



MUNICIPAL WORKS OPERATIONS  
ASSOCIATION  
ANNUAL REPORT  
2016 - 2017



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## CEO Review

This Annual Report provides a comprehensive overview of the activities and achievements of the MWOA over the financial year, 2016 - 2017.

Under the backdrop of the global financial crisis, the MWOA has maintained its strong financial position within the local government industry. This has been achieved through sound management structures supported by a diligent Board and competent Management.

The support of our General Membership continues to expand giving us a very strong position in the public sector. Our meetings have become very relevant to our sector and congratulations to our Branch Presidents who continue to bring together the rural group and discuss in an informal forum, the necessary information our members require and request to assist them for their day to day activities.

The MWOA Corporate Sponsors are to be congratulated for their resilience and continued support of the MWOA in these trying times. Their commitment and sponsorship has allowed the activities and events of the MWOA to prosper at a very high professional level. Our sponsorship level for this financial year has again taken us to a minimum of two sponsors per meetings. This gives us the opportunity to meet our colleagues to discuss various sector issues, but a double opportunity to view and learn the latest technology that has changed and is available to council and members.

We have enjoyed the combined meetings with the IPWEA who shares our space and provides for a good fit with our members.

The NWOA is progressing quite well with our affiliated associations contesting the everyday issues that we somehow have to deal with as part of the local government structure. WOAQ are looking to expand their regions and gaining more membership from the far outer regions.

When we reflect on the year we have been very fortunate to have succeeded in all of our endeavors to provide our members with a range of information relating to new technology, and created the awareness of various issues in the sector that has an effect on their supervisory duties etc.

**A new initiative is to go digital which we have started to do with this issue of *the ACCESS* magazine and of course the distribution via email. All correspondence will now be electronic where possible and this will have a very positive impact on our budget.**

Many thanks for your support and I look forward to another challenging year ahead and please call if I can be of any assistance at any time.



Stephen M Robertson  
CEO MWOA/NWOA

## **2016 - 2017 BOARD MEMBERS**

Lynn Undy (Chairperson)	Australian Warning Systems 0409 028 727
Shane Hickey	Australian Project Solutions 0417 391 661
Neil Whiteside	Brimbank City Council 0438 463 346
Ron Sneddon	Indigo Shire Council 0407 338 621
Mark Mirtschin	Warrnambool City Council 0403 573 300
Ray Leak	Colac Otway Shire Council 0418 526 888
Terry Ough	West Wimmera Council 0408 304 919
Greg Densley	Wellington Shire Council 0408 304 919
Derek Robertson	Whittlesea City Council 0417 558 100
Tony Gellatly	City of Greater Bendigo 0407 866 043
Ross Hibbert	Whittlesea City Council 0417 504 824
Peter Young	Mornington Peninsula Shire Council 0409 387 719
Steve Van Orsouw	Ballarat City Council 0427 526 164

# **Municipal Works Operations Association Victoria**

**ABN 60 286 550 760**

**Annual Report - 30 June 2017**

**Municipal Works Operations Association Victoria**  
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**30 June 2017**

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**General information**

The financial statements cover Municipal Works Operations Association Victoria as an individual entity. The financial statements are presented in Australian dollars, which is Municipal Works Operations Association Victoria's functional and presentation currency.

Municipal Works Operations Association Victoria is a not-for-profit incorporated association and is domiciled in Australia. Its registered office and principal place of business are:

**Registered office**

650 Portarlinton Road  
Leopold, Vic. 3224

**Principal place of business**

650 Portarlinton Road  
Leopold, Vic. 3224

A description of the nature of the entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 15<sup>th</sup> of September 2017. The directors have the power to amend and reissue the financial statements.

**Municipal Works Operations Association Victoria  
Statement of profit or loss and other comprehensive income  
For the year ended 30 June 2017**

	<b>Note</b>	<b>2017</b> \$	<b>2016</b> \$
<b>Revenue</b>	2	631,365	635,512
<b>Expenses</b>			
Management – Board	3	(2,515)	(11,221)
Financial Management		(9,921)	(9,843)
Management - CEO		(241,187)	(175,712)
Administration		(105,461)	(100,041)
Events & Entertainment		(75,694)	(85,919)
Presentations		(6,948)	(6,786)
Conferences		(238,885)	(248,913)
Other Expenses		(17,098)	(34,375)
		<hr/>	<hr/>
<b>Total comprehensive income for the year attributable to the members of Municipal Works Operations Associations Victoria</b>		<u>(66,344)</u>	<u>(37,298)</u>

*The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

**Municipal Works Operations Association Victoria**  
**Statement of financial position**  
**As at 30 June 2017**

	Note	2017 \$	2016 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	334,746	334,940
Trade and other receivables	5	207,724	203,896
Total current assets		<u>542,470</u>	<u>538,836</u>
<b>Non-current assets</b>			
Property, plant and equipment	6	586	837
Motor vehicles	7	47,800	56,764
Total non-current assets		<u>48,386</u>	<u>57,601</u>
<b>Total assets</b>		<u>590,856</u>	<u>596,437</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
PAYG Withholding Payable	8	8,317	7,296
Other	9	29,318	27,421
Total current liabilities		<u>37,635</u>	<u>34,717</u>
<b>Non-current liabilities</b>			
Leave Liability	10	57,846	0
Total non-current liabilities		<u>57,846</u>	<u>0</u>
<b>Total liabilities</b>		<u>95,481</u>	<u>34,717</u>
<b>Net assets</b>		<u>495,375</u>	<u>561,720</u>
<b>Equity</b>			
Retained surpluses		<u>495,375</u>	<u>561,720</u>
<b>Total equity</b>		<u>495,375</u>	<u>561,720</u>

*The above statement of financial position should be read in conjunction with the accompanying notes*



**Municipal Works Operations Association Victoria**  
**Statement of changes in equity**  
**For the year ended 30 June 2017**

	<b>Retained surpluses \$</b>	<b>Total equity \$</b>
Balance at 1 July 2015	623,362	623,362
Surplus after income tax expense for the year	(37,298)	(37,298)
Prior year adjustments	(24,344)	(24,344)
	<u>(61,642)</u>	<u>(61,642)</u>
Balance at 30 June 2016	<u>561,720</u>	<u>561,720</u>
	<b>Retained Surpluses \$</b>	<b>Total equity \$</b>
Balance at 1 July 2016	561,720	561,720
Surplus after income tax expense for the year	(66,344)	(66,344)
	<u>495,375</u>	<u>495,375</u>
Balance at 30 June 2017	<u>495,375</u>	<u>495,375</u>

*The above statement of changes in equity should be read in conjunction with the accompanying notes*

**Municipal Works Operations Association Victoria**  
**Statement of cash flows**  
**For the year ended 30 June 2017**

	<b>Note</b>	<b>2017</b>	<b>2016</b>
		<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>			
Receipts from customers		625,634	603,719
Payments to suppliers and employees		<u>(627,730)</u>	<u>(684,988)</u>
		(2,096)	(81,269)
Interest received		<u>1,902</u>	<u>4,398</u>
Net cash from operating activities		<u>(194)</u>	<u>(76,871)</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		<u>0</u>	<u>(31,581)</u>
Net cash used in investing activities		<u>0</u>	<u>(31,581)</u>
Net increase in cash and cash equivalents		(194)	(108,452)
Cash and cash equivalents at the beginning of the financial year		<u>334,940</u>	<u>443,392</u>
Cash and cash equivalents at the end of the financial year	4	<u><u>334,746</u></u>	<u><u>334,940</u></u>

*The above statement of cash flows should be read in conjunction with the accompanying notes*

**Municipal Works Operations Association Victoria**  
**Notes to the financial statements**  
**30 June 2017**

**Note 1. Significant accounting policies**

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**Basis of preparation**

In the directors' opinion, the entity is not a reporting entity because there are no users dependent on general purpose financial statements.

*Historical cost convention*

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

**Revenue recognition**

Revenue is recognised when it is probable that the economic benefit will flow to the entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

*Sales revenue*

Events, fundraising and raffles are recognised when received or receivable.

*Donations*

Donations are recognised at the time the pledge is made.

*Grants*

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with.

*Interest*

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

*Other revenue*

Other revenue is recognised when it is received or when the right to receive payment is established.

**Cash and cash equivalents**

Cash and cash equivalents includes 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.

**Trade and other receivables**

Other receivables are recognised at amortised cost, less any provision for impairment.

**Property, plant and equipment**

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

**Trade and other payables**

These amounts represent liabilities for goods and services provided to the entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

**Municipal Works Operations Association Victoria**  
**Notes to the financial statements**  
**30 June 2017**

**Note 1. Significant accounting policies (continued)**

**Employee benefits**

*Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid at balance date.

*Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the amount due as at balance date. This represents a change in accounting policy as leave entitlements had not previously been brought to account. The impact of the change has been reflected in the operating result for the period.

*Defined contribution superannuation expense*

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

**Goods and Services Tax ('GST') and other similar taxes**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the 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 tax authority is included in other receivables or other payables in the statement of financial position.

**Note 2. Revenue**

	<b>2017</b>	<b>2016</b>
	\$	\$
<i>Sales revenue</i>		
Memberships & Sponsorships	167,992	167,052
Events & Entertainment	60,408	74,668
Conferences	387,809	366,476
Advertising	2,062	2,128
Financial Management	8,000	9,525
IPWEA	3,192	11,266
	<u>629,463</u>	<u>631,115</u>
<i>Other revenue</i>		
Interest	1,902	4,397
	<u>1,902</u>	<u>4,397</u>
Total Revenue	<u><u>631,365</u></u>	<u><u>635,512</u></u>

**Municipal Works Operations Association Victoria**  
**Notes to the financial statements**  
**30 June 2017**

**Note 3. Expenses**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Surplus before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Depreciation	9,215	11,332
Total depreciation	<u>9,215</u>	<u>11,332</u>
<i>Superannuation expense</i>		
Superannuation Expense	15,983	15,369

**Note 4. Current assets - cash and cash equivalents**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Cash at bank – Cheque Account	81,711	82,234
Cash at bank – Online Saver Account	253,035	252,706
	<u>334,746</u>	<u>334,940</u>

**Note 5. Current assets - trade and other receivables**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Trade receivables	207,724	203,896
	<u>207,724</u>	<u>203,896</u>

**Note 6. Non-current assets – property, plant & equipment**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Office equipment	26,760	26,760
Less: Accumulated depreciation	(26,174)	(25,923)
	<u>586</u>	<u>837</u>

**Note 7. Non-current assets – motor vehicle**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Motor vehicle	59,762	59,762
Less: Accumulated depreciation	(11,962)	(2,998)
	<u>47,800</u>	<u>56,764</u>

**Municipal Works Operations Association Victoria**  
**Notes to the financial statements**  
**30 June 2017**

**Note 8. Current liabilities – PAYG withholding payable**

	<b>2017</b>	<b>2016</b>
	\$	\$
PAYG withholding payable	<u>8,317</u>	<u>7,296</u>

**Note 9. Current liabilities - other**

	<b>2017</b>	<b>2016</b>
	\$	\$
BAS amounts payable	<u>29,318</u>	<u>27,421</u>

**Note 10. Non-current liabilities**

	<b>2017</b>	<b>2016</b>
	\$	\$
Leave Liability	<u>57,846</u>	<u>0</u>

**Note 11. Remuneration of auditors**

During the financial year the following fees were paid or payable for services provided by Davidsons Accounting:

	<b>2017</b>	<b>2016</b>
	\$	\$
<i>Audit services – Davidsons</i>		
Audit of the financial statements	<u>1,300</u>	<u>1,200</u>

**Note 12. Contingent liabilities**

The Association had no contingent liabilities as at 30 June 2017 and 30 June 2016.

**Note 13. Commitments**

The Association had no commitments for expenditure as at 30 June 2017 and 30 June 2016.

**Note 14. Events after the reporting period**

No matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect the Association operations, the results of those operations, or the Association's state of affairs in future financial years.

**Municipal Works Operations Association Victoria**  
**Director's declaration**  
**30 June 2017**

In the directors' opinion:

- the entity is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the Associations Incorporations Reform Act 2012 requirements to prepare and distribute financial statements to the members of Municipal Works Operations Association Victoria.
- the attached financial statements and notes give a true and fair view of the entity's financial position as at 30 June 2017 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors.

On behalf of the directors

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Neil Whiteside  
Director

15<sup>th</sup> September 2017  
Melbourne

## INDEPENDENT AUDITOR'S REPORT

To the members of Municipal Works Officers Association

### Opinion

We have audited the financial report of Municipal Works Officers Association (the Entity), which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by those charged with governance.

In our opinion, the accompanying financial report of the Entity presents fairly the financial position as at 30 June 2017 and its financial performance for the year then ended in accordance with the Associations Incorporations Reforms Act 2012 and the accounting policies described in Note 1 to the financial statements.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other responsibilities in accordance with the Code.

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

### Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation of the financial report in accordance with the Associations Incorporation Reform Act 2012, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

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



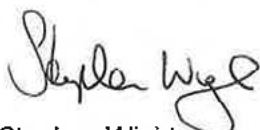
## **Auditor's Responsibilities for the Audit of the Financial Report**

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

## **Basis of Accounting and Restriction on Distribution**

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for Entity for the purpose of fulfilling its financial reporting responsibilities to meet the requirements of its members. As a result, the financial report may not be suitable for another purpose.



Stephen Wight  
*Director*

Dated this 21<sup>st</sup> day of September, 2017

*Davidsons Assurance Services Pty Ltd  
101 West Fyans Street  
Geelong, Victoria 3220*



**Davidsons**

Trust & Financial Success

Davidsons Assurance Services Pty Ltd  
ACN 123 098 662 | ABN 77 123 098 662

21 September 2017

The Board of Directors  
Municipal Works Operations Association  
650 Portarlington Road  
MOOLAP VIC 3221

Dear Directors,

### MANAGEMENT LETTER 2017

We have recently completed our audit of MWOA for the year ended 30 June 2017. In accordance with our usual policy, we would like to inform you, that no issues of significance arose during the audit which needs to be brought to your attention in a management letter.

Please note that the purpose of our audit was to form an opinion on the financial statements of the entity and that this report only includes those matters which have come to our attention as a result of audit procedures. This report should not be regarded as a comprehensive statement of all matters that may have been identified following a more complete examination for the purpose of identifying such matters.

We wish to also take this opportunity to thank you for the co-operation and assistance received during the course of our audit.

Yours sincerely

**Stephen Wight**  
Director

#### GEELONG

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Geelong VIC 3220  
P: (03) 5221 6399

PO Box 366  
Geelong VIC 3220

#### MELBOURNE

Level 2, 163 Eastern Road,  
South Melbourne VIC 3205  
P: (03) 9699 9422

PO Box 747  
South Melbourne VIC 3205

#### TORQUAY

6 Walker Street,  
Torquay VIC 3228  
P: (03) 5261 2029

PO Box 125  
Torquay VIC 3228

#### DIRECTORS

Stephen Wight CA  
Stephens Kirtley CA

### **MWOA Services:**

The MWOA has been proactive in encouraging meetings with the various industry stakeholders to foster relationships with the various organisations that provide services to the local government sector. We now work extremely close with Dial Before You Dig who now offer a range of services to the sector and also offer an award for operators who when using the DBYD system protect their assets. I would encourage all members to engage with DBYD and the benefits for council will be appreciated by your community.

Energy Safe Victoria is another valuable partner to the MWOA and the Local Government sector. Along with DBYD we have entered into a great partnership and again it is for the best interests of the sector and community.

We now have a Mentoring Program with several mentors available who can assist the local government sector around the state. Feel free to give me a call if you require this free service for any of your staff.

The Operational Managers meetings have proven to be of a great benefit with various topics of interest discussed. It has created an excellent networking opportunity for this tier of management. The agenda is set by the managers with issues of the moment.

The National Works & Engineering Conference (NW&EC) has once again exceeded all expectations with a balanced program, great support from MWOA and IPWEA attendees. With a two day full on program including award presentations, and enough time to network with colleagues and interstate delegates, the conference proves to be a vital tool and source of information to all. Set aside the date for next year, 20 and 21<sup>st</sup> September 2018, back at Bendigo.

eSolutions has been one of the best innovative tools we have for members. The use of this tool continues to grow with many hundreds of responses recorded, and I thank all of our members who take the time out to assist with the requests and responses which in turn assist our colleagues and membership.

## MWOA Events:

We have continued with our events this financial year and because of the timing of the events The 23rd NW&EC held last September is still by far our biggest event, and the Prince of Wales Show grounds in Bendigo certainly provide us with a diversity of options for this huge event. Given the current economic climate, the conference was a huge success and we thank our main sponsor Komatsu, and all other sponsors and delegates for their support and contribution. The incorporated Parks theme to the conference has been well received and has produced another level of networking that continues to build.

The conference was held on the 22nd – 23rd of September 2016, with the conference date for 2017 being 31st August – 1st September at the same location. For 2018 the conference should go back to the 20th and 21st September in Bendigo.



The MWOA golf day was held at Eynesbury on the 3th March with 100 players and once again our main sponsor was Supersealing.



The 52nd Anniversary of the MWOA Annual Dinner was held at Kooyong Tennis Centre on the 4th August.



## MWOA Inc Events Calendar 2017

Golf Day	3 <sup>rd</sup> March	
Ballarat Branch	19 <sup>th</sup> April 12 <sup>th</sup> July 17 <sup>th</sup> November	Christmas Function
Gippsland Branch	7 <sup>th</sup> March 17 <sup>th</sup> October	
Melbourne	8 <sup>th</sup> March 17 <sup>th</sup> May 5 <sup>th</sup> July 4 <sup>th</sup> August 31 <sup>st</sup> August – 1 <sup>st</sup> September 22 <sup>th</sup> November 13 <sup>th</sup> December	Annual Dinner Kooyong Tennis Centre NW&EC Bendigo Victoria AGM
North Eastern	24 <sup>th</sup> May 25 <sup>th</sup> October	
South Western	5 <sup>th</sup> May 28 <sup>th</sup> October	
Wimmera Malley	30 <sup>th</sup> May 31 <sup>st</sup> October	
Central	15 <sup>th</sup> March 15 <sup>th</sup> November	

