

Municipal Works Australia Incorporated

ABN 60 286 550 760

Annual Report - 30 June 2023

Municipal Works Australia Incorporated

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30 June 2023

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General information

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

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

Registered office

7 Allan Street
Aberfeldie, Vic. 3040

Principal place of business

7 Allan Street
Aberfeldie, Vic. 3040

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 27th July 2023. The directors have the power to amend and reissue the financial statements.

Municipal Works Australia Incorporated
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Revenue	2	677,028	557,407
Expenses			
Management – Board		(6,132)	(9,273)
Financial Management		(16,726)	(11,212)
Management - CEO		(216,361)	(217,236)
Administration		(27,762)	(67,913)
Events & Entertainment		(33,802)	(19,772)
Presentations		(7,721)	(100)
Conferences		(277,482)	(201,841)
Other Expenses		(36,229)	(19,491)
Training Expenses		(69,957)	-
Total comprehensive income/(loss) for the year attributable to the members of Municipal Works Operations Associations Victoria		<u>(15,144)</u>	<u>10,569</u>

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

Municipal Works Australia Incorporated
Statement of financial position
As at 30 June 2023

	Note	2023 \$	2022 \$
Assets			
Current assets			
Cash and cash equivalents	4	250,024	221,410
Trade and other receivables	5	13,200	18,395
Total current assets		<u>263,224</u>	<u>239,805</u>
Non-current assets			
Property, plant and equipment	6	564	-
Motor vehicles	7	33,920	45,227
Total non-current assets		<u>34,484</u>	<u>45,227</u>
Total assets		<u>297,708</u>	<u>285,032</u>
Liabilities			
Current liabilities			
Trade Creditors		4,473	-
PAYG Withholding Payable	8	4,000	3,640
Other Payables	9	15,481	15,915
Leave Liability	10	12,007	13,004
Total current liabilities		<u>35,961</u>	<u>32,559</u>
Total liabilities		<u>35,961</u>	<u>32,559</u>
Net assets		<u>261,747</u>	<u>252,473</u>
Equity			
Specific purpose reserve	15	33,574	-
Retained surpluses		<u>228,173</u>	<u>252,473</u>
Total equity		<u>261,747</u>	<u>252,473</u>

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

Municipal Works Australia Incorporated
Statement of changes in equity
For the year ended 30 June 2023

	Retained surpluses \$	Total equity \$
Balance at 1 July 2021	241,904	241,904
Surplus after income tax expense for the year	<u>10,569</u>	<u>10,569</u>
Balance at 30 June 2022	<u><u>252,473</u></u>	<u><u>252,473</u></u>

	Retained Surpluses \$	Reserves \$	Total equity \$
Balance at 1 July 2022	252,473	-	252,473
Transfer to Queensland reserves	(9,156)	9,156	-
Loss after income tax expense for the year	(15,144)	-	(15,144)
Funds transferred from WOAQ	<u>-</u>	<u>24,418</u>	<u>24,418</u>
Balance at 30 June 2023	<u><u>228,173</u></u>	<u><u>33,574</u></u>	<u><u>261,747</u></u>

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

Municipal Works Australia Incorporated
Statement of cash flows
For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Cash flows from operating activities			
Receipts from customers		736,045	545,120
Payments to suppliers and employees		<u>(733,414)</u>	<u>(536,160)</u>
		2,631	8,960
Interest received		<u>2,252</u>	<u>21</u>
Net cash from operating activities		<u>4,883</u>	<u>8,981</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(688)	(55,769)
Proceed from disposals of fixed assets		<u>-</u>	<u>14,545</u>
Net cash used in investing activities		<u>(688)</u>	<u>(41,224)</u>
Cash flows from financing activities			
Queensland transfer of funds		<u>24,419</u>	<u>-</u>
Net cash used in investing activities		<u>24,419</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		28,614	(32,243)
Cash and cash equivalents at the beginning of the financial year		<u>221,410</u>	<u>253,653</u>
Cash and cash equivalents at the end of the financial year	4	<u><u>250,024</u></u>	<u><u>221,410</u></u>

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

Municipal Works Australia Incorporated
Notes to the financial statements
30 June 2023

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 the event or function is held.

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.

Memberships

Memberships are recognised on a time basis over the period of the membership.

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 Australia Incorporated
Notes to the financial statements
30 June 2023

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

	2023	2022
	\$	\$
<i>Sales revenue</i>		
Memberships & Sponsorships	146,308	151,983
Events & Entertainment	9,473	12,794
Conferences & Awards	460,994	376,433
Leadership Training Income	50,818	-
Queensland Income	7,183	13,127
	<u>674,776</u>	<u>554,337</u>
<i>Other revenue</i>		
Interest	2,252	21
Sale of Motor Vehicle	0	3,049
	<u>2,252</u>	<u>3,070</u>
Total Revenue	<u><u>677,028</u></u>	<u><u>557,407</u></u>

Municipal Works Australia Incorporated
Notes to the financial statements
30 June 2023

Note 3. Expenses

	2023	2022
	\$	\$
Surplus before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Depreciation	11,431	10,991
Total depreciation	<u>11,431</u>	<u>10,991</u>
<i>Superannuation expense</i>		
Superannuation Expense	17,383	33,873

Note 4. Current assets – cash and cash equivalents

	2023	2022
	\$	\$
Cash at bank – Cheque Account	29,509	41,408
Cash at bank – Online Saver Account	220,515	180,002
	<u>250,024</u>	<u>221,410</u>

Note 5. Current assets – trade and other receivables

	2023	2022
	\$	\$
Trade & other receivables	13,200	18,395
	<u>13,200</u>	<u>18,395</u>

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

	2023	2022
	\$	\$
Office equipment	27,448	26,760
Less: Accumulated depreciation	(26,884)	(26,760)
	<u>564</u>	<u>-</u>

Note 7. Non-current assets – motor vehicle

	2023	2022
	\$	\$
Motor vehicle	55,769	55,769
Less: Accumulated depreciation	(21,849)	(10,543)
	<u>33,920</u>	<u>45,227</u>

Municipal Works Australia Incorporated
Notes to the financial statements
30 June 2023

Note 8. Current liabilities – PAYG withholding payable

	2023 \$	2022 \$
PAYG withholding payable	<u>4,000</u>	<u>3,640</u>

Note 9. Current liabilities - other

	2023 \$	2022 \$
BAS amounts payable	(4,852)	(2,503)
Superannuation Payable	1,386	1,227
Income Received in Advance	6,352	17,191
Accrued Expenses	<u>12,595</u>	<u>-</u>
	<u>15,481</u>	<u>15,915</u>

Note 10. Non-current liabilities

	2023 \$	2022 \$
Leave Liability	<u>12,007</u>	<u>13,004</u>

Note 11. Remuneration of auditors

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

	2023 \$	2022 \$
<i>Audit services – Davidsons</i>		
Audit of the financial statements	<u>2,700</u>	<u>2,500</u>

Note 12. Contingent liabilities

The Association had no contingent liabilities as at 30 June 2023 and 30 June 2022.

Note 13. Commitments

The Association had no commitments for expenditure as at 30 June 2023 and 30 June 2022.

Note 14. Events after the reporting period

No matter or circumstance has arisen since 30 June 2023 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.

Note 15. WOAQ Col Rush Development Fund

On 3 August 2022, the MWA Board passed a resolution to integrate of Works Officers Association of Queensland (WOAQ) into the MWA's governance structure. As part of this integration, the MWA established the WOAQ Col Rush Professional Development Reserve to be used to provide travel awards programs for Queensland-based local government staff to attend MWA and other professional development programs as approved by the MWA Board.

Municipal Works Australia Incorporated
Director's declaration
30 June 2023

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 2023 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



Neil Whiteside
Director

15th August 2023
Melbourne

INDEPENDENT AUDITOR'S REPORT

To the members of Municipal Works Australia Incorporated

Opinion

We have audited the financial report of Municipal Works Australia Incorporated (the Entity), which comprises the statement of financial position as at 30 June 2023, 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 2023 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.

/ GEELONG

101 West Fyans Street
PO Box 386
Geelong VIC 3220
PHONE 03 5221 6399

/ TORQUAY

6 Walker Street
PO Box 125
Torquay VIC 3228
PHONE 03 5261 2029

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

info@davidsons.com.au

davidsons.com.au

/ DIRECTORS

Stephen Wight CA
Stephen Kirtley CA

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GMN International is an association of
legally independent accounting firms





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 21st day of August, 2023

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