting* – the introduction of mandatory webcasting raised a number of concerns for the Member Councils these were raised by the JO with the Minister and LGNSW.

## ***Focus Area 2: Collaboration and Partnerships – the JO identified four high priority strategies for this Focus Area:***

- 1. to hold regular meetings with State and Federal Ministers, agencies and local Parliamentarians;***
- 2. to partner with State agencies where the benefits that accrue to our Members and their communities outweigh the costs;***
- 3. to partner other regional organisations and businesses where benefits will accrue to our Members and their communities; and***
- 4. to identify monitor and respond to any impacts that have a potential detrimental effect on the operations of Local Government.***

### ***Achievements:***

- In February 2020, the JO Board met at Parliament House where the Board met with:
  - Hon Shelley Hancock MP, Minister for Local Government
  - Hon Geoff Lee MP, Minister for Skills and Tertiary Education
  - Hon Rob Stokes MP, Minister for Planning
  - Hon Paul Toole MP, Minister for Regional Roads
  - Hon Bronnie Taylor MP, Minister for Youth, Women and Mental Health
  - Hon Brad Hazzard MP, Minister for Health
  - Hon Adam Marshall MP, Minister for Agriculture
  - Hon Melinda Pavey MP, Minister for Water, Property and Housing
- In September 2019 we made a second visit to the Federal Parliament where we met with:
  - Deputy Prime Minister and Minister for Infrastructure, Transport and Regional Development, Hon Michael McCormack MP
  - Minister for Regional Services, Decentralisation and Local Government, Hon Mark Coulton MP
  - Assistant Minister for Road Safety and Freight Transport, Hon Scott Buchholz MP
  - Minister for Employment, Skills, Small and Family Business, Senator the Hon Michaelia Cash
  - Assistant Minister for Waste Reduction and Environmental Management, Hon Trevor Evans MP
  - Minister for Water Resources, Drought, Rural Finance, Natural Disaster and Emergency Management, Hon David Littleproud MP
  - Minister for Environment, Hon Sussan Ley MP

The Board was also joined by Member for Cootamundra, Steph Cooke MP and Member for Albury, Justin Clancy MP. Member for Wagga Wagga Dr Joe McGirr was unable to attend. The JO sincerely thanks Steph Cooke and her staff for arranging the meeting.

The visit was arranged through the Member for Riverina's office, the Hon Michael McCormack MP and we thank the Deputy Prime Minister and his staff for making the visit such a success.

- Members of the Board have met with NSW Shadow Minister for Local Government, Mr Greg Warren MP, to discuss a number of issues with him. We also provide the Shadow Minister with copies of all our correspondence and submissions that relate to our advocacy activities.
- We work collaboratively with the other Joint Organisations to further projects of interest in the sector. The JO participates in the Joint Chairs' Forum meetings and the JO Chair, Cr Rick Firman OAM is the Deputy Chairman of the group. The CEO participates in the JO Executive Officer meetings.
- The Best Practice in Aggregated Procurement project which has been funded through the OLG's JO Capacity Building program is being delivered in collaboration with the Central NSW JO, Riverina and Murray JO and the Canberra Region JO. Central NSW JO is managing the project which will result in suite of materials to support improved procurement by the JOs acting on behalf of the Region, their individual council members and as JOs together.
- We have looked for opportunities to partner with State and Federal agencies to deliver programs. We support the Murrumbidgee Primary Health Network to deliver its Mental Health Awareness materials to the region including a diary and calendar which we co-branded.
- In November 2019, the JO formed a Drought Committee with representation drawn from all the Member Councils as well as the Rural Financial Counselling Service, the Department of Premier and Cabinet, the Murrumbidgee Primary Health Network and the Murrumbidgee Local Health District. The Committee worked on initiatives that would support the Member Councils' communities through the drought. One of the first issues identified was the low take-up of the Farm Household Allowance in the Region, we worked collaboratively to produce resources and materials to promote the Allowance which proved very successful. The Committee has continued to meet through 2020, developing and sharing resources to support communities.

*Hon Adam Marshall MP, NSW Minister for Agriculture with the JO Drought Committee's Farm Household Allowance Promotion Brochure*





## Priority Five: Economic Development

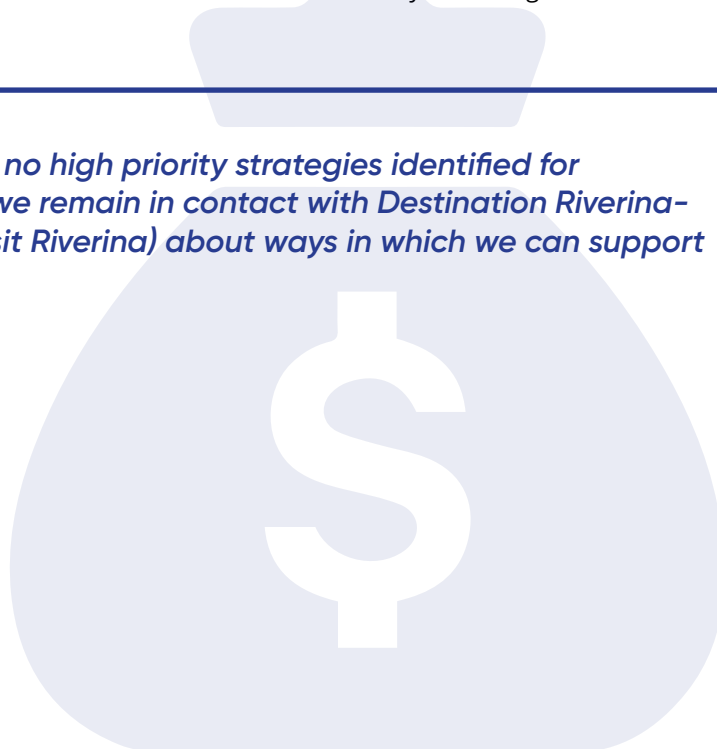
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### ***Focus Area 1: Regional Economy – the JO’s highest priority strategy is to support the implementation of the Region’s Regional Economic Development Strategies (REDS).***

- The JO supports the implementation of the REDS. It is committed to working with councils to further opportunities for economic development at a regional level.
  - The JO is looking for opportunities to engage with the Special Activation Precinct (SAP) in Wagga Wagga. It is expected that the SAP will act as a catalyst for economic development across the Region and the JO is expected to have a role in exploring these opportunities.
  - The Members recognised that Local Government could have a pivotal role in leading the COVID-19 recovery in the Region. The JO canvassed its Members to identify areas where investment could be made by the State to drive recovery, the following areas were identified:
    - a. Residential Development – meeting the upfront capital costs for new residential developments in regional towns.
    - b. Industrial Development – meeting the upfront costs associated with the expansion of available industrial land.
    - c. Community and Social Infrastructure – parks, recreation, arts landscaping, lighting, streetscapes and public spaces. Projects that support social and community well-being.
    - d. Small Business Growth Initiatives – programs that support and facilitate the growth of small business in regional areas. Initiatives that attract young entrepreneurs, support new business start-ups, creation of spaces and places that allow collaboration, co-working and support.
    - e. Revitalisation of the Main Street/CBD - programs like Creative Spaces, main street programs, visitor and shopper attraction campaigns and events centred on main street locations.
- The JO wrote to the Deputy Premier and LGNSW requesting that in the design of stimulus packages that Local Government be given an opportunity to co-design programs and deliver on them. We continue to look for ways to support economic recovery in the Region.

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### ***Focus Area 2: Tourism – there were no high priority strategies identified for implementation in 2020. However, we remain in contact with Destination Riverina-Murray and Thrive Riverina (now Visit Riverina) about ways in which we can support their initiatives.***



## Priority Six: Healthy and Vibrant Communities

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*Focus Area 1: Community Well-being and Liveability– the JO's highest priority strategy is to support the delivery of programs and services into the Region that build and enhance community well-being*

### *Achievements:*

- The JO is a member of Murrumbidgee Primary Health Network's Empowering Communities Steering Committee. This cross-sectoral committee aims to address health issues that

arise as a result of the drought. The JO supported the production and distribution of diaries and calendars with mental health messages to communities across the region.

*Hon Brad Hazzard MP, NSW Minister for Health addresses the JO Board*





*Julie Briggs, CEO, Justin Clancy, Member for Albury, Cr Rick Firman OAM, JO Chairman and Hon Bronnie Taylor MLC, Minister for Mental Health, Regional Youth and Women*

**Focus Area 2: Health and Allied Services – the JO’s three high priority strategies for this Focus Area:**

- 1. to engage with health providers to provide robust input into decisions that determine health service delivery;**
- 2. to advocate for health and allied services that meet the needs of a diverse community; and**
- 3. to advocate to retain and where appropriate enhance existing services.**

**Achievements:**

- The Board of the JO met with Minister Brad Hazzard MP, Minister for Health at Parliament House in February. The Minister provided an overview of health services in the region and answered questions from Member Councils.
- The JO Board arranged for a briefing from the Murrumbidgee Local Health District on a number of issues including how it is meeting the COVID challenge and the development of the new Wagga Base Hospital

# ANNUAL PERFORMANCE STATEMENT REPORTING AS REQUIRED UNDER CLAUSE 217 OF THE LOCAL GOVERNMENT (GENERAL) REGULATIONS 2005

The Joint Organisation is required by legislation to report on the following matters:

Details (including the purpose) of overseas visits undertaken during the year by JO Board Members JO staff or other persons while representing the JO (including visits sponsored by other organisations)	None
Details of the total cost during the year of the payment of the expenses of, and the provision of facilities to, JO Board Members in relation to their civic functions (as paid by the JO, reimbursed to the JO Board Member or reconciled with the JO Board Member), including separate details on the total cost of each of the following—	
<ul style="list-style-type: none"> <li>the provision during the year of dedicated office equipment allocated to JO Board Members on a personal basis, such as laptop computers, mobile telephones and landline telephones and facsimile machines installed in JO Board Members' homes (including equipment and line rental costs and internet access costs but not including call costs),</li> </ul>	Nil
<ul style="list-style-type: none"> <li>telephone calls made by JO Board Members including calls made from mobile telephones provided by the JO and from landline telephones and facsimile services installed in JO Board Members' homes,</li> </ul>	Nil
<ul style="list-style-type: none"> <li>the attendance of JO Board members at conferences and seminars,</li> </ul>	Nil
<ul style="list-style-type: none"> <li>interstate visits undertaken during the year by JO Board Members while representing the JO, including the cost of transport, the cost of accommodation and other out-of-pocket travelling expenses,</li> </ul>	Visit to Canberra, Sept 2020, cost to JO \$0
<ul style="list-style-type: none"> <li>overseas visits undertaken during the year by JO Board Members while representing the JO, including the cost of transport, the cost of accommodation and other out-of-pocket travelling expenses,</li> </ul>	Nil
<ul style="list-style-type: none"> <li>the expenses of any spouse, partner (whether of the same or the opposite sex) or other person who accompanied a JO Board Member in the performance of his or her civic functions, being expenses payable in accordance with the Guidelines for the payment of expenses and the provision of facilities for Mayors and Councillors for Local Councils in NSW prepared by the Director-General from time to time,</li> </ul>	Nil
<ul style="list-style-type: none"> <li>expenses involved in the provision of care for a child of, or an immediate family member of, a JO Board Member, to allow the JO Board Member to undertake his or her</li> </ul>	Nil
<ul style="list-style-type: none"> <li>details of each contract awarded by the JO during that year (whether as a result of tender or otherwise) other than—</li> </ul>	Nil
<ul style="list-style-type: none"> <li>(employment contracts (that is, contracts of service but not contracts for services), and</li> </ul>	Nil
<ul style="list-style-type: none"> <li>contracts for less than \$150,000 or such other amount as may be prescribed by the regulations, including the name of the contractor, the nature of the goods or services supplied by the contractor and the total amount payable to the contractor under the contract</li> </ul>	Nil
A summary of the amounts incurred by the JO during the year in relation to legal proceedings taken by or against the JO (including amounts, costs and expenses paid or received by way of out of court settlements, other than those the terms of which are not to be disclosed) and a summary of the state of progress of each legal proceeding and (if it has been finalised) the result.	Nil
The total amount contributed or otherwise granted under section 356 of the Act	Nil

A statement of all external bodies that during that year exercised functions delegated by the JO	Coolamon Shire Council has been delegated the JO's financial management functions
A statement of all corporations, partnerships, trusts, joint ventures, syndicates or other bodies (whether or not incorporated) in which the JO (whether alone or in conjunction with other JOs) held a controlling interest during that year	None
A statement of all corporations, partnerships, trusts, joint ventures, syndicates or other bodies (whether or not incorporated) in which the JO participated during that year	The JO participated in the activities of the Riverina Eastern Regional Organisation of Councils
Statement of the activities undertaken by the JO during that year to implement its equal employment opportunity management plan	Staff and Board are aware of EEO
Statement of the total remuneration comprised in the remuneration package of the general manager during the year that is to include the total of the following— <ul style="list-style-type: none"> <li>the total value of the salary component of the package,</li> <li>the total amount of any bonus payments, performance payments or other payments made to the general manager that do not form part of the salary component of the general manager,</li> <li>the total amount payable by the JO by way of the employer's contribution or salary sacrifice to any superannuation scheme to which the general manager may be a contributor,</li> <li>the total value of any non-cash benefits for which the general manager may elect under the package</li> </ul>	<p>\$83,200</p> <p>Employer contribution to superannuation \$7904</p> <p>Nil</p>
The total amount payable by the JO by way of fringe benefits tax for any such non-cash benefits	Nil
A statement of the total remuneration comprised in the remuneration packages of all senior staff members (other than the general manager) employed during the year, expressed as the total remuneration of all the senior staff members concerned (not of the individual senior staff members) and including totals of each of the following— <ul style="list-style-type: none"> <li>the total of the values of the salary components of their packages</li> <li>the total amount of any bonus payments, performance payments or other payments made to them that do not form part of the salary components of their packages,</li> <li>the total amount payable by the JO by way of the employer's contribution or salary sacrifice to any superannuation scheme to which any of them may be a contributor,</li> <li>(the total value of any non-cash benefits for which any of them may elect under the package,</li> <li>the total amount payable by the JO by way of fringe benefits tax for any such non-cash benefits</li> </ul>	There are no senior staff employed by the JO

# FINANCIAL STATEMENTS

## Riverina Joint Organisation

### GENERAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2020

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#### Riverina Joint Organisation

#### General Purpose Financial Statements

for the year ended 30 June 2020

Contents	Page
<b>Statement by Members of the Board and Management</b>	23
<b>Income Statement and Other Comprehensive Income</b>	24
<b>Statement of Financial Position</b>	25
<b>Statement of Changes in Equity</b>	26
<b>Statement of Cash Flows</b>	27
<b>Notes to the financial statements</b>	28
<b>Auditor's reports</b>	48

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Riverina Joint Organisation is constituted under the *Local Government Act 1993 (NSW)* and has its principal place of business at:

Riverina Joint Organisation  
81-83 Johnson Street  
WAGGA WAGGA NSW 2650

Through the use of the internet, we have ensured that our reporting is timely, complete and available at minimum cost. All media releases, financial statements and other information are publicly available on our website: [www.riverinajo.nsw.gov.au](http://www.riverinajo.nsw.gov.au)

All figures presented in these financial statements are presented in Australian currency.

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## Riverina Joint Organisation

### General Purpose Financial Statements

for the year ended 30 June 2020

### Statement by Members of the Board and Management made pursuant to Section 413(2c) of the *Local Government Act 1993 (NSW)* (as amended)

**The attached general purpose financial statements have been prepared in accordance with:**

- the *Local Government Act 1993 (NSW)* (as amended) and the regulations made thereunder
- the Australian Accounting Standards - Reduced Disclosure Requirements and other pronouncements of the Australian Accounting Standards Board
- the Joint Organisations Supplement to the Local Government Code of Accounting Practice and Financial Reporting.

**To the best of our knowledge and belief, these financial statements:**

- present fairly Riverina Joint Organisation's operating result and financial position for the year, and
- accord with Riverina Joint Organisation's accounting and other records.

**We are not aware of any matter that would render these statements false or misleading in any way.**

Signed in accordance with a resolution of the Board of Riverina Joint Organisation made on 23 October 2020.



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Rick Firman

Chairman

23 October 2020



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John Seymour

Voting Representative Board Member

23 October 2020



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Julie Briggs

Executive Officer

23 October 2020

## Riverina Joint Organisation

### Income Statement and Other Comprehensive Income for the year ended 30 June 2020

	Notes	2020 \$	Period 19 October 2018 to 30 June 2019 \$
<b><i>Income from continuing operations</i></b>			
Member council contributions	2a	45,000	-
Grants provided for operating purposes	2b	-	300,000
Other income	2c	1,514	-
Interest and investment revenue	2d	212	150
<b>Total income from continuing operations</b>		<b>46,726</b>	<b>300,150</b>
<b><i>Expenses from continuing operations</i></b>			
Employee benefit expenses	3a	92,517	45,788
Administrative expenses	3a	123,987	49,194
<b>Total expenses from continuing operations</b>		<b>216,504</b>	<b>94,982</b>
<b><i>Net operating result for the period</i></b>		<b>(169,778)</b>	<b>205,168</b>
<b><i>Other comprehensive income</i></b>			
<b>Total other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income</b>		<b>(169,778)</b>	<b>205,168</b>

The above Income Statement and Other Comprehensive Income should be read in conjunction with the accompanying notes.

The Joint Organisation has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.



# Riverina Joint Organisation

## Statement of Financial Position

as at 30 June 2020

	Notes	2020 \$	2019 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	198,444	219,223
Receivables	5	16,778	4,751
<b>Total current assets</b>		<b>215,222</b>	<b>223,974</b>
<b>Total assets</b>		<b>215,222</b>	<b>223,974</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	8	23,880	13,125
Contract liabilities	6	150,000	-
Provisions	9	2,432	3,236
<b>Total current liabilities</b>		<b>176,312</b>	<b>16,361</b>
<b>Non-current liabilities</b>			
Payables	8	-	135
Provisions	9	3,520	2,310
<b>Total non-current liabilities</b>		<b>3,520</b>	<b>2,445</b>
<b>Total liabilities</b>		<b>179,832</b>	<b>18,806</b>
<b>Net assets</b>		<b>35,390</b>	<b>205,168</b>
<b>EQUITY</b>			
Accumulated surplus		35,390	205,168
<b>Total equity</b>		<b>35,390</b>	<b>205,168</b>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

The Joint Organisation has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

## Riverina Joint Organisation

### Statement of Changes in Equity for the year ended 30 June 2020

	2020		2019	
	Accumulated surplus	Total equity	Accumulated surplus	Total equity
Opening balance	205,168	205,168	-	-
Net result for the period	(169,778)	(169,778)	205,168	205,168
Other comprehensive income	-	-	-	-
Total comprehensive income	(169,778)	(169,778)	205,168	205,168
<b>Closing Balance</b>	<b>35,390</b>	<b>35,390</b>	<b>205,168</b>	<b>205,168</b>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

The Joint Organisation has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

# Riverina Joint Organisation

## Statement of Cash Flows for the year ended 30 June 2020

	Notes	2020 \$	Period 19 October 2018 to 30 June 2019 \$
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Contributions from member councils		37,500	-
User charges and fees		-	-
Investment revenue and interest		212	150
Grants		150,000	300,000
Other		216	-
<b>Payments:</b>			
Employees and suppliers		(87,040)	(36,877)
Borrowing costs		-	-
Other		(121,667)	(44,050)
<b>Net cash provided from operating activities</b>		<b>(20,779)</b>	<b>219,223</b>
<b>Net increase in cash and cash equivalents</b>		<b>(20,779)</b>	<b>219,223</b>
Cash transferred from former entities		-	-
<b>Cash and cash equivalents at beginning of reporting period</b>		<b>219,223</b>	<b>-</b>
<b>Cash and cash equivalents at end of reporting period</b>	4	<b>198,444</b>	<b>219,223</b>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

The Joint Organisation has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

## Riverina Joint Organisation

### Notes to the Financial Statements

for the year ended 30 June 2020

Contents of the notes accompanying the financial statements		Page
Note 1	Basis of preparation	29
Note 2	Income from continuing operations	31
Note 3	Expenses from continuing operations	34
Note 4	Cash and cash equivalent assets	36
Note 5	Receivables	37
Note 6	Contract assets and liabilities	38
Note 7	Leases	39
Note 8	Payables and borrowings	40
Note 9	Provisions	41
Note 10	Change in accounting policy	42
Note 11	Commitments	45
Note 12	Contingencies	45
Note 13	Financial risk management	45
Note 14	Related party disclosures	46
Note 15	Events occurring after reporting period	47

# Riverina Joint Organisation

## Notes to the financial statements

for the year ended June 2020

### Note 1. Basis of preparation

These financial statements include the results for the financial year ended 30 June 2020 and the comparative period from 19 October 2018 to 30 June 2019.

These financial statements were authorised for issue by the Board of the Joint Organisation on 23/10/2020. The Board has the power to amend and reissue these financial statements.

The principal accounting policies adopted in the preparation of these financial statements are set out below.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, the *Local Government Act 1993 (NSW)* and Regulations, and the Joint Organisation Code of Accounting Practice and Financial Reporting. Riverina Joint Organisation is a not-for-profit entity. The financial statements are presented in Australian dollars and are rounded to the nearest dollar.

#### *(a) New and amended standards adopted by Riverina Joint Organisation*

The following new standards are effective for the first time at 30 June 2020.

- AASB 15 Revenue from contracts with customers
- AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15
- AASB 2015-8 Amendments to Australian Accounting Standards – Effective date of AASB 15
- AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15
- AASB 2016-7 Amendments to Australian Accounting Standards – Deferral of AASB 15 for NFP entities
- AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for NFP entities
- AASB 2018-8 Amendments to Australian Accounting Standards – Right of Use Assets of Not-for Profit Entities
- AASB 2018-4 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Public Sector Licensors
- AASB 1058 Income of NFP Entities
- AASB 16 Leases
- AASB 2018-3 – Amendments to Australian Accounting Standards – Reduced Disclosure Requirements
- AASB 2018-5 Amendments to Australian Accounting Standards – Deferral of AASB 1059.

#### *(b) Historical cost convention*

These financial statements have been prepared under the historical cost convention.

# Riverina Joint Organisation

## Notes to the financial statements

for the year ended June 2020

### Note 1. Basis of preparation

#### *(c) Significant accounting estimates and judgements*

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Riverina Joint Organisation's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Riverina Joint Organisation and that are believed to be reasonable under the circumstances.

#### *Critical accounting estimates and assumptions*

Riverina Joint Organisation makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- (i) Employee benefit provisions – refer Note 9.

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

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities that are recoverable from, or payable to, the taxation authority are presented as operating cash flows.

## Riverina Joint Organisation

### General Purpose Financial Statements

for the year ended 30 June 2020

#### Note 2. Income

##### Revenue recognised on receipt (not enforceable or no sufficiently specific performance obligations – AASB 1058)

Member Council Contributions  
Other

<b>2020</b>
45,000
1,726
<b>46,726</b>

##### (a) Member Council contributions

Bland Shire Council  
Coolamon Shire Council  
Cootamundra-Gundagai Shire Council  
Greater Hume Shire Council  
Goldenfields Water County Council  
Junee Shire Council  
Lockhart Shire Council  
Riverina Water County Council  
Temora Shire Council  
Wagga Wagga City Council

	<b>Period</b>	
	<b>2020</b>	<b>19 October 2018 to 30 June 2019</b>
	<b>\$</b>	<b>\$</b>
Bland Shire Council	5,000	-
Coolamon Shire Council	5,000	-
Cootamundra-Gundagai Shire Council	5,000	-
Greater Hume Shire Council	5,000	-
Goldenfields Water County Council	2,500	-
Junee Shire Council	5,000	-
Lockhart Shire Council	5,000	-
Riverina Water County Council	2,500	-
Temora Shire Council	5,000	-
Wagga Wagga City Council	5,000	-
<b>Total member Council contributions</b>	<b>45,000</b>	<b>-</b>

# Riverina Joint Organisation

## General Purpose Financial Statements for the year ended 30 June 2020

### Note 2. Income continued

	Operating		Capital	
	2020 \$	Period 19 October 2018 to 30 June 2019 \$	2020 \$	Period 19 October 2018 to 30 June 2019 \$
<b>(b) Grants</b>				
Office of Local Government (OLG) joint organisation establishment fund	-	300,000	-	-
<b>Total grants</b>	<b>-</b>	<b>300,000</b>	<b>-</b>	<b>-</b>
Comprising				
- Commonwealth funding	-	-	-	-
- State funding	-	300,000	-	-
- Other funding	-	-	-	-
	<b>-</b>	<b>300,000</b>	<b>-</b>	<b>-</b>
<b>(c) Other income</b>				
Other			1,514	-
<b>Total other income</b>			<b>1,514</b>	<b>-</b>
<b>(d) Interest and investment revenue</b>				
Interest on financial assets measured at amortised cost			212	150
<b>Total interest and investment revenue</b>			<b>212</b>	<b>150</b>



## General Purpose Financial Statements

for the year ended 30 June 2020

### Note 2. Income continued

#### Accounting policy for income

**Contributions by member councils** are accounted for when the amount to be paid for the period has been determined and communicated to councils. The methodology for determining the contribution is:

- equal contributions by all full member councils and associate members pay 50% of a full member, in order to perform the principal functions of delivering on strategic regional priorities, regional leadership and intergovernmental cooperation

**Interest and investment income** is recognised using the effective interest rate at the date that interest is earned.

#### Accounting policies for 2020 only

##### User charges and fees

Revenue arising from user charges and fees is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

##### Grant revenue

###### Grant income under AASB 15

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligations is satisfied. Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract. Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefits. Grant revenue under AASB 1058 Assets arising from grants in the scope of AASB 1058 are recognised at the asset's fair value when the asset is received. Riverina Joint Organisation considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard. Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

##### Capital grants

Capital grants received to enable Riverina Joint Organisation to acquire or construct an item of property, plant and equipment to identified specifications which will be under the Riverina Joint Organisation's control and which is enforceable are recognised as revenue as and when the obligation to construct or purchase is completed. For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin. For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the Riverina Joint Organisation.

##### Other revenue

Where the revenue relates to a contract with customer, the revenue is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided. Where the revenue relates to a contract which is not enforceable or does not contain sufficiently specific performance obligations then revenue is recognised when an unconditional right to a receivable arises or the cash is received, which is earlier.

#### Accounting policies for 2019 only

**Grant revenue** - Control over grants is normally obtained upon their receipt (or acquittal) and is valued at the fair value of the granted asset at the date of transfer. A liability is recognised in respect of grant income that is reciprocal in nature to the extent that the requisite service has not been provided at reporting date.

**User charges and fees** are recognised as revenue when the service has been provided.

**Other revenue** is recorded when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

## Riverina Joint Organisation

### General Purpose Financial Statements

for the year ended 30 June 2020

#### Note 3. Expenses

	2020	Period 19 October 2018 to 30 June 2019
	\$	\$
<b>(a) Employee benefit expenses</b>		
Salaries and wages	78,400	31,009
Employees leave entitlements (ELE)	5,206	8,879
Superannuation	7,904	3,611
Workers Compensation Insurance	1,007	2,288
<b>Total employee benefit expenses</b>	<b>92,517</b>	<b>45,788</b>
<b>(b) Administrative expenses</b>		
Contractor and consultancy costs	45,476	4,944
Contributions to REROC	18,300	-
Remuneration of auditors	7,700	7,500
Representations	8,613	5,774
Operating leases (2019 only)	-	-
- Buildings	-	10,000
Meetings	6,637	7,009
Projects and planning	20,098	3,284
Printing/stationery/postage	1,543	451
IT	5,946	2,988
Accounting costs	1,482	591
Equipment consumables	3,000	453
Phone/internet	1,908	500
Advertising	-	3,261
Establishment costs	-	2,027
Travel	408	412
Other	2,876	-
<b>Total administrative expenses</b>	<b>123,987</b>	<b>49,194</b>

## Riverina Joint Organisation

### General Purpose Financial Statements

for the year ended 30 June 2020

#### Note 3. Expenses continued

	2020	Period 19 October 2018 to 30 June 2019
	\$	\$
<b>Auditor remuneration</b>		
Auditors of Riverina Joint Organisation - NSW Auditor General		
(i) Audit and other assurance services		
Audit of financial statements	7,700	7,500
<b>Total fees paid or payable to the Auditor-General</b>	<b>7,700</b>	<b>7,500</b>

#### Accounting policy for expenses

**Employee benefit expenses** are recorded when the service has been provided by the employee.

**Operating lease expense (2019 only)** - Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Riverina Joint Organisation as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Income Statement and Other Comprehensive Income on a straight-line basis over the period of the lease.

**Other expenses** are recorded on an accruals basis as the Riverina Joint Organisation receives the goods or services.

## Riverina Joint Organisation

### General Purpose Financial Statements

for the year ended 30 June 2020

#### Note 4. Cash and cash equivalents

	2020 \$	2019 \$
Cash at bank and on hand	198,444	219,223
	<u>198,444</u>	<u>219,223</u>
<b>Restricted cash and cash equivalents</b>		
External restrictions	150,000	-
Unrestricted	48,444	219,223
	<u>198,444</u>	<u>219,223</u>

#### Accounting policy for cash and cash equivalents

For Statement of Cash Flows presentation purposes, cash and cash equivalents include: cash on hand; deposits held at call with financial institutions; other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value; and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

## Riverina Joint Organisation

### General Purpose Financial Statements

for the year ended 30 June 2020

#### Note 5 - Receivables

	<b>2020</b>	<b>2019</b>
	<b>Current</b>	<b>Current</b>
	<b>\$</b>	<b>\$</b>
Receivables from member councils	7,500	-
Other receivables	1,298	-
Grant receivables	-	-
GST receivable	7,980	4,751
<b>Total gross receivables</b>	<b>16,778</b>	<b>4,751</b>
Less: provision for impairment:		
Other	-	-
<b>Total net receivables</b>	<b>16,778</b>	<b>4,751</b>

#### Accounting policy for receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are generally due for settlement within 30 days.

Impairment of financial assets measured at amortised cost is recognised on an expected credit loss (ECL) basis.

Riverina Joint Organisation applies the simplified approach for receivables in providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision. To measure the expected credit losses, non-rates and annual charges debtors have been grouped based on shared credit risk characteristics and the days past due.

## Riverina Joint Organisation

### General Purpose Financial Statements

for the year ended 30 June 2020

#### Note 6 - Contract assets & liabilities

Riverina Joint Organisation has recognised the following contract liabilities from contracts with customers:

	<b>2020</b>
	<b>\$</b>
<b>Contract liabilities</b>	
Funds received prior to performance obligation being satisfied (upfront payments) - AASB 15 - Capacity Building Grant	i 150,000
	<b>150,000</b>

(i) The contract liability relates to grants received prior to the revenue recognition criteria in AASB 15 being satisfied since the performance obligations are ongoing.

#### Accounting policy for contract assets and liabilities

When an amount of consideration is received from a customer / fund provider prior to Riverina Joint Organisation transferring a good or service to the customer, Riverina Joint Organisation presents the funds which exceed revenue recognised as a contract liability.

## Riverina Joint Organisation

### General Purpose Financial Statements

for the year ended 30 June 2020

#### **Note 7 - Leases**

Riverina Joint Organisation has applied AASB 16 using the modified retrospective (cumulative catch-up) method and therefore the comparative information has not been restated and continues to be reported under AASB 117 and related Interpretations.

Riverina Joint Organisation pays a contribution towards the use of the office space and a vehicle, but no lease contract exists between Riverina Joint Organisation and the provider for either arrangement. Therefore the arrangements are considered “not enforceable” and therefore right of use assets and lease liabilities have not been recognized in the FY2020 financial statements.

## Riverina Joint Organisation

### General Purpose Financial Statements

for the year ended 30 June 2020

#### Note 8. Payables and borrowings

	2020		2019	
	Current	Non-current	Current	Non-current
<b>Payables</b>				
Trade payables	18,810	-	9,895	-
Accrued expenses	-	-	188	135
PAYG payable	5,070	-	-	-
Other payables	-	-	3,042	-
<b>Total payables</b>	<b>23,880</b>	<b>-</b>	<b>13,125</b>	<b>135</b>

#### Financing arrangements

Nil

##### Accounting policy for payables and borrowings

Riverina Joint Organisation measures all financial liabilities initially at fair value less transaction costs; subsequent financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of Riverina Joint Organisation comprise trade and other payables and bank overdraft.

Trade payables represent liabilities for goods and services provided to Riverina Joint Organisation prior to the end of the financial period that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.



## Riverina Joint Organisation

### General Purpose Financial Statements

for the year ended 30 June 2020

#### Note 9. Provisions

	2020		2019	
	Current	Non-current	Current	Non-current
<b>Employee benefit provisions</b>				
Annual leave	2,432	-	3,236	-
Long Service Leave	-	3,520	-	2,310
<b>Total provisions</b>	<b>2,432</b>	<b>3,520</b>	<b>3,236</b>	<b>2,310</b>
<b>Current provisions not expected to be settled in next 12 months</b>	<b>-</b>		<b>-</b>	

#### Accounting policy for provisions

Provisions are recognised when Riverina Joint Organisation has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessment of the time value of money and the risks specific to the liability. The increase in the provision to the passage of time is recognised as interest expense.

#### Employee benefits

##### Short-term obligations

Liabilities for wages and salaries (including non-monetary benefits and annual leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service) are recognised in respect of employees' services up to the end of the reporting period, and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

##### Other long-term employee benefit obligations

The liability for long-service leave and annual leave that is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision of employee benefits, and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

##### Oncosts

The employee benefit provision include the aggregate on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include superannuation, payroll tax and workers compensation expenses that will be payable upon the future payment of certain leave liabilities which employees are entitled to at the reporting period.

The obligations are presented as current liabilities in the Statement of Financial Position if Riverina Joint Organisation does not have an unconditional right to defer settlement for at least 12 months after the reporting period date, regardless of when the actual settlement is expected to occur.

# Riverina Joint Organisation

## General Purpose Financial Statements

for the year ended 30 June 2020

### Note 10 Change in accounting policy

#### Changes in accounting policy due to adoption of new Accounting Standards

During the year ended 30 June 2020, Riverina Joint Organisation has adopted AASB 15 *Revenue from Contracts with Customers*, AASB 1058 *Income of Not-for-profit Entities* and AASB 16 *Leases* using the modified retrospective (cumulative catch-up) method and therefore the comparative information for the year ended 30 June 2019 has not been restated and continues to comply with AASB 111 *Construction Contracts*, AASB 117 *Leases*, AASB 118 *Revenue*, AASB 1004 *Contributions* and associated Accounting Interpretations.

No adjustments have been made to retained earnings at 1 July 2019 on adoption of AASB 15 and AASB 1058.

The impacts of adopting these standards and associated transition disclosures are provided below:

#### AASB 15 and AASB 1058

The following approach has been applied on transition to AASB 15 and AASB 1058:

- Riverina Joint Organisation has not adopted the completed contract expedient and therefore has not excluded revenue which was fully recognised in previous years in accordance with the former accounting standards and pronouncements
- Riverina Joint Organisation has retrospectively restated contracts for modifications that occurred before 1 July 2019 unless such contract modification were minor.

Riverina Joint Organisation made the following accounting policy changes as a result of the adoption of AASB 15 and AASB 1058.

#### Grants – operating

Under AASB 1004, most grant income was recognised as revenue on receipt. Under AASB 15, where an agreement is enforceable and contains sufficiently specific performance obligations, the revenue is either recognised over time as the work is performed, or recognised at the point in time that the control of the services passes to the customer.

#### Grants – capital

Under AASB 1004, most grant monies were recorded as revenue on receipt. Under AASB 1058, where Riverina Joint Organisation has received assets (including cash) to acquire or construct a non-financial asset, the asset is to be controlled by Riverina Joint Organisation and the contract is enforceable, then the asset is recognised as a contract liability on receipt and recorded as revenue as the performance obligation to acquire or construct the asset is completed

#### Changes in presentation

In addition to the above changes in accounting policies, Riverina Joint Organisation has also amended the presentation of certain items to align them with the requirements of AASB 15 and AASB 1058 – an additional line item being contract liability has been created.

# Riverina Joint Organisation

## General Purpose Financial Statements

for the year ended 30 June 2020

### Note 10. Change in accounting policy continued

#### Comparison of financial statement line items under AASB 15 compared to previous standards for the current year

The following tables show the impact of adopting AASB 15 and AASB 1058 on the Council's financial statements for the year ended 30 June 2020.

Statement of financial position as at 30 June 2020

	Carrying amount per Statement of financial position under AASB 15 and AASB 1058	Reclassification \$	Remeasurement \$	Carrying amount under previous revenue standards	Note
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	198,444	-	-	198,444	
Receivables	16,778	-	-	16,778	
<b>Total current assets</b>	<b>215,222</b>	<b>-</b>	<b>-</b>	<b>215,222</b>	
<b>Total assets</b>	<b>215,222</b>	<b>-</b>	<b>-</b>	<b>215,222</b>	
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Payables	23,880	-	-	23,880	
Contract liabilities	150,000	-	(150,000)	-	(i)
Provisions	2,432	-	-	2,432	
<b>Total current liabilities</b>	<b>176,312</b>	<b>-</b>	<b>(150,000)</b>	<b>26,312</b>	
<b>Non-current liabilities</b>					
Provisions	3,520	-	-	3,520	
<b>Total non-current liabilities</b>	<b>3,520</b>	<b>-</b>	<b>-</b>	<b>3,520</b>	
<b>Total liabilities</b>	<b>179,832</b>	<b>-</b>	<b>(150,000)</b>	<b>29,832</b>	
<b>Net assets</b>	<b>35,390</b>	<b>-</b>	<b>150,000</b>	<b>185,390</b>	
<b>EQUITY</b>					
Accumulated surplus	35,390	-	150,000	185,390	
<b>Total equity</b>	<b>35,390</b>	<b>-</b>	<b>150,000</b>	<b>185,390</b>	

(i) Elimination of contract liability which arises under AASB 15 for funds received to construct an asset to be controlled by Riverina Joint Organisation and other funds under AASB 15 which have been received prior to the satisfaction of performance obligations.

# Riverina Joint Organisation

## General Purpose Financial Statements

for the year ended 30 June 2020

### Note 10. Change in accounting policy continued

Income statement for the year ended 30 June 2020

	Income statement and comprehensive income under AASB 15 and AASB 1058	Reclassification \$	Remeasurement \$	Income statement and comprehensive income under previous revenue standards	Note
<b>Income from continuing operations</b>					
Member council contributions	45,000	-	-	45,000	
Grants provided for operating purposes	-	-	150,000	150,000	
Other income	1,514	-	-	1,514	
Interest and investment revenue	212	-	-	212	
<b>Total income from continuing operations</b>	<b>46,726</b>	<b>-</b>	<b>150,000</b>	<b>196,726</b>	
<b>Expenses from continuing operations</b>					
Employee benefit expenses	92,517	-	-	92,517	
Administrative expenses	123,987	-	-	123,987	
<b>Total expenses from continuing operations</b>	<b>216,504</b>	<b>-</b>	<b>-</b>	<b>216,504</b>	
<b>Net operating result for the period</b>	<b>(169,778)</b>	<b>-</b>	<b>150,000</b>	<b>(19,778)</b>	
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total comprehensive income</b>	<b>(169,778)</b>	<b>0</b>	<b>150,000</b>	<b>(19,778)</b>	

Statement of cash flows for the year ended 30 June 2020

The adoption of AASB 15 and AASB 1058 has not materially changed the statement of cash flows for the year ended 30 June 2020.

## Riverina Joint Organisation

### General Purpose Financial Statements

for the year ended 30 June 2020

#### **Note 11 Commitments**

Riverina Joint Organisation did not during or at the end of the reporting period have any capital commitments.

#### **Note 12 Contingencies**

Riverina Joint Organisation was not party to any contingent assets or liabilities during or at the end of the reporting period.

#### **Note 13 Financial risk management**

##### **Risk management**

Riverina Joint Organisation's activities expose it to a variety of financial risks, including credit risk, liquidity risk and interest rate risk.

Financial risk management is carried out by the finance team.

The fair value of receivables and financial liabilities approximates the carrying amount.

## Riverina Joint Organisation

### General Purpose Financial Statements for the year ended 30 June 2020

#### Note 14 Related party disclosures

##### Key management personnel

Key management personnel (KMP) of Riverina Joint Organisation are those persons having the authority and responsibility for planning, directing and controlling the activities of Riverina Joint Organisation, directly or indirectly.

The aggregate amount of KMP compensation in the Income Statement and Other Comprehensive Income is **\$93,184**.

##### Other related parties

Type of related party & nature of the transaction	Amount of the transaction during the reporting period (\$)	Outstanding balances, including commitments at period end (\$)	Terms and conditions	Provisions for doubtful debts (impairment of receivables) related to the amount of outstanding balances (\$)	Expense recognised during the period relating to bad or doubtful debts (impairment expense) due from related parties (\$)
<b>2020</b>					
REROC-Reimburse expenses	41,709	9,315	Expenses incurred by REROC and reimbursed by Riverina Joint Organisation	-	-
REROC-Contributions	26,005	-	Contributions to rent, car, telephone	-	-
<b>2019</b>					
REROC-Rent	11,000	-	-	-	-
REROC-Reimburse expenses	1,174	-	-	-	-
REROC-Reimburse expenses	15,713	-	-	-	-
REROC-Reimburse expenses	2,246	-	-	-	-
REROC-Reimburse expenses	543	543	-	-	-

REROC is considered to be an other related party of Riverina Joint Organisation as the Chief Executive Officer of Riverina Joint Organisation is also the Executive Officer of REROC and some board members of Riverina Joint Organisation are also board members of REROC including the Chairperson who is chairman of both organisations.

## Riverina Joint Organisation

### General Purpose Financial Statements

for the year ended 30 June 2020

#### **Note 15 Events occurring after reporting date**

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Riverina Joint Organisation did not experience any events after balance date that require disclosure in the financial statements.



**INDEPENDENT AUDITOR'S REPORT**  
**Report on the general purpose financial statements**  
**Riverina Joint Organisation**

To the Board of the Riverina Joint Organisation

**Opinion**

I have audited the accompanying financial statements of Riverina Joint Organisation (the Joint Organisation), which comprise the Statement by Members of the Board and Management, the Income Statement and Other Comprehensive Income for the year ended 30 June 2020, the Statement of Financial Position as at 30 June 2020, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion:

- the Joint Organisation's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
  - have been prepared, in all material respects, in accordance with the requirements of this Division
  - are consistent with the Joint Organisation's accounting records
  - present fairly, in all material respects, the financial position of the Joint Organisation as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards – Reduced Disclosure Requirements
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

My opinion should be read in conjunction with the rest of this report.



## **Basis for Opinion**

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Joint Organisation in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of joint organisations
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## **Other Information**

The Joint Organisation's Annual Performance Statement for the year ended 30 June 2020 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Board is responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the Statement by Members of the Board and Management.

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement in the other information, I must report that fact.

I have nothing to report in this regard.

## **The Board's Responsibilities for the Financial Statements**

The Board is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards— Reduced Disclosure Requirements and the *Local Government Act 1993*, and for such internal control as the Board determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the Joint Organisation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

## Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Joint Organisation carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Nathan Carter  
Director, Financial Audit Services

Delegate of the Auditor-General for New South Wales

27 October 2020

SYDNEY



Cr Rick Firman  
Chairperson  
Riverina Joint Organisation  
PO Box 646  
Wagga Wagga NSW 2650

Contact: Nathan Carter  
Phone no: 02 9275 7349  
Our ref: D2022963/1868

27 October 2020

Dear Cr Firman

## **Report on the Conduct of the Audit for the year ended 30 June 2020 Riverina Joint Organisation**

I have audited the general purpose financial statements (GPFS) of the Riverina Joint Organisation (the Joint Organisation) for the year ended 30 June 2020 as required by section 415 of the *Local Government Act 1993* (the Act).

I expressed an unmodified opinion on the Joint Organisation's GPFS.

This Report on the Conduct of the Audit (the Report) for the Joint Organisation for the year ended 30 June 2020 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

### **PERFORMANCE**

#### **Net operating result**

The Joint Organisation's net operating result for the year ended 30 June 2020 was a deficit of \$169,778.

The Joint Organisation's primary income source during the year was from member council contributions of \$45,000 which contributed to 96% per cent of the Joint Organisation's income from continuing operations of \$46,726.

The Joint Organisation's total operating expenses from continuing operations for the year was \$216,504, which consisted of employee benefits and on-costs of \$92,517 and administration expenses of \$123,987.

#### **Financial position**

At 30 June 2020, the Joint Organisation had total assets of \$215,222 and net assets of \$35,390. The Joint Organisation's main assets consist of cash and cash equivalents of \$198,444.

## OTHER MATTERS

### Impact of new accounting standards

#### **AASB 15 'Revenue from Contracts with Customers' and AASB 1058 'Income for Not-for-Profit Entities'**

The Joint Organisation adopted the new accounting standards AASB 15 'Contracts with Customers' and AASB 1058 'Income of Not-for-Profit Entities' (collectively referred to as the Revenue Standards) for the first time in their 2019–20 financial statements.

AASB 15 introduces a new approach to recognising revenue based on the principle that revenue is recognised when control of a good or service transfers to a customer. AASB 15 impacts the timing and amount of revenue recorded in a joint organisation's financial statements, particularly for grant revenue. AASB 15 also increases the amount of disclosures required.

AASB 1058 prescribed how not-for-profit entities account for transactions conducted on non-commercial terms and the receipt of volunteer services. AASB 1058 can impact the timing and amount of income recorded in a joint organisation's financial statements, particularly for grant income.

The Joint Organisation did not recognise an adjustment to opening accumulated surplus at 1 July 2019 on adoption of the Revenue Standards.

The Joint Organisation disclosed the impact of adopting the Revenue Standards in Note 10.

#### **AASB 16 'Leases'**

The Joint Organisation adopted the new accounting standard AASB 16 'Leases' for the first time in their 2019–20 financial statements.

AASB 16 changes the way lessees treat operating leases for financial reporting. With a few exceptions, operating leases will now be recorded in the Statement of Financial Position as a right-of-use asset, with a corresponding lease liability.

AASB 16 results in lessees recording more assets and liabilities in the Statement of Financial Position and changes the timing and pattern of expenses recorded in the Income Statement.

AASB 16 did not have a material impact on the Joint Organisation.

The Joint Organisation disclosed the impact of adopting AASB 16 in Note 7.

## Legislative compliance

My audit procedures did not identify any instances of non-compliance with legislative requirements or a material deficiency in the Joint Organisation's accounting records or financial statements. The Joint Organisation's:

- accounting records were maintained in a manner and form to allow the GPFS to be prepared and effectively audited
- staff provided all accounting records and information relevant to the audit.



Nathan Carter  
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

cc: Ms Julie Briggs, Executive Officer  
Ms Courtney Armstrong, Executive Manager, Corporate and Community Service, Coolamon  
Shire Council  
Jim Betts, Secretary of the Department of Planning, Industry and Environment



## RIVERINA JOINT ORGANISATION BOARD MEMBERS AND DELEGATES

*JO Board at NSW Parliament House*

### **Bland Shire Council**

Cr. Brian Monaghan  
Mr. Ray Smith PSM

### **Coolamon Shire Council**

Cr. John Seymour OAM  
Mr. Tony Donoghue PSM

### **Cootamundra-Gundagai Regional Council**

Cr. Abb McAlister  
Mr. Phil McMurray

### **Goldenfields Water**

Cr. Dennis Palmer  
Mr. Aaron Drenovski

### **Greater Hume Shire Council**

Cr. Heather Wilton  
Mr. Steven Pinnuck

### **Junee Shire Council**

Cr. Neil Smith  
Mr. James Davis

### **Lochart Shire Council**

Cr. Rodger Schurmer  
Mr. Peter Veneris

### **Riverina Water County Council**

Cr. Greg Verdon  
Mr. Andrew Crackanthorp

### **Temora Shire Council**

Cr. Rick Firman OAM  
Mr. Gary Lavell PSM

### **Wagga Wagga City Council\***

Cr. Greg Conkey OAM  
Mr. Peter Thompson

### **Department of Regional NSW**

Mr James Bolton

*\*Joined February 2020*

# RIVERINA JOINT ORGANISATION MEMBERS AND ASSOCIATE MEMBERS

## **Bland Shire Council**

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## **Greater Hume Shire Council**

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## **Junee Shire Council**

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## **Riverina Water County Council**

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## **Temora Shire Council**

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