



ANNUAL GENERAL MEETING 2023

3.15pm, Wednesday, 30 August 2023

AGENDA

1. Welcome and apologies
2. Confirmation of Minutes of the 2022 Annual General Meeting
3. Presentation of the 2022/2023 Financial Statements
4. Appointment of Auditor
5. President's Address
6. Local Government Professionals Australia (Federation)
7. Amendment to the Rules of Association
8. LGMA Policy Platforms
9. Declaration of Office Bearers
10. Recognition of Membership
11. General Business



1. Welcome and apologies

LGMA President, Andrew Chesterman will open the meeting.

Apologies

The President will present apologies received from members for the meeting. Attendance will be recorded.

Vale

A minute's silence will be observed for the passing of members over the past year.

2. Confirmation of Minutes

The minutes of the 2022 Annual General Meeting, held on Wednesday 7 September 2022 in Gladstone, are attached (Attachment 1).

Recommendation:

It is recommended that the minutes of the 2022 Annual General Meeting held on 7 September 2022 in Gladstone be accepted as a true and accurate record of proceedings.

3. Presentation of the 2022/2023 Financial Statements

The 2022/2023 Financial Statements are presented in Attachment 2. These will be formally presented by Treasurer, Peter Franks.

The statements show LGMA achieved a surplus of \$405,000, holds no debt and has a strong balance sheet, with member equity well above target.

The Management Letter, the LGMA Representation Letter and the Audit Management Letter will each be tabled. The auditor has reported no items to note.

LGMA Queensland administers the Local Government Management Foundation which is a trust created to support research into matters affecting the sector. In 2022/2023, there were no transactions associated with the trust other than the accrual of interest. Financial statements for the Foundation are attached (**Error! Reference source not found.**).

Recommendation:

It is recommended that the Financial Statements for 2022/2023 be adopted as presented.

4. Appointment of Auditor

BTD Consulting provided LGMA's audit service for the first time this year. Principal, Brad Donnelly, has solid experience in not-for-profit and association auditing and this was clear in the understanding he brought to the 2023 audit. BTD Consulting is recommended for reappointment.

Recommendation:

That BTD Consulting be appointed to conduct 2023/2024 audit of LGMA.



5. President's Address

President, Andrew Chesterman's address will be presented at the meeting.

In September 2021 I assumed the Chair at the Annual General Meeting and made three points to our members having just been endorsed as your President.

They were to build on the good advocacy work done to date, particularly in relation to that of a trusted advisor to the legislative decision makers, to build stronger and more strategic relationships with the LGAQ and to be more active in building the next generation of local government officers and leaders.

Despite the challenges which remain in this post-COVID era, I am pleased that we have again made good progress against all of these points of action.

There is no doubt, however, that the national skills shortage, supply chain constraints and an uncertain economy are placing continued pressure on all local governments when we had collectively hoped "post-COVID" meant things should get a little easier. If nothing else, we have learnt that a high degree of resilience should now be in everybody's position description.

Through the work of the organisation and our members, there is a continued importance placed on the value of the LGMA as a vital sounding board and consultation path for the State Government when contemplating legislative changes. Through our ongoing engagement with the State, we have been able to ensure that the voices of local government professionals are heard and considered in matters that directly affect our councils and our communities.

Changes to the way in which the OIA operates have been of particular interest this past year following the Parliamentary Inquiry into the Office of the Independent Assessor and councillor conduct complaints system.

We have also been active participants in the Electoral Commission of Queensland's Local Government Election Advisory Committee, which will continue until the elections in March 2024 when we can expect to see an improvement on the way elections were managed in 2020.

During the year, we consulted with each of the states regarding the future of the National Federation. Following careful consideration of the options by all involved, LG Professionals Australia (National) has been wound up.

We have continued our improved cooperation with the Local Government Association of Queensland (LGAQ) and, as an observer on their Policy Executive, I have been pleased to have been invited to share our views on numerous occasions on a range of matters from industrial relations to legislative change. I thank LGAQ President Mark Jamieson and CEO Alison Smith for that opportunity on our behalf.

The year we undertook a survey of members to determine the level of interest in changing membership eligibility to make us more accessible to future leaders across the state, test the true level of interest in a name change and, of course, see how we are tracking both with members and those who have chosen not to be members.



The results were heartening as they confirmed the direction the Association has taken is the one members want and expect and, perhaps even more importantly demonstrated that the values we espouse are reflected in our approaches and efforts.

Thanks to the level and depth of responses, there were also some areas where members (and non-members) are keen for us to adjust our efforts or new areas to consider. These were all great value-adds although none represented any significant shifts in what we do or how we do it. The Board and LGMA are working through these and, with good financial stability in the organisation, will look to implementing where we can.

In regards the name change – there was minimal appetite for this with members suggesting we were better spending our money and resources elsewhere. But the move for more open membership eligibility was supported and this subsequently endorsed via a Special Resolution – which will be covered later in the AGM.

All in all, 2022-23 has been a highly successful year of change and adjustment for LGMA with new services gaining traction, a shift in the make-up of the organisation and sound foundations for future development and consolidation.

Lastly, I would like to extend my personal appreciation to CEO Peta Irvine and the small yet dedicated team who have worked tirelessly throughout the year. Their unwavering commitment and expertise have enabled us to evolve and adapt to the changing needs and delivery methods within the local government sector. The services they provide, including our new grant funded Governance Advisory Service, continue to be invaluable to hundreds of members and participants, and I am grateful for their outstanding contributions and ability to adapt.

Andrew Chesterman MLGMA

Recommendation:

That the President’s report on the 2022/2023 year be accepted.

6. Local Government Professionals Australia (National)

Local Government Professionals Australia has been wound up due to being financially unsustainable. LGMA representative on the LG Professional Australia Board, Susan Jarvis, will respond to any questions regarding the closure.

7. Amendment to the Rules of Association

LGMA provided notice of a Special Resolution on 15 June 2023 to make a number of changes to the Rules of Association.

The first was to broaden membership to allow anyone working in a local government in Queensland to apply to be a member. Simultaneously, the category of Affiliate member was to be removed.

Members voted in favour of this resolution with around 80% of respondents supporting the change.



The second resolution was to extend the term of the President to a 2 year term with a limit of two consecutive terms. This was supported by 85% of participants in the vote.

The last resolution was to remove references to Local Government Professionals Australia from the Rules. The Rules of Association included requirements about how LGMA appoints delegates to the Board and associated arrangements. This change was supported by 90% of members voting.

Voting on the Resolutions was conducted on 6-7 July 2023 and approximately 40% of eligible members took the opportunity to vote.

The changes to the Rules of Association have been lodged with the Office of Fair Trading.

8. LGMA Policy Platforms

The LGMA policy platforms are tabled for information (Attachment 4).

9. Declaration of Office Bearers

As at this AGM, the following positions became vacant:

- President (term end)
- Director – At Large (term end)

Nominations for these positions were called and ballots held in accordance with the Rules of Association. The results of the Board elections will be officially declared by the Returning Officer.

8. Recognition of Membership

Recognition of Membership Certificates will be presented to members who have held membership for 20, 30, 40 and 50 years.

9. General Business

There are no items of general business tabled at this time.

From the Floor

Members are invited to table items of general business.

Meeting Close



2022 ANNUAL GENERAL MEETING

**3.20pm on Wednesday, 7 September 2022
Gladstone Convention and Entertainment Centre**

MINUTES

1. Welcome and Apologies

Andrew Chesterman opened the meeting at 3.20pm and welcomed all members. Andrew also acknowledged the Traditional Owners of the land on which the meeting was conducted.

Andrew Chesterman asked that all attendees register their attendance via the lists circulating. He noted that a number of apologies had been received and would be noted in the minutes.

A minute's silence was observed for the passing of members during the year.

2. Confirmation of Minutes of the 2021 Annual General Meeting

Andrew Chesterman confirmed that members had received copies of the minutes of the 2021 Annual General Meeting, held on Wednesday, 8 September in Cairns. He sought confirmation that the minutes offered a true and accurate reflection of proceedings.

RESOLVED:

That the minutes of the 2021 Annual General Meeting held on Wednesday, 8 September in Cairns be accepted as a true and accurate record of proceedings.

Moved: Mark Crawley
Seconded: Matthew Magin
Carried: Yes

3. Presentation of the 2021/2022 Financial Statements

The 2021/2022 Financial Statements were circulated to members via email and made available on the LGMA website. Treasurer, Liza Perrett, attending via video conference, presented the 2021/2022 Financial Statements.

LGMA has bounced back well from the disruption of the past few years with a number of the new initiatives introduced taking off and strong responses from partners and councils.

LGMA recorded a strong surplus of \$145,000 which was well over budget.

Training programme performance was hit and miss with some programmes outperforming (Villages, Annual Conference and Rural Management Challenges) and others underperforming (Management Challenge, Ignite and Propeller). Some of this related to timing issues with programmes commencing or closing during the February floods. A number of programmes were delayed or postponed at different stages during the year as COVID and flood impacts continued to be felt across councils.

Key items to note include:

- LGMA received an unqualified audit.
- Revenue was up on last year and almost back to pre-COVID levels.
- It should be noted that revenue reported last year included Job-Keeper payments.
- Expenses were up, particularly in employee expenses with LGMA increasing resourcing to meet returning demand. LGMA currently carries its largest FTE capacity to date and this is expected to grow marginally in the coming year in order to maintain pace with demand for services.
- Other expenses were up on the past year comparison because events were not held in the prior year (for example conference and event expenses include delivery of an annual conference in 2021-22 but did not in 2020-21).
- Key ratios remain in target ranges including member equity, expense ratios and asset ratios.
- Other liabilities are at usual levels for this time of year, reflecting the income received from corporate partners and delegates for the Annual Conference and other events that will occur in the 2022-23 year.
- Cash is running high and the excess will be invested per the LGMA Investment Policy in the near future (looking to take advantage of rising rates).

Trends to note for the coming year include:

- In line with increasing interest rates and associated cost imposts, LGMA is already experiencing cost increases for general activity such as travel, stationery, IT services, venue hire and catering. This will necessarily be reflected in the increase of some programme fees in 2022-23.
- Council Subscriptions will increase in 2022 to reflect the significant additional benefits being offered and extensive take-up by staff across councils. This has been one of the real success stories of the past 2 years and LGMA will look to continue to deliver value and respond to need.

The notes to the accounts include mention of significant current and non-current liabilities which represent a grant payment for the Governance Advisory Service. This service has been largely funded by the State Government and will commence in late September following a launch at conference. It is a two-year grant and the funding has been apportioned accordingly.

In addition to the Financial Statements tabled, members will note that LGMA administers the Local Government Management Foundation which is a trust created to support research into matters affecting the sector. In 2021-2022, there were no transactions associated with the trust other than the accrual of interest. Financial statements for the Foundation were included in the papers

Liza Perrett also tabled the Management Letter which is the attestation from the CEO to the Board and the LGMA Representation Letter which is the attestation from the Board to the Auditor, along with the Audit Management Letter. These indicate that the organisation has a clear and well-maintained records with good oversight by the Board.

Liza moved the Financial Statements for 2021/2022 be adopted as presented.

Liza Perrett invited questions from the floor and, in the absence of questions, moved the financial statements.

RESOLVED:

That the Financial Statements for 2021/2022 be adopted as presented.

Moved: Liza Perrett
Seconded: Ken Timms
Carried: Yes

4. Appointment of Auditor

Andrew Chesterman moved that Brad Donnelly of BTD Consulting be appointed as the auditor for the 2022/2023 financial year

RESOLVED:

That BTD Consulting be appointed as Auditor for the 2022/2023 year.

Moved: Andrew Chesterman
Seconded: Debra Howe
Carried: Yes

5. President's Address

The President, Andrew Chesterman, tabled his report as follows:

I am sure that somewhere in the dictionary and there is a single word that might describe the year that I read over the past two President Reports and, unsurprisingly, found reflections on the years gone by as unprecedented, challenging and tumultuous.

So it's probably not helpful for me to make this a hat-trick in reflections on COVID but rather try to now look ahead and reflect on our sector and what we have done well and where we are going as an association.

We are all now living with COVID and the future is perhaps not what we thought it would be less than three short years ago. Things have changed. And there's no going back.

At the outset, I have been proud to serve the past year as your LGMA President and continue to maintain our strong advocacy for the sector whilst providing stable and continued support for the LGMA organisation and current Board.

As I committed to, we have made an excellent start in building a strong (but differentiated) relationship with the LGAQ and have our voice continue to be heard in policy discussions held with the State when a practitioner's view is paramount. There is more to be done in this area, however, our dialogue with LGAQ's relatively new CEO, Alison Smith, is open and constructive. The Board has reaffirmed the importance of having a strong and engaged LGAQ and will be progressing further discussions with them in this regard.

The Board is also progressing the challenges associated with the role we should play as an Association in broadening our appeal and encouraging and promoting local government as a tremendous career path for our younger members. But there is more to do to grow our voice and relevance to professionals in local government. Our work on the LGMA brand offering and ways we communicate has commenced and you should expect to see more discussion on this in the year ahead, including exploration of members' thoughts on the LGMA name.

The Board has ratified changes to council subscription fees in 2022-23 and a forward plan for future increases. An appropriately staggered pathway to achieve greater differentiation between councils, based on the value they can obtain from their membership, is in place which reflects the extensive range of services offered under the subscription. Whilst in percentage terms some of these increases appear substantial, the reality of the value for money equation is easily demonstrated.

Our National representative, Susan Jarvis, has kept the Board informed of the serious financial position of the LGPA. Their (recently re-elected) President Jonathan Throssell recently informed me that given its unsustainable financial position, it is in the best interests of LG Professionals Australia to close the Canberra office. Administrative action to give effect to this is underway, however, it is important to understand that LG Professionals Australia is not winding up. The LGPA Board is committed to consulting its Members in order to determine the future direction of LG Professionals Australia.

Best practice has boards review their performance and makeup on a semi regular basis. With the turn-over of LGMA Board members, noting they are voted in by Members, individual Board member performance reviews was not seen as a good use of resources. However, looking forward, a new policy is being developed to establish a board review every two years conducted independently by a person with knowledge of local government and good governance processes. The view of a selection of members regarding the performance of the Board and an opinion on the performance of the Board will also be sought.

As all of you know, your LGMA Board is made up of volunteers, committed to the sector. I would like thank my colleagues on the LGMA Board, three of whom are moving on. Liza Perrett, who joined in 2018, will be stepping down from the Board and as LGMA Treasurer to pursue her new role as Governance Advisor within LGMA itself. This meritorious appointment, funded by the State Government for two years, will see her skills and experience benefit those councils that call on her expertise. Linda Cardew, who joined the Board in 2016, and Matthew Magin, in 2017, are also moving on, with Linda now retired and literally sailing off into the sunset. Their contributions and immense experience have been invaluable to LGMA.

I would also like to pay a particular thanks to LGMA CEO Peta Irvine and her small, but dedicated, team for once again navigating a difficult year and continuing to maintain our membership base and respond to the ever-changing work and travel landscape. The Village programme goes from strength to strength, we again have a strong annual conference and our training programmes are well attended. We are in good shape.

Finally, it is with the support of you, our members that we remain in a healthy position to support our sector, and most importantly, the communities we all so proudly serve. I look forward to the year ahead as we continue the betterment of local government and the diverse range of professionals within it.

Thank you.

Andrew Chesterman tabled his report.

RESOLVED

That the President's report on the 2021/2022 year be accepted.

Moved: Greg Chemello

Seconded: Zala Chatur

Carried: Yes

6. Policy Platforms

Andrew Chesterman advised that the LGMA Policy Platforms have been reviewed as they are each year and were circulated to members for information. These offer a transparent mechanism for members and stakeholders to better understand what LGMA believes to be elements critical to good governance of councils.

Members who wish to make comment and encouraged to do so at any time.

7. Local Government Professionals Australia (National)

Andrew Chesterman noted that representatives from Local Government Professionals Australia were unable to be present at this event. In their absence, he tabled the following information from the National President, Jonathon Throssell.

Future of National Office

Facing a challenging financial situation with limited opportunities to remedy at this time, the Board of Local Government Professionals Australia engaged River Road Consulting, (a consulting firm comprising two former National Presidents of LG Professionals Australia - Andrew Wardlaw and Paul West) to undertake a review of the options available to the Board in response to the serious financial sustainability pressures it was facing.

Following consideration of the report, the Board has determined that, given its unsustainable financial position, it is in the best interests of LG Professionals Australia to close the Canberra office with effect from 2 September 2022, and to cease the employment of all National Office staff from this date.

As you would appreciate, this decision was not made lightly. While the Board is now undertaking the administrative action to give effect to the decision to close the office, President gave assurances that LG Professionals Australia is not being wound up. The Board is committed to undertaking consultation with the Members (i.e. state bodies), as soon as possible, in order to determine the future direction of LG Professionals Australia. I'm sure you can appreciate that as a Board comprising volunteers each member is contributing as best he/she can to ensure LG Professionals Australia can continue to represent the interests of Members while transitioning through this difficult period.

Andrew Chesterman advised that LGMA was working closely with the National Board and other states to ensure continuity of service.

RESOLVED

That the LG Professionals Australia advice be noted.

Moved: Mark Crawley

Seconded: Rachel Brophy

Carried: Yes

Andrew Chesterman vacated the Chair and invited Peta Irvine, in her capacity as Returning Officer, to take the floor.

8. Declaration of Office Bearers

Peta Irvine provided the following election report:

Five positions were vacant. These were the positions of President, SQ Director, CQ Director, NQ Director and Director at Large.

Nominations

The nomination period opened on 4 July 2022 and closed on Friday 3 August 2022. Eligible members were notified via email and nominations were accepted via email, post and fax.

The following nominations were received:

Position Nominated	Nominee
President	Andrew Chesterman
Director SQ	Daniel Fletcher Cassie White
Director NQ	Rachel Brophy Kylie Lamb
Director CQ	Daniel Wagner
Director (at large)	Susan Jarvis Mica Martin

A ballot was prepared for the positions of Director at large, SQ Director and NQ Director and forwarded to members via email ballot (using Survey Monkey) on 4 August 2022. The election closed at 3pm on 2 September 2022 and the returning officer closed the ballot and downloaded the results.

In accordance with Rule 11.7 (1) (b) of the LGMA Qld Rules of Association, where there is only one valid nomination for each position, the nominated persons are taken to be elected to that position.

On that basis, President, Andrew Chesterman and incoming Director CQ, Daniel Wagner are elected unopposed.

As a result of the ballot process, the newly elected SQ Director is Daniel Fletcher, NQ Director is Rachel Brophy and returning to the At-Large role is Susan Jarvis.

Peta Irvine congratulated all board members and stated that she looked forward to working with each over the coming year.

Peta Irvine asked for a member to move that new Board be endorsed.

RESOLVED

That the Election report for 2022 be received and the successful candidates taken as elected.

Moved: Mark Crawley

Seconded: Matthew Magin

Carried: Yes

Andrew Chesterman resumed the Chair

Andrew acknowledged members and the Board.

He welcomed the new Board members, Daniel Fletcher, Daniel Wagner and Rachel Brophy.

He thanked outgoing directors, Matthew Magin, Linda Cardew and Liza Perrett, noting the significant contribution each has made during their time on the Board.

9. Recognition of Membership

Andrew Chesterman stated that it was his pleasure to recognise members who have shown an ongoing commitment to LGMA Queensland and the sector over many years through the presentation of Recognition of Membership Certificates.

Certificates were awarded to the following members:

20 Years	30 Years	40 Years	50 Years
Mark Pitt	Ray Geraghty	Ray Burton	Geoff Redman
Peter Franks		Len Lee	

Geoff Redman was on hand to accept his certificate and noted his long and valued association with IMM and its successors.

Andrew Chesterman advised that this year, the Board had identified two members whose contribution it felt was worthy of special recognition through the decision to confer Fellow Status.

The first was Evan Pardon. Evan has held membership since 2006 and in that time has made a considerable contribution to the sector and LGMA. Not only has he been an avid supporter of programmes, especially the rural management challenge, but he has been a regular presenter at the Executive Management Programme and does a great job facilitating the CEO Forums. This is in addition to the contribution he makes of LGMA's advocacy work and input into critical matters.

Congratulations Evan and well deserved.

The second person to be conferred Fellow status was Liza Perrett. Liza has been a member since 2009. She first learnt about LGMA when she was part of the inaugural Propellor Programme and became an affiliate member. Liza joined the Board in 2018 and she has been an absolute workhorse since. She has taken on the risk work and led the Board through the development of a much-improved risk framework. She steps in whenever needed and has been a great contributor to our discussions.

Andrew thanked Liza and welcomed her as a Fellow.

10. General Business

Tenure of President

Andrew Chesterman raised the matter of tenure of the Presidency. He noted the disruption caused by single year terms with a maximum of 2 terms to be served concurrently. He advised that the CEO reported that this was highly disruptive and had recommended consideration of two-year terms with a limit of two terms able to be served consecutively.

He asked members to consider this matter and, if there was general agreement, the CEO would work up proposed constitution changes for consideration at the 2023 AGM.

A number of members suggested that this approach sounded sensible and there was no dissenting position expressed. However, members were invited to consider at leisure and provide advice back to Board members or the CEO.

Local Government Conference Location

Andrew Chesterman advised that in a recent Board meeting, Peter Franks raised the matter of conference location. Peter's concern is that while it is great to travel to other locations, costs and time commitments are increased when the conference is not in SEQ. His recommendation to the Board is that LGMA look

to host conferences in SEQ and perhaps Cairns to make them more accessible to a greater number of people.

Andrew invited views from the floor and a number of attendees made comment.

Comments included:

- the value that regional areas get from a major conference such as this one;
- the benefits of travelling for a conference where collegiality builds connection to the sector and LGMA;
- the opportunity afforded to visit the area and see how council in those areas conduct their business;
- additional costs do limit attendance (time and money);
- difficulty in finding any area which is convenient;
- suggestion of every second year in SEQ.

Andrew thanked all for their comments and invited further comment to either Directors or the CEO at any time.

LGMA Name

Andrew Chesterman advised that LGMA was doing significant work in relation to its strategic offering and brand and that some of these changes were being implemented through the website. This discussion has led to reconsideration of the LGMA name.

When the other states changed name to LG Professionals Australia, for a range of reasons it was not considered the right time for LGMA to change names. The CEO also made the case at that time for not changing to the same name as other states.

Andrew advised that the Board was seeking to open discussion on this matter and ascertain member views.

There were a number of conflicting views from the floor about the use of Local Government Professionals. There was also a general sense that delegates felt a literal name was appropriate (as opposed to an emotive or metaphorical name).

Andrew thanked all for their comments and invited further comment to either Directors or the CEO at any time. He noted that LGMA would run focus groups on options in the coming year.

From the Floor

Members were invited to table items of general business.

Meeting Close

In the absence of any other General Business, the meeting closed at 4.05pm and Andrew thanked everyone for their attendance.

Attendance

Name	Organisation	Name	Organisation
Robert Andrews	Brisbane City Council	Heather Kelly	Cook Shire Council
Rachel Brophy	Douglas Shire Council	David Keenan	Mount Isa Regional Council
Zala Chatur	Cherbourg Aboriginal Shire Council	Kylie Lamb	Mackay Regional Council
Greg Chemello	Moreton Bay Regional Council	Kylie Lee	Gladstone Regional Council
Andrew Chesterman	Redland City Council	Matthew Magin	Balonne Shire Council
Mark Crawley	Carpentaria Shire Council	Mica Martin	Cairns Regional Council
Cale Dendle	Livingstone Shire Council	Scott Mead	Mead Perry Group
Kim Driver	Sunshine Coast Council	Gary Murphy	Southern Downs Regional Council
Leisa Dowling	Gladstone Regional Council	Liza Perrett	(via video)
Daniel Fletcher	Western Downs Regional Council	Venkat Peteti	Banana Shire Council
Mark Francis	Gladstone Regional Council	Carly Quinn	Gladstone Regional Council
Dianne Francisco	Balonne Shire Council	Geoff Redman	Redman Solutions
Lisa Golding	Douglas Shire Council	Sara Roberts	Douglas Shire Council
Siobhan Goodhew	Fraser Coast Regional Council	Ken Timms	Etheridge Shire Council
Donna Gregory	Moreton Bay Regional Council	Daniel Wagner	Isaac Regional Council
Justin Hancock	Quilpie Shire Council	Cassie White	Paroo Shire Council
Luke Hannan	Somerset Regional Council		
Sharon Houlihan	Central Highlands Regional Council	GUESTS (non-member)	
Debra Howe	Scenic Rim Regional Council	Ben Hill	Carpentaria Shire Council
Peta Irvine	LGMA	Monique Whitewood	Redland City Council

Apologies

Name	Name	Name
Noel Cass	Scott Mason	John Perry
Ray Currie	Joe McCabe	Mark Pitt
Bradley Duke	John Oberhardt	Chris Rose
Peter Franks	Herb Oliver	Russell Schuler
Susan Jarvis	Bryan Ottone	Gary Stevenson
Mark Kelleher	Evan Pardon	Emma Thomas

LOCAL GOVERNMENT MANAGERS AUSTRALIA (QLD) INC.

ABN 97 968 931 841

AUDITED FINANCIAL REPORT

30 JUNE 2023

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LOCAL GOVERNMENT MANAGERS AUSTRALIA (QLD) INC.

ABN 97 968 931 841

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023**

	Notes	2023 \$	2022 \$
Revenue	4	1,848,126	1,156,895
Employee benefits expense		(848,170)	(587,798)
Conference and event expenses		(171,750)	(171,449)
Professional development and training		(197,140)	(90,913)
Member servicing costs		(111,840)	(72,620)
Office accommodation		(38,719)	(37,174)
Computer and internet expenses		(25,703)	(14,055)
Depreciation		(3,690)	(3,815)
Other expenses		(34,701)	(33,576)
Profit before Income Tax		416,413	145,495
Income tax expense		(10,645)	(241)
Profit for the year		405,768	145,254
Other comprehensive income for the year		0	0
Total Other comprehensive income for the year		0	0
Total comprehensive income for the year		405,768	145,254

The accompanying notes form part of these financial statements.

LOCAL GOVERNMENT MANAGERS AUSTRALIA (QLD) INC.

ABN 97 968 931 841

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Notes	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	1,066,886	1,124,446
Other cash investments	6	1,682,153	1,153,266
Trade and other receivables	7	73,258	98,848
Other current assets	8	58,913	27,367
TOTAL CURRENT ASSETS		<u>2,881,210</u>	<u>2,403,927</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	5,165	5,500
TOTAL NON-CURRENT ASSETS		<u>5,165</u>	<u>5,500</u>
TOTAL ASSETS		<u>2,886,375</u>	<u>2,409,427</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	70,457	75,699
Employee benefits	11	210,045	168,027
Current tax liabilities		10,645	505
Other current liabilities	12	819,760	574,311
TOTAL CURRENT LIABILITIES		<u>1,110,907</u>	<u>818,542</u>
NON-CURRENT LIABILITIES			
Employee benefits	11	0	19,670
Other liabilities	12	0	201,515
TOTAL NON-CURRENT LIABILITIES		<u>0</u>	<u>221,185</u>
TOTAL LIABILITIES		<u>1,110,907</u>	<u>1,039,737</u>
NET ASSETS		<u>1,775,468</u>	<u>1,369,700</u>
MEMBERS' FUNDS			
Retained earnings	13	1,525,468	1,369,700
Accommodation reserve	13	250,000	0
TOTAL EQUITY		<u>1,775,468</u>	<u>1,369,700</u>

The accompanying notes form part of these financial statements.

LOCAL GOVERNMENT MANAGERS AUSTRALIA (QLD) INC.

ABN 97 968 931 841

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023**

	Retained Earnings \$	Reserves \$	Total \$
Balance at 1 July 2021	1,224,446	0	1,224,446
Surplus for year attributable to members	<u>145,254</u>	<u>0</u>	<u>145,254</u>
Balance at 30 June 2022	<u>1,369,700</u>	<u>0</u>	<u>1,369,700</u>
Profit for year attributable to members	405,768	0	405,768
Transfer to Accommodation reserve	<u>(250,000)</u>	<u>250,000</u>	<u>0</u>
Balance at 30 June 2023	<u>1,525,468</u>	<u>250,000</u>	<u>1,775,468</u>

The accompanying notes form part of these financial statements.

LOCAL GOVERNMENT MANAGERS AUSTRALIA (QLD) INC.

ABN 97 968 931 841

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023**

	Notes	2023	2022
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		1,806,671	1,155,885
Payments to suppliers and employees		(1,399,824)	(494,856)
Interest received		67,045	5,180
Income tax refunded/(paid)		<u>790</u>	<u>0</u>
Net cash provided by operating activities	15(b)	<u>474,682</u>	<u>666,209</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(3,355)	(6,776)
Payments to cash investments		<u>(528,887)</u>	<u>(2,984)</u>
Net cash (used in) investing activities		<u>(532,242)</u>	<u>(9,760)</u>
Net (decrease)/increase in cash held		(57,560)	656,449
Cash and cash equivalents at beginning of year		<u>1,124,446</u>	<u>467,997</u>
Cash and cash equivalents at end of financial year	15(a)	<u>1,066,886</u>	<u>1,124,446</u>

The accompanying notes form part of these financial statements.

LOCAL GOVERNMENT MANAGERS AUSTRALIA (QLD) INC.

ABN 97 968 931 841

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

The financial report covers Local Government Managers Australia (QLD) Inc. as an individual entity. Local Government Managers Australia (QLD) Inc. is a not-for profit association incorporated in Queensland under the *Associations Incorporations Act 1981* (as amended by the *Associations Incorporation and Other Legislation Amendment Act (QLD) 2020*) and have been prepared to meet the needs of the members of the board.

The principal activities of the association for the year ended 30 June 2023 were to provide education, advocacy and information services to members.

NOTE 1 - BASIS OF PREPARATION

This financial report is a special purpose financial report prepared in accordance with the requirements of Australian Accounting Standards and the requirements of the *Associations Incorporation Act (QLD) 1981* (as amended by the *Associations Incorporation and Other Legislation Amendment Act (QLD) 2020*) in order to satisfy the financial reporting requirements of Local Government Managers Australia (QLD) Inc. The members of the board have determined that Local Government Managers Australia (QLD) Inc. is not a reporting entity.

The financial statements, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value.

Significant accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Revenue recognition

Revenue is recognised as follows:

Income from conferences, events, training and professional development

Revenue from conferences and other events (including related sponsorship income) is recognised in the period in which the conference or event is held. Any income received in advance of the conference or event is included within other liabilities.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

Subscriptions

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the subscription period. That portion of the subscription relating to the subsequent financial period is included within other liabilities. Admission fees are recognised when received.

Grant revenue

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met.

Interest revenue

Interest revenue is recognised when earned.

All revenue is stated net of the amount of goods and services tax payable (GST) where applicable.

(b) Impairment of Assets

At the end of each reporting period, the association determines whether there is evidence of an impairment indicator for non-financial assets. Where this indication exists the recoverable amount of the asset is estimated. Where the recoverable amount of an asset is less than the carrying amount, an impairment loss is recognized in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on deposit with a maturity of three months or less and cash at bank. Term deposits with original maturities of more than three months are classified as other cash investments.

(d) Leases

The association has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months. Lease payments on these assets are expensed to profit or loss as incurred.

(e) Income Tax

Only non member income of the association is assessable for tax, as member income is executed under the principle of mutuality.

The income tax expense for the year comprises current income tax expense and deferred tax expense.

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities are therefore measured at the amounts expected to be paid to the relevant taxation authority.

(f) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. Receivables and payables are stated inclusive of GST.

(g) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The association has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

(h) Employee benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. The board of management do not make any adjustments related to expected pay increases or the time value of money as the net effect of these factors is not considered significant. Changes in the measurement of the liability are recognised in profit or loss.

Employee benefits are presented as current liabilities in the statement of financial position if the association does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

LOCAL GOVERNMENT MANAGERS AUSTRALIA (QLD) INC.

ABN 97 968 931 841

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(i) Trade and other payables

These amounts represent liabilities for goods and services provided to the association prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(j) Plant and equipment

Plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment.

Depreciation

Plant and equipment is depreciated on a straight-line basis over the assets useful life to the association, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

<i>Fixed asset class</i>	<i>Depreciation rate</i>
--------------------------	--------------------------

Office Equipment	30%
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At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount.

These gains or losses are included in the statement of profit or loss and other comprehensive income.

(k) Adoption of New and Revised Accounting Standards

Local Government Managers Australia (QLD) Inc. has adopted all standards which became effective for the first time at 30 June 2023. The adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the association.

NOTE 3 - CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The board of management make estimates and judgements during the preparation of this financial report regarding assumptions about current and future events affecting transactions and balances. These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

Key estimates - revenue recognition

The association provides training and professional development programs which can span more than one reporting period. In 2022 funding was received to establish a Local Government Governance Advisor for a two year period commencing during the 2022 year. Recognition of revenue in relation to these activities involves estimation of the degree of completeness of the delivery of the related service. The assumptions made are based on the information available to management at the reporting date, however future changes or additional information may mean the expected revenue recognition pattern has to be amended.

Key estimates - income tax provision

Some of the association's income is taxable. Judgement is required in determining the provision for income tax. The association recognises a tax liability based upon its current understanding of tax law. Where the final tax outcome is different from initial estimate, such differences will impact the tax charge and provision in the period in which determination is made.

Key estimates - receivables

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

LOCAL GOVERNMENT MANAGERS AUSTRALIA (QLD) INC.

ABN 97 968 931 841

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	\$	\$
NOTE 4 – REVENUE		
Member subscriptions and admission fees	363,711	312,416
Provision of member services	217,836	70,954
Interest income	67,045	5,180
Conferences and events income	415,436	344,542
Professional development and training	778,677	423,698
Other trading revenue	5,421	105
	<u>1,848,126</u>	<u>1,156,895</u>
NOTE 5 – CASH AND CASH EQUIVALENTS		
Cash at bank and in hand	<u>1,066,886</u>	<u>1,124,446</u>
	<u>1,066,886</u>	<u>1,124,446</u>
NOTE 6 – OTHER CASH INVESTMENTS		
Bank term deposits	<u>1,682,153</u>	<u>1,153,266</u>
	<u>1,682,153</u>	<u>1,153,266</u>
NOTE 7 – TRADE AND OTHER RECEIVABLES		
Trade receivables	<u>73,258</u>	<u>98,848</u>
	<u>73,258</u>	<u>98,848</u>
NOTE 8 – OTHER ASSETS		
Prepayments	42,632	24,233
Accrued interest on term deposit	16,281	2,934
	<u>58,913</u>	<u>27,367</u>
NOTE 9 – PROPERTY, PLANT & EQUIPMENT		
Plant and equipment		
Office equipment – at cost	19,948	26,144
Less: Accumulated Depreciation	<u>(14,783)</u>	<u>(20,644)</u>
Total plant and equipment	<u>5,165</u>	<u>5,500</u>
	Office	Total
Movement in the carrying amounts of plant and equipment in the current financial year	Equipment	\$
	\$	\$
Balance at the beginning of year	5,500	5,500
Additions	3,355	3,355
Accumulated depreciation	<u>(3,690)</u>	<u>(3,690)</u>
	<u>5,165</u>	<u>5,165</u>

LOCAL GOVERNMENT MANAGERS AUSTRALIA (QLD) INC.

ABN 97 968 931 841

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	\$	\$
NOTE 10 – TRADE AND OTHER PAYABLES-Current		
Trade payables	5,352	1,098
GST payable	31,688	40,845
LG Manager of the Year Award liability	15,032	24,068
Other payables	18,385	9,688
	<u>70,457</u>	<u>75,699</u>
NOTE 11 – EMPLOYEE BENEFITS		
Current liabilities		
Annual leave	75,634	71,367
Long service leave	134,411	96,660
	<u>210,045</u>	<u>168,027</u>
Non-current liabilities		
Long service leave	<u>0</u>	<u>19,670</u>
NOTE 12 – OTHER LIABILITIES		
CURRENT		
Income received in advance	611,033	430,371
Local government governance advisor funding to be expended	208,727	143,939
	<u>819,760</u>	<u>574,310</u>
NON-CURRENT		
Local government governance advisor funding to be expended	<u>0</u>	<u>201,515</u>
<p>The above amounts relate to sponsorship and other income which has been billed in advance in relation to future events or services yet to be supplied at the year end. During the 2022 year the association received an amount of \$345,454 to support the establishing a Local Government Governance Advisor for a two year period commencing in September 2022 when advisor position was filled. The balance remaining unexpended at 30 June 2023 is recognised as a current liability.</p>		
NOTE 13 - RETAINED EARNINGS & RESERVES		
Retained Earnings		
Balance at beginning of year	1,369,700	1,224,446
Add: Surplus for the year	405,768	145,254
Less: Transfer to accommodation reserve	(250,000)	0
Balance at end of year	<u>1,525,468</u>	<u>1,369,700</u>
Accommodation Reserve		
Transfer from retained earnings during the 2023 year	<u>250,000</u>	<u>0</u>

LOCAL GOVERNMENT MANAGERS AUSTRALIA (QLD) INC.

ABN 97 968 931 841

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
NOTE 14 – AUDITORS’ REMUNERATION		
Remuneration of the auditor for:		
- auditing or reviewing the financial statements	6,200	5,967
- assistance with the preparation of the financial statements	3,000	2,958
	<u>9,200</u>	<u>8,925</u>
NOTE 15 – CASH FLOW INFORMATION		
(a) Reconciliation of Cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash at bank	1,066,720	1,124,280
Cash on hand	166	166
	<u>1,066,886</u>	<u>1,124,446</u>
(b) Reconciliation of cash flow from operations with Operating Profit after income tax		
Operating Profit attributed to members for year	405,768	145,254
Non-cash flows in operating surplus from ordinary activities		
Depreciation	3,690	3,815
Increase in income tax payable	10,140	505
Changes in assets and liabilities		
Decrease in receivables	25,590	4,170
(Increase)/decrease in prepayments	(31,546)	5,387
(Decrease)/increase in trade and other payables	(5,242)	22,479
Increase in other liabilities	43,934	469,243
Increase in employee provisions	22,348	15,356
Net cash flows provided by operating activities	<u>474,682</u>	<u>666,209</u>

NOTE 16 - CONTINGENCIES

The association has given a bank guarantee of \$380,000 to The Department of State Development, Infrastructure, Local Government and Planning as security for the association's obligations in relation to the agreement under which the association will provide a Local Government Governance Advisor. This guarantee expires 30 June 2024.

In the opinion of the board of management, the association did not have any other contingencies at 30 June 2023 (30 June 2022:Nil).

NOTE 17 – EVENTS OCCURRING AFTER THE REPORTING DATE

No matter or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the association, the results of those operations or the state of affairs of the association in future financial years.

LOCAL GOVERNMENT MANAGERS AUSTRALIA (QLD) INC.

ABN 97 968 931 841

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTE 18 – ASSOCIATION DETAILS

The registered office and principal place of business of the association is:

Local Government Managers Australia (QLD) Inc.
Level 7 Quay Central
95 North Quay, Brisbane QLD 4000

NOTE 19 – KEY MANAGEMENT PERSONNEL REMUNERATION

The total remuneration paid to key management personnel responsible for managing and directing the association during the year:

Short-term employee benefits	(2023) \$258,789
Post-employment benefits	(2023) \$ 0

NOTE 20 – RELATED PARTY INFORMATION

The following members of the board of management held office during the financial year:

Andrew Chesterman – President
Rob Andrews - Deputy-President
Peter Franks - Treasurer (from September 2022)
Liza Perrett - Treasurer (to September 2022)
Debra Howe
Rachel Brophy
Daniel Fletcher
Susan Jarvis
Daniel Wagner
Matthew Magin

No board of management member, directly or indirectly received or is due to receive remuneration from the association or any related party in connection with the management of the association. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

LOCAL GOVERNMENT MANAGERS AUSTRALIA (QLD) INC.

ABN 97 968 931 841

STATEMENT BY MEMBERS OF THE BOARD OF MANANGEMENT

The board of management have determined that the association is not a reporting association and that this special purpose financial report should be prepared in accordance with the accounting policies per Note 2 of the financial statements.

In the opinion of the board the financial report as set out on pages 1 to 11:

1. Presents fairly the financial position of the Local Government Managers Australia (QLD) Inc. as at 30 June 2023 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that the Local Government Managers Australia (QLD) Inc. will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the board and is signed for and on behalf of the board by.



Andrew Chesterman
President



Peter Franks
Treasurer

Dated this 24th day of July 2023, Brisbane



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LOCAL GOVERNMENT MANAGERS AUSTRALIA (QLD) INC.

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Local Government Managers Australia (QLD) Inc. (the association), which comprises the statement of financial position as at 30 June 2023 and 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 statement by members of the board of management.

In our opinion, the accompanying financial report has been prepared to:

- (a) give a true and fair view of the association's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (b) comply with Australian Accounting Standards to the extent described in Note 2, and the requirements of the *Associations Incorporations Act (QLD) 1981* (as amended by the *Associations Incorporation and Other Legislation Amendment Act (QLD) 2020*).

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 Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Committee'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 ethical 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the association in complying with the reporting requirements of the *Associations Incorporations Act (QLD) 1981* (as amended by the *Associations Incorporation and Other Legislation Amendment Act (QLD) 2020*). As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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

The board and management are responsible for the preparation of the financial report that gives a true and fair view in accordance with *Associations Incorporations Act (QLD) 1981* (as amended by the *Associations Incorporation and Other Legislation Amendment Act (QLD) 2020*) and Australian Accounting Standards, and for such internal control as the board and management determines is necessary to enable the preparation of the financial report is free from material misstatement whether due to fraud or error.

In preparing the financial report, the board members are responsible for assessing the association'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 association or to cease operations, or has no realistic alternative but to do so.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LOCAL GOVERNMENT MANAGERS AUSTRALIA (QLD) INC.

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.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the association to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Brad Donnelly
BTD Consulting Pty Ltd
Chartered Accountants
BRISBANE

Dated this 25th day of July 2023

Queensland Local Government Management Foundation

Financial Statements

For the Year Ended 30 June 2023

Queensland Local Government Management Foundation

Contents

For the Year Ended 30 June 2023

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Queensland Local Government Management Foundation

Income Statement

For the Year Ended 30 June 2023

	2023	2022
	\$	\$
Income		
Interest income	8,579	1,399
Total income	<u>8,579</u>	<u>1,399</u>
Surplus for the year	<u>8,579</u>	<u>1,399</u>

The accompanying notes form part of these financial statements.

Queensland Local Government Management Foundation

Statement of Financial Position

As At 30 June 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	294,314	287,600
Accrued interest on term deposit		<u>2,607</u>	<u>682</u>
TOTAL CURRENT ASSETS		<u>296,921</u>	<u>288,342</u>
TOTAL ASSETS		<u>296,921</u>	<u>288,342</u>
NET ASSETS		<u>296,921</u>	<u>288,342</u>
EQUITY			
Settlement sum		10	10
Retained earnings	4	<u>296,911</u>	<u>288,332</u>
TOTAL EQUITY		<u>296,921</u>	<u>288,342</u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2023

1 Basis of Preparation

The trustees of the Foundation believe the not for profit Foundation is a non reporting entity because there are no users dependent on general purpose financial reports. These financial statements are therefore a special purpose financial report that has been prepared in order to meet the requirements of the trustees.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below which the trustees have determined are appropriate to meet the purposes of preparation.

The financial statements have been prepared on an accruals basis and are based on historical costs.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Revenue recognition

Revenue is recognised as follows:

Interest revenue

Interest is recognised when receivable.

(b) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(c) Income Tax

The Foundation is an income tax exempt charitable entity under Division 50 of the *Income Tax Assessment Act 1997*.

(d) Goods and Services Tax (GST)

The Foundation is not registered for GST.

Queensland Local Government Management Foundation

Notes to the Financial Statements

For the Year Ended 30 June 2023

3 Cash and cash equivalents

	2023	2022
	\$	\$
Cash deposit account	23,971	23,923
Bank term deposit	270,343	263,737
	<u>294,314</u>	<u>287,660</u>

4 Retained Earnings

Retained earnings at the beginning of the financial year	288,332	286,933
Surplus for the year	8,579	1,399
Retained earnings at end of the financial year	<u>296,911</u>	<u>288,332</u>

5 Contingencies

In the opinion of the trustees, the Foundation did not have any contingencies at 30 June 2023 (30 June 2022:None).

6 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Foundation, the results of those operations or the state of affairs of the Foundation in future financial years.

7 Related Party Information

The following members of the board of management held office during the financial year:

Andrew Chesterman – President
Rob Andrews - Deputy-President
Peter Franks - Treasurer (from September 2022)
Liza Perrett - Treasurer (to September 2022)
Debra Howe
Rachel Brophy
Daniel Fletcher
Susan Jarvis
Daniel Wagner
Linda Cardew

No board of management member, directly or indirectly received or is due to receive remuneration from the association or any related party in connection with the management of the association. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Queensland Local Government Management Foundation

Trustee's Declaration

The trustees have determined that the Foundation is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

The trustees declare that:

1. The financial statements and notes, as set out on pages 1 to 4, present fairly the Foundation's financial position as at 30 June 2023 and its performance for the year ended on that date in accordance with the accounting policies described in Note 2 to the financial statements; and
2. In the trustee's opinion, there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the trustees of the Foundation.

Trustee 
Andrew Chesterman

Trustee 
Peter Franks

Dated: 24/07/2023



Queensland Local Government Management Foundation

Compilation Report

For the Year Ended 30 June 2023

We have compiled the accompanying financial statements of Queensland Local Government Management Foundation, which comprise the statement of financial position as at 30 June 2023, and the income statement for the year then ended, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in the notes to the accounts.

The Responsibility of the Board of Management

The Board of Management of Queensland Local Government Management Foundation is solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that the financial statements were prepared.

Our Responsibility

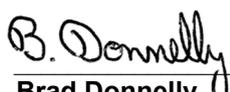
On the basis of the information provided by the Board of Management we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting and APES 315: *Compilation of Financial Information*.

We have applied our professional expertise in accounting and financial reporting to assist management in the preparation and presentation of these financial statements in accordance with the basis of accounting described in the notes to the financial statements. We have complied with the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants*.

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the Board of Management who are responsible for the reliability, accuracy and completeness of the information used to compile them. Accordingly, these special purpose financial statements may not be suitable for other purposes. We do not accept responsibility for the contents of the special purpose financial statements.


Brad Donnelly
BTD Consulting Pty Ltd
Chartered Accountants
BRISBANE

Dated this 25th day of July 2023



POLICY PLATFORMS

Introduction

LGMA Queensland leads, advocates for and supports local government managers through actively contributing to the advancement of local government in the state. In fulfilling this role, LGMA:

- advocates for the interests of members through representation to government, industry and other stakeholders;
- maintains watching briefs on issues of interest to members; and
- facilitates communication and the provision of information and expert advice to members, government and stakeholders.

The local government sector encompasses a wide range of interests and issues. Some are of direct relevance to the role of local government officers, some relate only to elected members, some are relevant to specific technical areas and some overlap many areas or affect the operation of local government as a sector.

LGMA Queensland is conscious that there will be a diversity of views amongst members. In undertaking to represent its members, LGMA Queensland seeks to represent the collective view of members and will therefore consult widely with members in the development of submissions, briefs and policy statements. LGMA Queensland is not a political entity and does not approach its representation from a political angle. Specifically, LGMA Queensland is not an industrial advocate and does not seek to represent individual members in employment matters, although it will advocate about general employment conditions in the interests of ensuring professional managers are attracted and retained in the sector.

In the interests of transparency, the Board of LGMA Queensland has determined to publish the key policy platforms which LGMA Queensland seeks to promote and achieve for local government in the state. These platforms reflect the preferred position of LGMA Queensland on current issues facing local government practitioners. Through the implementation of the positions identified, LGMA Queensland seeks to create the most effective and appropriate working environment for local government officers and best practice in local government. This may be through legislative, funding, operational and/or other elements of local government.

The overarching principles applying to the development of these platforms ensure that future advocacy and representation is appropriate to member needs and enhances LGMA Queensland's credibility as a professional, member-representative organisation. They provide stakeholders with a clear understanding of LGMA Queensland's stance.

These policy platforms sit under the LGMA Queensland Strategic Plan as adopted by the Board of Directors in November 2014 and as amended from time to time. The Policy Platforms will be reviewed and amended on a regular basis to reflect the changing nature of Queensland local government and the needs of LGMA Queensland members. They are not exhaustive and LGMA may undertake lobbying activities in areas not listed in order to respond to emerging issues and challenges.

For ease of understanding, Policy Platforms have been divided into three categories:

- **Sector-Wide Context** –issues impacting on the wider operation of local government.
- **Legislative framework** –the legislative environment within which local governments officers operate.
- **Officer environment** –issues which directly affect well-being and quality of working life.

1.0 Sector Wide Context

The business of local government covers many areas and disciplines and it is incumbent on officers to keep abreast of best practice initiatives and trends. However, local government officers are the experts in their own fields and through LGMA Queensland have a key role to play in shaping and developing those best practice initiatives as applied to the sector. Therefore, LGMA Queensland will represent members' knowledge and experience across a range of issues to ensure that initiatives support better operation, recognising the innovative and effective solutions developed within the sector.

LGMA Queensland will monitor and advise on national and international trends that may affect the operation of local government in Queensland. Issues such as climate change, skills and labour shortages, constitutional reform, natural disasters (including pandemics) and cost shifting, can all have significant impacts on the delivery of local government services.

The position of LGMA Queensland in relation to such issues is outlined in the table below and reflects the key objective of supporting and developing a dynamic, accountable, responsive and effective local government system in Queensland.

Theme	Element	Adopted Position
1.1 Continuous Improvement	1.1.1 Collaboration	1.1.1.1 LGMA Queensland supports formal and informal arrangements between neighbouring Councils which aim to provide efficiencies in service delivery and improve effectiveness of decision making.
		1.1.1.2 LGMA Queensland supports the notion that Local Government is a key stakeholder in regional development and should be a key partner in initiatives of either the Commonwealth or State Governments.
	1.1.2 Local Government Reform	1.1.2.1 LGMA Queensland facilitates members' continued input into reform processes through information and exploration sessions.
		1.1.2.2 LGMA Queensland establishes communications with the Government and the Opposition on reform issues.
		1.1.2.3 LGMA Queensland advocates for sufficient resources to effectively manage the impact of reform on local government officers.
	1.1.3 Governance	1.1.3.1 LGMA Queensland supports the coordinated delivery of training to officers in contemporary corporate governance practice by the Department of Local Government as a complement to the training delivered by LGMA Queensland and notes that, where possible co-delivery is a preferred option.
1.1.3.2 LGMA Queensland supports LGAQ and others in efforts to improve skills and knowledge of Councillors, particularly relating to the suite of contemporary corporate governance responsibilities.		

	1.1.4 Cost Shifting	1.1.4.1 LGMA Queensland advocates for the full funding of mandates and other responsibilities shifted from Commonwealth and State Governments to local government.
	1.1.5 Constitutional Recognition	1.1.5.1 LGMA Queensland advocates for recognition of Local Government in the Constitution of Australia.
	1.1.6 Performance measurement and reporting	<p>1.1.6.1 LGMA Queensland supports appropriate and consistent measurement and reporting of the performance of local government.</p> <p>1.1.6.2 LGMA Queensland supports the publication of reports and data that enable more informed judgements about the comparative performance of local government by interested parties.</p>
	1.1.7 Labour Market Equity/Gender Balance	<p>1.1.7.1 LGMA Queensland advocates for merit-based appointments to vacancies in local government.</p> <p>1.1.7.2 LGMA Queensland supports the principles of Equal Employment Opportunity.</p> <p>1.1.7.3 LGMA Queensland advocates that gender balance issues in local government should be addressed.</p>
	1.1.8 Financial Self-Sufficiency	<p>1.1.8.1 LGMA Queensland believes that local governments should seek to increase own-source revenue and to become less reliant on government funds to cover operating expenditure.</p> <p>1.1.8.2 LGMA Queensland advocates for the removal of any legislative or policy barriers (e.g. rate pegging, or developer contribution caps) that might inhibit own-source revenue generation.</p> <p>1.1.8.3 LGMA Queensland supports local governments owning, investing in and/or operating, commercial, revenue-raising ventures provided that proper due diligence has been employed and decisions to proceed taken in the overall public interest.</p> <p>1.1.8.4 LGMA Queensland recognises that Queensland is a vast State and that circumstances apply differently in different areas, particularly rural and remote locations.</p>

	<p>1.1.9 Best Value Service Delivery</p>	<p>1.1.9.1 LGMA Queensland believes that local government services are most effectively delivered using a mix of in-house (day labour) staff and outsourced providers (contractors and consultants), but absolutely supports the right of individual local governments (or collectives representing local governments) having the freedom to determine the best value means of delivering services to their communities.</p> <p>1.1.9.2 To avoid doubt, the term "best value" recognises that individual local governments may choose criteria other than simply service cost or effectiveness/efficiency to determine a method of service delivery that is in the overall public interest. For example, rural and remote communities might choose to favour local employment opportunity through day labour services to ensure stability in the local population.</p> <p>1.1.9.3 LGMA Queensland recognises that local government employees (including its own members) may be affected by decisions of local governments to choose to deliver services by means other than employed staff and advocates that suitable protections (i.e. redundancy provisions) exist in industrial agreements and employment contracts to compensate employees in such circumstances.</p>
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2.0 Legislative Framework

The broad objectives governing LGMA Queensland’s approach to the regulation of local government officers and activities are:

- Legislation should be principles-based and should not seek to micro-regulate the day-to-day activities of local government;
- Legislation should encourage best practice within local government and protect communities from ineffective or inappropriate practices;
- Legislation should be sufficiently flexible to recognise the vast diversity which exists in Queensland;
- Funding is a critical element of successful delivery of services;
- Regulation must clearly articulate roles and responsibilities of all parties;
- Local decision making is supported; and
- State government has a responsibility to coordinate services and resources to assist in service delivery and reduce impost on local government in dealing with overlapping issues.

Theme	Element	Adopted Position
2.1 Legislation	2.1.1 Local Government Act/Regulations	2.1.1.1 LGMA Queensland advocates for a significant review of the Local Government Act at least once every 15 years and for other minor changes as required. 2.1.1.2 LGMA Queensland supports the (Westminster-style) separation of powers and clarity of roles between Officers and Councillors and advocates for legislation that supports this principle to ensure consistency and compatibility with respect to the unitary management role of the CEO. 2.1.1.3 LGMA Queensland advocates that the CEO be responsible for the appointment and management of all Council staff. 2.1.1.4 LGMA Queensland believes that effective management of local government best occurs when there is an honest, robust and respectful relationship between elected member and officers. 2.1.1.5 LGMA Queensland advocates for a legislative and in-practice model whereby: <ul style="list-style-type: none"> ○ Respective democratic roles are genuinely respected; and ○ Professional officers provide frank and fearless advice without fear of individual (or unreasonable) penalty or sanction for making particular recommendations in good faith and with honesty and professionalism. 2.1.1.6 LGMA Queensland advocates for the legislative indemnity of officers and assurances that the presumption of innocence is afforded when such indemnification might be sought.

		2.1.1.7 LGMA Queensland does not support a requirement for CEOs to verify the accuracy of contents of the material interest register for Councillors and officers.
	2.1.2 Local Government Electoral Act	2.1.2.1 Where elections are run independent of a local government, then the body running the election should be responsible for all matters pertaining to that election.
	2.1.3 Associated Legislation	2.1.3.1 LGMA Queensland will undertake consultation and provide input on behalf of our members in relation to relevant legislation and particularly during legislative review processes.
	2.1.4 Crime and Corruption Act, Office of the Independent Assessor and related Acts/Regulations	<p>2.1.4.1 LGMA Queensland supports the legislative imposition of proper responsibility and accountability on employers in seeking to minimise Official Misconduct in the workplace.</p> <p>2.1.4.2 LGMA Queensland acknowledges the specific responsibilities of CEO's to ensure that the employers' obligations are discharged.</p> <p>2.1.4.3 LGMA Queensland supports initiatives by the CCC to streamline process and reporting of official misconduct by employees.</p> <p>2.1.4.4 To avoid frivolous and vexatious claims being made, LGMA Queensland advocates that a preliminary assessment of allegations of misconduct be made to ensure a prima facie case exists before referrals or investigations are commenced.</p> <p>2.1.4.5 LGMA Queensland advocates that CEO's not be responsible for the investigation or determination of complaints of misconduct against councillors.</p> <p>2.1.4.6 LGMA Queensland advocates that complaints of corrupt conduct against local government CEOs are dealt with by the CCC.</p>
	2.1.5 Processes of Legislative Reform	2.1.5.1 LGMA Queensland advocates adequate opportunity to advise State and Commonwealth Governments in early stages of drafting bills and in the consideration of implications of legislative reform.

3.0 Officer Environment

LGMA Queensland monitors and makes representation on matters affecting members' employment, working conditions, superannuation and personal and professional development. However, LGMA Queensland is not an industrially registered organisation and does not retain legal or financial services. Therefore, LGMA Queensland cannot act as a representative of individual member interests on legal, financial or industrial issues. However, LGMA Queensland does provide mentoring support, collective advice and will refer individuals to experts for advice where appropriate.

LGMA Queensland also takes a lead role in the development of local government as a profession and seeks to enhance the professionalism of the sector as a whole as well as that of its individual members. The position of LGMA Queensland in relation to various member issues is outlined in the table below and reflects the key principles of interest to local government officers:

- appropriate working conditions, job security and remuneration;
- clear allocation of roles and responsibilities including freedom from inappropriate intervention by Councillors or government;
- indemnity for actions; and
- access to appropriate professional development and training.

Theme	Element	Adopted Position
3.1 Members' Employment	3.1.1 Industrial Awards	3.1.1.1 LGMA Queensland is not a registered Union or Industrial Association and as such will not act as an industrial advocate in relation to general Award matters and disputes. 3.1.1.2 LGMA Queensland advocates for appropriate employment protection and redundancy compensation for Members particularly during periods of structural reform. 3.1.1.3 LGMA supports the application of caretaker provisions in relation to CEO contracts in the lead up to and immediately after a local government election.
	3.1.2 Contract Employment	3.1.2.1 LGMA Queensland supports the use of contracts of employment for senior officers and endorses a Model Employment Contract 3.1.2.2 LGMA Queensland supports the inclusion of appropriate performance management and review processes in the model contract, including a requirement for the employer to identify and document any performance issues that need to be addressed. 3.1.2.3 LGMA Queensland advocates for the CEO and the Mayor and councillors to have the option of utilising independent external assistance when conducting the performance review of the CEO. 3.1.2.4 LGMA Queensland does not support the legislative imposition of maximum contract terms or mandatory advertising for CEO's and Senior Officers' roles.

		3.1.2.5 LGMA Queensland advocates for the inclusion of "no fault" termination clauses in employment contracts with a minimum severance equivalent to between 6-12-months' salary as negotiated between the parties.
3.2 Welfare	3.2.1 Remuneration	<p>3.2.1.1 LGMA Queensland does not monitor remuneration benchmarking or trending.</p> <p>3.2.1.2 LGMA Queensland supports the concept of labour market price and advocates that benchmarking should be undertaken by employer and employee to ensure that proposed remuneration is within the market price range.</p> <p>3.2.1.3 LGMA Queensland supports the definition of the 'market' to include local and state government's both within Queensland and nationally as well as the private sector for the purpose of remuneration benchmarking.</p> <p>3.2.1.4 LGMA Queensland does not support any form of legislative constraint on remuneration for senior officers and advocates for appropriate negotiation of contract terms between parties based on the specifics of the local government area and the responsibilities.</p>
	3.2.2 Employment Practices	3.2.2.1 LGMA Queensland advocates the need for employers to adhere to professional employment practices for Senior Managers and will support the legislative imposition of appropriate standards on employers.
	3.2.3 Superannuation	3.2.3.1 LGMA Queensland monitors reforms relating to the Local Government superannuation scheme and may advocate on behalf of its members with respect to any reforms.
3.3 Legal obligations and entitlements	3.3.1 Role of Officers	3.3.1.1 LGMA Queensland supports the separation and clarity of roles between Officers and Councillors and advocates for legislative reform to support this and to ensure consistency and compatibility with respect to the unitary management role of the CEO.
	3.3.2 Liability/Indemnification	<p>3.3.2.1 LGMA Queensland supports the legislative indemnification of Officers.</p> <p>3.3.2.2 LGMA Queensland advocates for legislative reform to ensure that Officers subject to legal threat are afforded the doctrine of 'innocence until proven guilty' where indemnification is required in accordance with the entitlement under the statutory indemnity.</p>
3.4 Professional Standards	3.4.1 Training and Education	3.4.1.1 LGMA Queensland advocates for appropriate planning and resource allocation to meet training and skills needs of officers.

	<p>3.4.2 Professional Development</p>	<p>3.4.2.1 LGMA advocates for employer responsibility in resourcing required and reasonable professional development for Officers.</p> <p>3.4.2.2 LGMA Queensland advocates for employer recognition of genuine ‘Professional Development’ efforts by Officers.</p> <p>3.4.2.3 LGMA Queensland recognises that the credibility of a peak professional body is strengthened by its members being required to participate in a Compulsory Professional Development programme.</p>
	<p>3.4.3 Certification and Qualification</p>	<p>3.4.3.1 LGMA Queensland does not support the legislative imposition of mandatory certification for senior management positions.</p> <p>3.4.3.2 LGMA Queensland advocates for employers’ awareness of the need for appropriate qualifications for professional and trade positions and members’ attainment of such qualifications.</p> <p>3.4.3.3 LGMA Queensland advocates for employers’ recognition of LGMA membership status.</p>