Western Sydney Regional Organisation of Councils Ltd

ABN 16 053 399 983

Financial Report

For the year ended 30 June 2020

TABLE OF CONTENTS

Directors' report ..... **1 - 11**

Auditor's independence declaration **12**

Financial report

- Statement of profit or loss and other comprehensive income **13**
- Statement of financial position **14**
- Statement of changes in equity **15**
- Statement of cash flows **16**
- Notes to financial statements ..... **17 - 29**

Directors' declaration **30**

Independent auditor's report ..... **31 - 33**

Additional information ..... **34 - 35**

WESTERN SYDNEY REGIONAL ORGANISATION OF COUNCILS LIMITED
ABN: 16 053 399 983

DIRECTORS' REPORT

The directors present their report together with the financial report of Western Sydney Regional Organisation of Councils Limited for the year ended 30 June 2020 and auditor's report thereon. This financial report has been prepared in accordance with the Australian Accounting Standards.

Short-term and long-term objectives and strategies

The company's short-term objectives are to:

- Deliver advocacy programs to advance WSROC strategic priorities to all levels of government.
- Identify and harness opportunities for regional collaboration where beneficial for its members.
- Successfully deliver approved outcomes of externally funded grant programs.
- Facilitate collaborative procurement opportunities for the member councils.

The company's long-term objectives are to:

- Improve quality of life for the people of Western Sydney such that no one should have to leave the region to access amenities, services and opportunities that others in urban Australia take for granted.
- Build and maintain a strong collective voice for local government in Western Sydney, affording the region greater influence than each member could achieve individually.
- Seek external funding where available, for delivery of regional projects which are part of the Western Sydney Regional Organisation of Councils' core business.
- Provide a sufficient level of return on equity to guarantee the independent viability of the enterprise.

To achieve its short-term and long-term objectives, the company has adopted the following strategies:

- Build strong Councillor and professional officer networks to facilitate collaboration and inform regional advocacy.
- Seek and examine opportunities for procurement collaboration through the sharing of information and services for member councils and obtaining rebates with prescribed procurement aggregators.
- Build a strong media and advocacy program to elevate issues of collective importance to the region.
- Work collaboratively with government agencies and other regional stakeholders to achieve WSROC strategic priorities and approved grant-funded programs.

WESTERN SYDNEY REGIONAL ORGANISATION OF COUNCILS LIMITED
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DIRECTORS' REPORT

Principal activities

In the 2019/2020 financial year, WSROC's Board of Directors approved the following priorities for the organisation.

2019/2020 WSROC Strategic Priorities	
1.	Regional advocacy program: • Accelerate delivery of Greater Western Sydney Transport Network; • Returning the NSW Waste Levy to local government; • Improve funding arrangements to support social Infrastructure delivery and liveability; and • Constitutional recognition for local government.
2.	Regional procurement collaboration
3.	Deliver Western Sydney Regional Waste Avoidance and Resource Recovery Strategy (2019 – 2021)
4.	Deliver Turn Down the Heat Strategy and Action Plan 2018
5.	Develop and delivery Western Sydney Energy Program 2019
6.	Support delivery of the Great West Walk
7.	Develop Western Sydney Business Prospectus
8.	Smart Digital City

Over the past 12 months, WSROC has focused its advocacy on priority issues identified by its members (outlined above). However, the changing nature of the public sector requires flexibility in responding to new challenges. As such, in addition to the above WSROC has conducted advocacy on a number of additional issues including: 2019/2020 bushfire season, 2020 COVID-19 pandemic, and the refugee and asylum seeker settlement which are outlined below.

DIRECTORS' REPORT

Key performance indicators and achievements

WSROC's performance for 2019/2020 is measured by the outcomes achieved in relation to its advocacy on behalf of the needs of Western Sydney as outlined below:

1. Regional advocacy program:

In doing so the organisation has made 13 submissions to state and federal government, wrote 20 letters to state and federal Ministers, hosted 48 forums on issues requiring regional collaboration, and delivered online facilitation training for professional development. Publicly, the organisation has generated 82 media articles equating to over 30 million potential impressions.

WSROC also manages several projects which deliver benefits to councils through cost savings, information sharing and collective advocacy.

2. Regional procurement program

WSROC has continued its strategic approach to regional procurement in 2019/2020. Over the last 12 months, WSROC member councils have utilised a collaborative procurement model to better leverage WSROC's spending power on Local Government Procurement and key regional contracts. This has led to underutilised categories being identified, along with high value contracts, for Request for Quote purposes via VendorPanel, in order achieve more competitive pricing arrangements.

In addition, WSROC has facilitated opportunities for innovation and the development of new environmentally sustainable contracts including the engagement of professional services to scope, manage and deliver a regional energy efficiency and sustainability program (the Western Sydney Energy Program) on behalf of a collective of participating Western Sydney councils. The aim for the two-year program is to ultimately become an ongoing sustainable, self-funded initiative. Additionally, Expressions of Interest for the Supply of Offsite Renewable Electricity were sought, which has led to an innovative Power Purchase Agreement (PPA) currently being negotiated by the participating councils.

3. Western Sydney Regional Waste Avoidance and Resource Recovery Strategy (2017 – 2021)

The Sydney Regional Waste Strategy has become a flagship initiative for WSROC. Over the past five years the Strategy has allowed WSROC and its members to drive a collaborative approach to waste management that supports councils in delivering safe, affordable services to the community, whilst meeting the waste avoidance and resource recovery (WARR) targets set by the NSW Government.

In the last financial year, the Strategy delivered collaborative advocacy in relation to the circular economy, NSW 20 Year Waste strategy, MWOO policy changes and a range of regional waste planning issues. It also delivered professional forums and resources for waste officers, regional campaigns targeting litter and single-use coffee cups, and collaborative research projects including a Greater Western Sydney infrastructure needs analysis, developing strata by-law templates for waste management and undertaking audits of various medium and high density residential dwellings to assess current waste generation levels.

4. Turn Down the Heat Strategy and Action Plan 2018

In 2019/20 WSROC continued implementation of its Turn Down the Heat Strategy; Western Sydney's first, comprehensive, multi-sector strategy for tackling urban heat. Developed in partnership with 180 stakeholders, the Strategy lays out a five-year framework for a greener, cooler, more liveable and resilient future. WSROC secured $413,000 funding for three projects delivering on Strategy objectives:

- **Cool Suburbs:** Develop a voluntary rating tool to provide guidance to governments, residents, and

Key performance indicators and achievements (Continued)

industry seeking to implement best practice urban heat mitigation in urban design.

- **Planning review:** Assisting councils to integrate best practice heat mitigation into land use planning and development controls by: developing guidance material for councils to use in LEP and DCP revisions and other planning documents, and delivering workshops to assist in greater understanding of heat provisions.

- **Heat Smart Western Sydney:** A program to improve risk awareness, adaptive capacity, and preparedness for heatwaves in Western Sydney. This will include: reviewing current emergency management policies and procedures; developing toolkits to improve risk-awareness, preparedness and response; and delivering 24 heatwave workshops targeting key staff and vulnerable communities.

5. Western Sydney Energy Program 2019 – 2021

The Western Sydney Energy Program is a collaboration between nine Western Sydney councils. The program commenced in February 2019, is funded by participating councils through a special, for purpose contribution. A Steering Committee is in place to provide strategic direction, guidance, set priorities and assist in developing a work plan. Members of the Steering Committee were appointed by the participating Councils' General Managers / Chief Executive Officers.

WSEP aims to increase opportunities for energy, cost, and emission savings for councils and their communities across four key areas:

- **Renewable energy:** Installation of low cost, low emission energy generation and storage.

  Project underway: Deliver regional Power Purchase Agreement (PPA) tranche 1: Blacktown, Blue Mountains and Cumberland. This competitively priced offsite (100%) renewable (solar) energy project will deliver ~63GWh and offers councils attractive way to save costs and emissions.

  Project completed: Installation of 950kwh solar behind the meter

- **Transport:** Transport infrastructure that enables an innovative and low emissions future.

  Project underway: WSROC is working with the WSEP steering committee to scope and deliver a regional EV infrastructure strategy.

- **Community:** Helping the community access services to reduce energy costs.

  Project underway: Deliver the Business Energy Advice Program (beap). This partnership between WSROC and Business Australia offers free and tailored support to small businesses to save money and emissions.

- **Facilities and precincts:** Implementing best practice in energy planning and design for key precincts and facilities.

  Project underway: Continue street lighting program: Replace an additional 21,000 streetlights across the region. Partner with NSW Department of Planning Industry and Environment (DPIE) to scope and deliver main roads and smart lighting projects.

  Project underway: Deliver Environmentally Sustainable Development (ESD) standards policy and equipment specifications. Assist councils with integrating ESD in planning policy.

Key performance indicators and achievements (Continued)

- **Aspiration:** Deliver an additional 200,000 tonnes of CO2e reductions pa.
- **Achievements to date:** Accumulated Council savings across all participating councils to date is $15.8M. Overall greenhouse savings across the life of the assets of over 320,000 tonnes.

6. Great West Walk

The Great West Walk is a 65km walking route stretching from Parramatta to the foot of the Blue Mountains. Developed by community group, The Walking Volunteers, WSROC facilitated the delivery of the Great West Walk by convening meetings between partner organisations: Blacktown City Council, City of Parramatta, Penrith City Council, Western Sydney Parklands Trust, Department of Planning and Environment and National Parks and Wildlife Service. In October 2019 WSROC assisted in launching the route with Minister for Planning and Public Spaces the Hon. Rob Stokes. The route received 40 pieces of media coverage, generating 16,899,268 media impressions and 20,000 Great West Walk map downloads in the first month it was live.

Work is underway to attract additional funding to improve the route. There are plans to extend the route from Penrith, through the Blue Mountains and Lithgow, and on to Bathurst.

7. Western Sydney Business Prospectus

WSROC is working with Western Sydney University and Department of Industry and Investment to progress this initiative.

8. Smart Digital Cities

WSROC is working with LGNSW to progress the development of a digital common operating environment to facilitate the next generation of local government capabilities. WSROC has been liaising with NSW Minister for Local Government the Hon. Shelley Hancock and her Office who are supportive of the initiative. In 2019, WSROC facilitated a successful motion at the Local Government NSW Annual Conference supporting the initiative.

9. Emergency Management: Bushfire and Covid-19 response.

As identified at the WSROC Executive, GM and Board Meetings in early 2020, WSROC took on a new priority to ensure councils and their communities are appropriately supported through the COVID-19 pandemic and ensuing recovery period, and to advocate for improved emergency management arrangements more broadly.

In March 2020, WSROC arranged for NSW RFS Commissioner, Mr Shane Fitzsimmons to address the WSROC Board and address any council concerns. Following this, April 2020, WSROC made submissions to both the Royal Commission into National Natural Disaster Arrangements and the NSW Bushfire Inquiry, reflecting member council concerns.

With regards to COVID-19, WSROC has been advocating, by way of letters, meetings and media, that COVID-19 support packages be extended to councils and is working to create an inventory of costs to better inform future advocacy.

10. Refugee and asylum seekers

In early 2020, WSROC commenced an advocacy campaign to assist high settlement councils secure the resources, funding and data needed to deliver settlement services and appropriate social infrastructure

Key performance indicators and achievements (Continued)

to support increased populations. In early 2020, WSROC developed a regional policy position in consultation with councils' community development officers. This position was put to Acting Minister for Multiculturalism, Geoff Lee MP in April 2020 during a meeting with the Minister, CEO of Multicultural NSW, and Coordinator General of Refugee Settlement Professor Peter Shergold. The Minister has agreed to support WSROC advocacy to the Federal Government on this issue.

In May-June 2020, WSROC worked with Refugee Council of Australia on their campaign to improve federal support for refugees, asylum seekers and temporary migrants during the COVID-19 pandemic in acknowledgment that federal support will reduce pressure and improve outcomes at the local level.

WSROC Membership

On 17 December 2019 Fairfield City Council formally advised WSROC Ltd that they would cease being a member beyond 2019/2020. Accordingly, from the 1 July 2020 Fairfield City Council ceased its membership in WSROC.

The WSROC Ltd Constitution recognises member Councils that have less than 40,000 residents (Tier 2 Council) with a base membership fee set at 50% of the full base (Tier 1 Council) membership fee per annum. Accordingly, Lithgow City Council is the only Tier 2 Member of WSROC.

Tier 2 members enjoy the full rights and obligations of Tier 1 members, except for having 1 Vote instead of 2 at Board Meetings.

WESTERN SYDNEY REGIONAL ORGANISATION OF COUNCILS LIMITED
ABN: 16 053 399 983

DIRECTORS' REPORT

Information on directors

Cr Barry Calvert	Hawkesbury City Council
Local Government Experience	21 years
Special responsibilities	President
Profession	Mayor
Cr Tony Bleasdale	Blacktown City Council
Local Government Experience	20 years
Special responsibilities	Senior Vice President
Profession	Mayor
Cr Don McGregor	Blue Mountain City Council
Local Government Experience	8 years
Special responsibilities	Junior Vice President
Profession	Retired
Cr Karress Rhodes	Liverpool City Council
Local Government Experience	4 years
Special responsibilities	Treasurer
Profession	Graphic Artist / Publisher
Cr Chris Quilkey	Blacktown City Council
Local Government Experience	3 years
Profession	Taxi Operator
Cr Kathie Collins OAM	Blacktown City Council (Alternate)
Local Government Experience	19 years
Profession	Retired (previously Librarian)
Cr Steve Christou	Cumberland City Council
Local Government Experience	2 years
Profession	Mayor
Cr Mick Fell	Blue Mountains City Council
Local Government Experience	8 years
Profession	Retired
Cr Kevin Schreiber	Blue Mountains City Council (Alternate)
Local Government Experience	25 years
Profession	Retired

Information on directors (Continued)

Cr Ramola Hollywood	Hawkesbury City Council
Local Government Experience	8 years
Profession	Senior Project Officer
Cr Adrian Wong	Fairfield City Council
Local Government Experience	4 years
Profession	Australian Public Servant
Cr Anita Kazi	Fairfield City Council (Alternate)
Local Government Experience	4 years
Profession	Councillor
Cr Sera Yilmaz	Fairfield City Council (Alternate)
Local Government Experience	4 years
Profession	Councillor
Cr Nathan Zamprogno	Hawkesbury City Council
Local Government Experience	4 years
Profession	High School Teacher
Cr Ray Thompson	Lithgow City Council
Local Government Experience	12 years
Profession	Mayor (Retired)
Cr Paul Garrard	Cumberland City Council
Local Government Experience	45 years
Profession	Self-employed
Cr Gus Balloot	Lithgow City Council (Alternate)
Local Government Experience	6 years
Profession	Lawyer
Cr Steve Ring	Lithgow City Council (Alternate)
Local Government Experience	3 years
Profession	Deputy Mayor
Cr Steve Christou	Cumberland City Council
Local Government Experience	2 years
Profession	Mayor

Information on directors (Continued)

Cr Andrew Wilson	Cr Andrew Wilson
Local Government Experience	20 years
Profession	Councillor
Cr Michelle Garrard	City of Parramatta Council
Local Government Experience	3 years
Profession	Federal Officer
Cr Lorraine Wearne	City of Parramatta (Alternate)
Local Government Experience	25 years
Profession	Solicitor
Cr Frank Carbone	Fairfield City Council
Local Government Experience	12 years
Profession	Mayor

Meetings of directors

Directors	Directors' meetings	
	Number eligible to attend	Number attended
Cr Barry Calvert	4	4
Cr Tony Bleasdale	3	3
Cr Don McGregor	4	4
Cr Karress Rhodes	4	3
Cr Mick Fell	4	4
Cr Chris Quilkey	4	4
Cr Kathie Collins OAM	4	1
Cr Michelle Garrard	4	2
Cr Kevin Schreiber	4	-
Cr Ramola Hollywood	4	-
Cr Steve Christou	2	1
Cr Paul Garrard	4	3
Cr Frank Carbone	4	1
Cr Adrian Wong	4	1
Cr Anita Kazi	4	1
Cr Sela Yilmaz	4	1
Cr Nathan Zamprogno	4	4
Cr Ray Thompson	4	3
Cr Steve ring	3	3
Cr Gus Ballot	4	-
Cr Andrew Wilson	4	1
Cr Michelle Garrard	4	2
*Cr George Campbell**	2	2
*Cr Wayne McAndrew**	2	1

Members guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute to a maximum of $10 each towards meeting any outstanding obligations of the company. At 30 June 2020 the number of members was 8. The combined total amount that members of the company are liable to contribute if the company is wound up is $80.

WESTERN SYDNEY REGIONAL ORGANISATION OF COUNCILS LIMITED
ABN: 16 053 399 983

DIRECTORS' REPORT

Auditor's independence declaration

A copy of the auditor's independence declaration under section 307C of the *Corporations Act 2001* in relation to the audit for the financial year is provided with this report.

Signed on behalf of the board of directors.

Director: _____

Barry Calvert (President)

Director: _____

Tony Bleasdale (Senior Vice President)

Dated this 27 day of August 2020

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WESTERN SYDNEY REGIONAL ORGANISATION OF COUNCILS LIMITED
ABN: 16 053 399 983

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF WESTERN SYDNEY REGIONAL ORGANISATION OF COUNCILS LIMITED

In relation to the independent audit for the year ended 30 June 2020, to the best of my knowledge and belief there have been:

(i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and

(ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

Carl Millington

Partner

PITCHER PARTNERS

Sydney

Date: 27 August 2020

Adelaide Brisbane Melbourne Newcastle Perth Sydney

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WESTERN SYDNEY REGIONAL ORGANISATION OF COUNCILS LIMITED
ABN: 16 053 399 983

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020	2019
		$	$
Revenue and other income			
Revenue from contracts with customers	2	2,487,399	3,023,220
		2,487,399	3,023,220
Less: expenses			
Communications and media		(30,412)	(44,012)
Conferences and functions		(2,146)	(18,238)
Consultant and research		(251)	(12,960)
Depreciation and amortisation expenses		(88,911)	(20,284)
Employee benefits		(841,620)	(790,142)
Lease and occupancy expenses		(18,343)	(88,220)
Membership subscriptions		(5,769)	(12,234)
Project expense		(1,018,689)	(1,497,033)
Procurement		(8,000)	(10,825)
Interest paid		(11,539)	-
Other expenses		(238,315)	(90,140)
		(2,263,995)	(2,584,088)
Surplus/ (deficit) for the year		223,404	439,132
Other comprehensive income for the year		-	-
Total comprehensive income		223,404	439,132

The accompanying notes form part of these financial statements.

WESTERN SYDNEY REGIONAL ORGANISATION OF COUNCILS LIMITED
ABN: 16 053 399 983

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	Note	2020 $	2019 $
Current assets			
Cash and cash equivalents	4	2,653,319	2,378,491
Receivables	5	363,090	388,286
Other assets	6	16,272	15,286
Total current assets		3,032,681	2,782,063
Non-current assets			
Lease assets	7	210,375	-
Plant and equipment	8	61,290	80,466
Total non-current assets		271,665	80,466
Total assets		3,304,346	2,862,529
Current liabilities			
Payables	9	40,479	19,626
Lease liabilities	7	65,368	-
Provisions	10	330,143	360,596
Total current liabilities		435,990	380,222
Non-current liabilities			
Lease liabilities	7	152,635	-
Provisions	10	42,125	32,115
Total non-current liabilities		194,760	32,115
Total liabilities		630,750	412,337
Net assets		2,673,596	2,450,192
Equity			
Retained earnings	11	2,673,596	2,450,192
Total equity		2,673,596	2,450,192

The accompanying notes form part of these financial statements.

WESTERN SYDNEY REGIONAL ORGANISATION OF COUNCILS LIMITED
ABN: 16 053 399 983

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020	2019
		$	$
Total equity			
Balance at beginning of the year		2,450,192	2,011,060
Movements in equity from:			
Retained earnings		223,404	439,132
Balance at the end of the year		2,673,596	2,450,192
Retained earnings			
Balance at beginning of the year		2,450,192	2,011,060
Surplus / (deficit) for the year		223,404	439,132
Total comprehensive income		223,404	439,132
Balance at the end of the year		2,673,596	2,450,192

The accompanying notes form part of these financial statements.

WESTERN SYDNEY REGIONAL ORGANISATION OF COUNCILS LIMITED
ABN: 16 053 399 983

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 $	2019 $
Cash flow from operating activities			
Receipts from customers		2,664,362	3,225,187
Payments to suppliers and employees		(2,323,236)	(2,703,993)
Interest received		7,347	20,419
Finance costs		(11,539)	-
Net cash provided by operating activities		336,934	541,613
Cash flow from investing activities			
Payment for property, plant and equipment		(1,504)	(57,785)
Net cash (used in) investing activities		(1,504)	(57,785)
Cash flow from financing activities			
Principal portion of lease payments		(60,602)	-
Net cash (used in) financing activities		(60,602)	-
Reconciliation of cash			
Cash at beginning of the financial year		2,378,491	1,894,663
Net increase in cash held		274,828	483,828
Cash at end of financial year	12(a)	2,653,319	2,378,491

The accompanying notes form part of these financial statements.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The directors have determined that the company is not a reporting entity on the basis that, in the opinion of the directors, there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy, specifically, all of their information needs. Accordingly, this financial report is a special purpose financial report, which has been prepared to satisfy the financial reporting requirements of the *Corporations Act 2001*.

The financial report covers Western Sydney Regional Organisation of Councils Limited as an individual entity. Western Sydney Regional Organisation of Councils Limited is a company limited by guarantee, incorporated and domiciled in Australia. Western Sydney Regional Organisation of Councils Limited is a not-for-profit entity for the purpose of preparing the financial statements.

The financial report was approved by the directors as at the date of the directors' report.

The financial report has been prepared in accordance with the *Corporations Act 2001*, the recognition and measurement requirements specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of:

AASB 101:	Presentation of Financial Statements
AASB 107:	Statement of Cash Flows
AASB 108:	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 110:	Events after the Balance Sheet Date
AASB 1054:	Australian Additional Disclosures

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

(a) Basis of preparation of the financial report

Historical Cost Convention

The financial report has been prepared under the historical cost convention as described in the accounting policies.

(b) Revenue from contracts with customers

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from the rendering of services is recognised upon the delivery of the service to the customers.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Contributions - Government Grants

A non-reciprocal contribution or grant is recognised when the entity obtains control of the contribution or grant, and it is probable that the economic benefits will flow to the entity, and the amount of the contribution or grant can be measured reliably.

If conditions attached to the contribution or grant that must be satisfied before the entity is eligible to receive the contribution, recognition of contribution or income is deferred until those conditions are met.

When the entity receives grants but is obliged to give directly approximately equal value to the contributor, recognition of grant income will be deferred until the delivery of service.

(d) Income tax

No provision for income tax has been raised as the company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(e) Cash and cash equivalents

Cash and cash equivalents include cash on hand and at banks.

(f) Property, plant and equipment

Each class of plant and equipment is measured at cost or fair value less, where applicable, any accumulated depreciation and any accumulated impairment losses.

Plant and equipment

Plant and equipment is measured at cost. Where plant and equipment was acquired at no cost or for a nominal amount, cost is deemed to be the fair value as at the acquisition date.

Depreciation

The depreciable amount of plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held available for use, consistent with the estimated consumption of the economic benefits embodied in the asset.

(g) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Leases

Accounting policy applied to the information presented for the current period under AASB 16 Leases:

At the commencement date of a lease (other than leases of 12-months or less and leases of low value assets), the group recognises a lease asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

Lease assets

Lease assets are initially recognised at cost, comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease, less any lease incentives received, any initial direct costs incurred by the group, and an estimate of costs to be incurred by the group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Subsequent to initial recognition, lease assets are measured at cost (adjusted for any remeasurement of the associated lease liability), less accumulated depreciation and any accumulated impairment loss.

Lease assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, consistent with the estimated consumption of the economic benefits embodied in the underlying asset.

Lease liabilities

Lease liabilities are initially recognised at the present value of the future lease payments (i.e., the lease payments that are unpaid at the commencement date of the lease). These lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or otherwise using the group's incremental borrowing rate.

Subsequent to initial recognition, lease liabilities are measured at the present value of the remaining lease payments (i.e., the lease payments that are unpaid at the reporting date). Interest expense on lease liabilities is recognised in profit or loss (presented as a component of finance costs). Lease liabilities are remeasured to reflect changes to lease terms, changes to lease payments and any lease modifications not accounted for as separate leases.

Variable lease payments not included in the measurement of lease liabilities are recognised as an expense when incurred.

Leases of 12-months or less and leases of low value assets

Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

Accounting policy applied to the information presented for the prior period under AASB 117 Leases:

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Leases (Continued)

Finance leases

Leases of fixed assets, where substantially all of the risks and benefits incidental to ownership of the asset, but not the legal ownership, are transferred to the group are classified as finance leases. Finance leases are capitalised, recording an asset and liability equal to the fair value or, if lower, the present value of the minimum lease payments, including any guaranteed residual values. The interest expense is calculated using the interest rate implicit in the lease, if this is practicable to determine; if not, the group's incremental borrowing rate is used. Interest expense on finance leases is included in finance costs in the statement of profit or loss and other comprehensive income. Lease assets are depreciated on a straight line basis over their estimated useful lives where it is likely the group will obtain ownership of the asset, or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period in accordance with the effective interest method.

Operating leases

Lease payments for operating leases are recognised as an expense on a straight-line basis over the term of the lease. Lease incentives received under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(i) Employee benefits

(i) Short-term employee benefit obligations

Liabilities arising in respect of wages and salaries, annual leave and other employee benefits (other than termination benefits) expected to be settled wholly before twelve months after the end of the reporting period are measured at the (undiscounted) amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables in the statement of financial position.

(ii) Long-term employee benefit obligations

The provision for other long-term employee benefits, including obligations for long service leave and annual leave, which are not expected to be settled wholly before twelve months after the end of the reporting period, are measured at the present value of the estimated future cash outflow to be made in respect of the services provided by employees up to the reporting date. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee turnover, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that are denominated in the currency in which the benefits will be paid. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the change occurs.

Other long-term employee benefit obligations are presented as current liabilities in the statement of financial position if the company does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur. All other long-term employee benefit obligations are presented as non-current liabilities in the statement of financial position.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Goods and services tax (GST)

Revenues, expenses and purchased assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(k) Comparatives

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

(l) New and revised accounting standards effective at 30 June 2020

The company has applied all new and revised Australian Accounting Standards that apply to annual reporting periods beginning on or after 1 July 2019, including AASB 16 *Leases* (AASB 16), AASB 1058 *Income of Not-for-Profit Entities* (AASB 1058) and AASB 15: *Revenue from Contracts with Customers* (AASB 15).

AASB 16: Leases

AASB 16 replaces AASB 117 *Leases* and introduces a single lessee accounting model that requires a lessee to recognise right-of-use assets and lease liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Right-of-use assets are initially measured at cost and lease liabilities are initially measured on a present value basis. Subsequent to initial recognition:

(a) right-of-use assets are accounted for on a similar basis to non-financial assets, whereby the right-of-use asset is accounted for on a cost basis unless the underlying asset is accounted for on a revaluation basis, in which case if the underlying asset is:
    i. investment property, the lessee applies the fair value model in AASB 140 *Investment Property* to the right-of-use asset; or
    ii. property, plant or equipment, the applies the revaluation model in AASB 116 *Property, Plant and Equipment* to all of the right-of-use assets that relate to that class of property, plant and equipment; and

(b) lease liabilities are accounted for on a similar basis to other financial liabilities, whereby interest expense is recognised in respect of the lease liability and the carrying amount of the lease liability is reduced to reflect the principal portion of lease payments made.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) New and revised accounting standards effective at 30 June 2020 (Continued)

AASB 16 substantially carries forward the lessor accounting requirements of the predecessor standard, AASB 117. Accordingly, under AASB 16 a lessor continues to classify its leases as operating leases or finance leases subject to whether the lease transfers to the lessee substantially all of the risks and rewards incidental to ownership of the underlying asset, and accounts for each type of lease in a manner consistent with the current approach under AASB 117.

In accordance with the transition requirements of AASB 16, the company has elected to apply AASB 16 retrospectively to those contracts that were previously identified as leases under the predecessor standard, with the cumulative effect, if any, of initially applying the new standard recognised as an adjustment to opening retained earnings at the date of initial application (i.e., at 1 July 2019). Accordingly, comparative information has not been restated.

The company has also elected to apply the following practical expedients to the measurement of right-of-use assets and lease liabilities in relation to those leases previously classified as operating leases under the predecessor standard:

- to recognise each right-of-use asset at the date of initial application at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before the date of initial application;
- to not recognise a right-of-use asset and a lease liability for leases for which the underlying asset is of low value;
- to not recognise a right-of-use asset and a lease liability for leases for which the lease term ends within 12 months of the date of initial application;
- to apply a single discount rate to a portfolio of leases with reasonably similar characteristics;
- to adjust each right-of-use asset at the date of initial application by the amount of any provision for onerous leases recognised in the statement of financial position immediately before the date of initial application;
- to exclude initial direct costs from the measurement of each right-of-use asset at the date of initial application; and
- to use hindsight, such as in determining the lease term if the contract contains options to extend or terminate the lease.

The application of AASB 16 resulted in the recognition of right-of-use assets with an aggregate carrying amount of $287,605 (referred to in these financial statements as “lease assets”) and corresponding lease liabilities with an aggregate carrying amount of $287,605. The weighted average incremental borrowing rate applied in the calculation of the initial carrying amount of lease liabilities was 4.71%.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) New and revised accounting standards effective at 30 June 2020 (Continued)

AASB 1058: Income for not-for-profit entities and AASB 15: Revenue from contracts with customers

AASB 1058 replaces the income recognition requirements in AASB 1004: *Contributions* applicable to private sector not-for-profit entities with a model based on the principles of AASB 15: *Revenue from Contracts with Customers*. Consequently, AASB 1058 requires private sector not-for-profit entities to recognise all revenue from contracts with customers when the related performance obligations are satisfied, irrespective of whether the ultimate beneficiary of the goods or services provided by the not-for-profit entity is the grantor of the funds or another entity. An agreement involving a not-for-profit entity would be classified as a contract with a customer (and therefore accounted for under AASB 15) if the agreement:

(a) creates enforceable rights and obligations between the parties; and

(b) includes a promise by the not-for-profit entity to transfer a good or service that is sufficiently specific for the entity to determine when the obligation is satisfied.

For contracts with customers that comprise a donation component, AASB 1058 requires such components to be treated as part of the performance obligation(s) unless the entity can demonstrate that component is not related to the promised goods or services.

When an arrangement does not meet the criteria for a contract with a customer under AASB 15, the arrangement is accounted for in accordance with AASB 1058, which requires:

(a) the asset received by the not-for-profit entity to be accounted for in accordance with the applicable Australian Accounting Standard, which in most circumstances requires the asset to be initially measured at its fair value;

(b) any related amounts (such as contributions from owners, financial liabilities, contract liabilities, lease liabilities and provisions) to be accounted for in accordance with the applicable Australian Accounting Standard; and

(c) any difference between the consideration given for the asset and its fair value, after recognising any related amounts (such as contributions from owners, financial liabilities, contract liabilities, lease liabilities and provisions), is recognised as income.

However, amending standard AASB 2018-8 provides a temporary option for not-for-profit entities to not apply the fair value initial measurement requirement to right-of-use assets arising under leases with significantly below-market terms and conditions. This enables not-for-profit entities to elect to initially measure such right-of-use assets at cost rather than fair value, which has the corresponding effect of reducing the amount of income recognised under AASB 1058.

AASB 1058 also permits a not-for-profit entity to recognise volunteer services as an asset or expense (as applicable) and any related contributions by owners or revenue as an accounting policy choice, provided that the fair value of the services can be measured reliably.

AASB 1058 also has specific recognition criteria in relation to transfers to enable an entity to acquire or construct a recognisable non-financial asset to be controlled by the entity. The obligation to acquire or construct the non-financial asset is accounted for similarly to a performance obligation under AASB 15.

In accordance with the transition requirements of AASB 1058 and AASB 15, the company has elected to apply AASB 1058 and AASB 15 retrospectively, with the cumulative effect, if any, of initially applying the new standards recognised as an adjustment to opening retained earnings at the date of initial application

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) New and revised accounting standards effective at 30 June 2020 (Continued)

new standards recognised as an adjustment to opening retained earnings at the date of initial application (i.e., at 1 July 2019). Accordingly, comparative information has not been restated.

The application of AASB 1058 and AASB 15 has not materially impacted the recognition and measurement of income or revenue from contracts with customers.

Further details of the company's accounting policy in relation to accounting for income under AASB 1058 and revenue from contracts with customers under AASB 15 are contained in Note 1(b) and Note 1

(m) Other revenue and other income

Membership subscription fees

Membership fees are recognised as revenue when no significant uncertainty as to its collectability exists, if the fee relates only to membership and all other services or products are paid for separately, or if there is a separate annual subscription. Membership fees are recognised on a basis that reflects the timing, nature and value of the benefit provided if the fee entitles the member to services or publications to be provided during the membership period, or to purchase goods or services at prices lower than those charged to non-members.

Interest

Interest revenue is measured in accordance with the effective interest method.

All revenue is measured net of the amount of goods and services tax (GST).

(n) Events after the reporting period

Events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial report is authorised for issue.

The amounts recognised in the financial statements reflect events after the reporting period that provide evidence of conditions that existed at the reporting date. Whereas, events after the reporting period that are indicative of conditions that arose after the reporting period (i.e., which did not exist at the reporting date) are excluded from the determination of the amounts recognised in the financial statements.

(o) Corona Virus (COVID-19) pandemic

The World Health Organisation declared Coronavirus (COVID-19) as a pandemic on the 11th March 2020, making COVID-19 an in-period event for the company. Judgement has been exercised in considering the impact of COVID-19 as part of year-end impairment assessments of the WSROC's assets, the determination of the carrying value of the WSROC 's liabilities and the assessment of the WSROC's ability to continue as a going concern.

	2020 $	2019 $
NOTE 2: REVENUE FROM CONTRACT WITH CUSTOMERS		
Operational revenue		
Council membership fee	675,000	660,000
Procurement commission	455,833	469,560
	1,130,833	1,129,560
Grant and subsidies	1,301,522	1,823,137
	2,432,355	2,952,697
NOTE 3: OTHER REVENUE AND OTHER INCOME		
Interest income	7,347	20,419
Other revenue	47,697	50,103
	55,044	70,522
NOTE 4: CASH AND CASH EQUIVALENTS		
Cash on hand	100	100
Cash at bank	2,653,219	2,378,391
	2,653,319	2,378,491

Government grants are obtained by WSROC on the condition that they are spent in a specified manner in accordance with the related funding agreements. As a consequence, a portion of WSROC's cash is restricted based on the grant monies received and related project expenditures incurred.

Unexpended grants at 30 June 2020 total $1,485,638 (2019: $1,457,019) . This total is primarily made up of cash assets related to ongoing NSW Environmental Protection Authority programs, as follows:
- Waste Less, Recycle More
- Better Waste and Recycling
- Turn Down the Heat; and
- Light Years Ahead

	2020 $	2019 $
NOTE 5: RECEIVABLES		
CURRENT		
Trade debtors	13,090	38,286
Other receivables	350,000	350,000
	363,090	388,286
NOTE 6: OTHER ASSETS		
CURRENT		
Prepayments	16,272	15,286

	2020 $
NOTE 7: LEASE ASSETS AND LEASE LIABILITIES	

Lease arrangements (30 June 2020)

The following information relates to the current reporting period only, and is presented in accordance with AASB 16 *Leases* (which was applied by the company for the first time in the current reporting period).

(a) Lease assets	
Under lease	278,605
Accumulated depreciation	(68,230)
	210,375
Total carrying amount of lease assets	210,375
(b) Lease liabilities	
CURRENT	
Land and buildings	65,368
NON CURRENT	
Land and buildings	152,635
Total carrying amount of lease liabilities	218,003

		2020 $	2019 $
NOTE 8: PLANT AND EQUIPMENT			
Plant and equipment			
Office equipment at cost		83,078	81,572
Accumulated depreciation		(43,236)	(24,609)
		39,842	56,963
Furniture, fixtures and fittings at cost		20,543	20,543
Accumulated depreciation		(4,545)	(2,490)
		15,998	18,053
Other capital assets including painting and art work		5,450	5,450
Total plant and equipment		61,290	80,466
Total property, plant and equipment		61,290	80,466
NOTE 9: PAYABLES			
CURRENT			
Unsecured liabilities			
Sundry creditors and accruals		40,479	19,626
NOTE 10: PROVISIONS			
CURRENT			
Employee benefits	(a)	330,143	360,596
NON-CURRENT			
Employee benefits	(a)	42,125	32,115
(a) Aggregate employee benefits liability		372,268	392,711

(b) Description of provisions

Employee benefit provisions relate to annual and long service leave entitlements estimated for employees of the company as at 30 June 2020.

NOTE 11: RETAINED EARNINGS		
Retained earnings at beginning of year	2,450,192	2,011,060
Net surplus	223,404	439,132
	2,673,596	2,450,192

	2020 $	2019 $
NOTE 12: 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 statement of financial position is as follows:		
Cash on hand	100	100
Cash at bank	2,653,219	2,378,391
	2,653,319	2,378,491

NOTE 13: MEMBERS' GUARANTEE

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute to a maximum of $10 each towards meeting any outstanding obligations of the company. At 30 June 2020 the number of members was 8. The combined total amount that members of the company are liable to contribute if the company is wound up is $80.

NOTE 14: ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the company. The company has decided not to early adopt any of these new and amended pronouncements. The company's assessment of the new and amended pronouncements that are relevant to the company but applicable in future reporting periods is set out below.

AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework

AASB 2019-1 amends Australian Accounting Standards (AAS), Interpretations and other pronouncements to reflect the issue of the Conceptual Framework for Financial Reporting (Conceptual Framework). The application of the Conceptual Framework is at present limited to:

(a) for-profit private sector entities that have public accountability and are required by legislation to comply with AAS; and

(b) other for-profit entities that voluntarily elect to apply the Conceptual Framework which would permit compliance with AAS (Tier 1) and IFRS.

This Standard makes amendments to AAS, Interpretations and other pronouncements to permit other entities to continue using the Framework for the Preparation and Presentation of Financial Statements

NOTE 14: ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE (CONTINUED)

adopted by the AASB in 2004 (Framework) and Statement of Accounting Concepts SAC 1 Definition of the Reporting Entity to determine whether they are a reporting entity that needs to prepare general purpose financial statements that comply with AAS.

AASB 2019-1 mandatorily applies to annual reporting periods commencing on or after 1 January 2020 and will be first applied by the company in the financial year commencing 1 July 2020.

The directors of the company has not yet determined the likely impact of the initial application of this standard on its financial statements.

WESTERN SYDNEY REGIONAL ORGANISATION OF COUNCILS LIMITED
ABN: 16 053 399 983

DIRECTORS' DECLARATION

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors of the company declare that:

1. In the directors opinion, the financial statements and notes, as set out on pages 13 - 29, are in accordance with the *Corporations Act 2001*, including:

   (a) complying with Accounting Standards in Australia as detailed in Note 1 to the financial statements and the *Corporations Regulations 2001*; and

   (b) giving a true and fair view of the financial position as at 30 June 2020 and performance for the year ended on that date of the company in accordance with the accounting policies described in Note 1 to the financial statements.

2. In the directors' opinion there are reasonable grounds to believe that the company 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 Board of Directors.

Director: _____

Barry Calvert (President)

Director: _____

Tony Bleasdale (Senior Vice President)

Dated this 27 day of August 2020

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WESTERN SYDNEY REGIONAL ORGANISATION OF COUNCILS LIMITED
ABN: 16 053 399 983

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF WESTERN SYDNEY REGIONAL ORGANISATION OF COUNCILS LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report, being a special purpose financial report of Western Sydney Regional Organisation of Councils Limited, "the Company", which comprises the statement of financial position as at 30 June 2020, 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 directors' declaration.

In our opinion, the accompanying financial report of Western Sydney Regional Organisation of Councils Limited, is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Company's financial position as at 30 June 2020 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

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 Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (Including Independence Standards)* "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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

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WESTERN SYDNEY REGIONAL ORGANISATION OF COUNCILS LIMITED
ABN: 16 053 399 983

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF WESTERN SYDNEY REGIONAL ORGANISATION OF COUNCILS LIMITED

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 Western Sydney Regional Organisation of Councils Limited to meet the requirements of *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Emphasis of Matter – COVID-19

We draw attention to Note 1(n) to the financial report, which describes the impact of the Coronavirus (COVID-19). Our opinion is not modified in respect of this matter.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company'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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 the 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 this financial report.

As part of an audit in accordance with the 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Company'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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

Carl Millington

Partner

PITCHER PARTNERS

Sydney

Date: 27 August 2020

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WESTERN SYDNEY REGIONAL ORGANISATION OF COUNCILS LIMITED
ABN: 16 053 399 983

ADDITIONAL INFORMATION
FOR THE YEAR ENDED 30 JUNE 2020

PRIVATE INFORMATION FOR THE DIRECTORS
ON THE 2020 FINANCIAL STATEMENTS

	2020 $	2019 $
Income		
Council membership contributions	1,130,833	1,129,560
Procurement commission	1,301,522	1,823,137
Interest income	7,347	20,419
Other revenue	47,697	50,103
Total income	2,487,399	3,023,219
Less expenses		
Professional fees	28,200	35,250
Administration costs	214,596	22,570
Advertising	14,504	42,172
Audit fees	14,422	12,500
Bank charges	1,120	1,229
Cleaning	5,688	6,813
Computer expenses	13,807	14,749
Consultancy fees	377,076	264,107
Supply & Installation costs	193,655	794,884
Conferences / Seminars	2,199	18,238
Depreciation	88,911	20,284
General expenses	4,493	6,622
Holiday pay	(20,444)	99,110
Insurance	10,071	12,894
Interest paid	11,539	-
Leasing charges	-	2,106
Magazines, journals and periodicals	4,534	4,578
Meeting expenses	2,500	3,213
Operating expenses	16,666	23,777
Postage	332	1,639
Printing and stationery	20,066	23,415
Rent	18,343	86,114
Repairs and maintenance	-	108
Salaries and wages	1,125,357	965,742
Staff training and welfare	1,893	3,800
Storage fees	2,190	2,178
Subscriptions	5,769	12,234
Superannuation	95,666	88,665
Telephone	9,770	12,967

WESTERN SYDNEY REGIONAL ORGANISATION OF COUNCILS LIMITED
ABN: 16 053 399 983

ADDITIONAL INFORMATION
FOR THE YEAR ENDED 30 JUNE 2020

PRIVATE INFORMATION FOR THE DIRECTORS
ON THE 2020 FINANCIAL STATEMENTS

	2020 $	2019 $
Travelling expenses incl. tolls and parking	1,074	2,130
Total expenses	2,263,997	2,584,088
Operating profit from continuing activities	223,402	439,131