



CANBERRA REGION
JOINT ORGANISATION

Annual Performance Statement

2019-20 Financial Year



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Canberra Region Joint Organisation Profile

In 2017, amendments to the *Local Government Act* were passed to enable Joint Organisations to be established. Joint Organisations are new local government entities with legal powers established by proclamation designed to bring regional and rural councils together for better regional outcomes. The Canberra Region Joint Organisation was proclaimed a corporate entity within the NSW Local Government Act on 1 July 2018.

The Canberra Region is a unique and diverse geographic region which stretches from the South-West Slopes, through the Sydney-Canberra Corridor across the Eurobodalla down to the Sapphire Coast and then up to the Snowy Mountains. The Canberra Region Joint Organisation (CRJO) consists of the following 10 member councils, three (3) associate member councils and one (1) affiliate member. The total population of the CRJO region, including the ACT, is 750,000 with a total area of 48,000km² and a gross regional product (GRP) of \$9.82 billion.

Member Councils



Associate Members



Affiliate Member



Role and Purpose

Our Role

The CRJO provides a forum for councils, State agencies and other stakeholders to work together at a regional level to identify shared priorities; delivering important regional projects and better outcomes for communities.

CRJO's core objectives include:

- Establish strategic regional priorities for the Joint Organisation area and develop strategies and plans for delivering these priorities.
- Provide regional leadership for the Joint Organisation area and to be an advocate for strategic regional priorities.
- Identify and take up opportunities for intergovernmental cooperation on matters relating to the Joint Organisation area.

Vision & Principles

The Canberra Region Joint Organisation is the regional body advocating for strong regional partnerships that delivers improved outcomes for our regional communities.

The CRJO Mission

"Working together to deliver better outcomes for our communities and the region."

The CRJO Vision

"Our region...dynamic, innovative, connected...compelling!"



Message from the Chair

The past year has been one of the most challenging for the councils and communities of the Canberra region. During the first half of the financial year, the Canberra Region Joint Organisation (CRJO) worked closely with state ministers to advocate for infrastructure and water security projects across a region which had been severely impacted by drought. We then faced one of the most devastating summers in Australia's history, as the bushfires spread throughout many of our LGAs in late 2019. With the subsequent challenges of floods and pandemic the CRJO has continued its focus on political advocacy at state and federal levels to stimulate recovery and resilience initiatives for the region.

The summer bushfires of 2019-20 severely impacted member and associate member councils of the CRJO, with extensive damage experienced by the majority of member councils. The fires damaged agriculture and infrastructure, affected community health and wellbeing, and had a widespread impact on local businesses and industry across the region.

As the fires subsided and communities assessed the damage, some parts of the region were swept by heavy rains and floods, causing further devastation. The new year saw all three tiers of government come together to revitalise the region, its economy, tourism, biodiversity and boost the morale of communities. Federal and state initiatives encouraged fellow Australians to support impacted communities through tourism campaigns and economic stimulus programs. As councils and their communities began to slowly recover from the bushfires and floods another challenge was developing on the horizon.

On Thursday, 27 February 2020, the CRJO Board met with federal ministers at Parliament House Canberra to discuss bushfire impacts, recovery and resilience. That same day, the Prime Minister officially declared COVID-19 as a pandemic. By March 2020 all CRJO initiatives and projects were reassessed and modified as the state went into its first wave of COVID-19 lock down, and councils were required to quickly adapt to the new restrictions and operational guidelines.

Despite the ongoing challenges in the region, the collaborative and progressive approach taken by the CRJO allowed the region to continue to prosper and to take charge of the recovery efforts. The General Managers Advisory Group led the development of a Regional Pandemic Management Policy to help guide the way. This was the first policy of its kind, and would not only assist member councils with overcoming COVID-19 lockdowns, but provided a region-wide framework and blueprint for future regional policy development. The Policy was shared amongst the 12 other joint organisations in NSW as a foundational template. Through the creation of the Policy and quick adaptation to the changed world of the pandemic, the CRJO demonstrated its commitment to regional collaboration and resilience in times of crises.

Since March, the CRJO has worked together to restore communities and industries across the region and develop programs to ensure future resilience. The CRJO was selected by Resilience NSW to host a three -year pilot program and Resilience Coordinator.

The CRJO has continued to be an active participant in the NSW Joint Organisation Chair's Forum. As Chair of the 13 member JOs Chairs Forum, we have worked closely with other JOs to share information and successes and to advocate for continued funding and access to funding programs for regional projects.



The last twelve months have been a very difficult time for our communities however I believe that 6 the regional communities that the CRJO continues to support and represent have come through this period in better shape than many others. We continue to focus on recovery and re-building, on supporting each other through strong civic leadership and programs and we look forward to demonstrating our resilience in all that comes our way in 2021 and beyond.

The CRJO team has continued to adapt and deliver its suite of programs with members councils including in regional procurement, contaminated lands, environmental and waste education and in community recycling and litter prevention. In addition the CRJO and members have worked to build a compelling portfolio of infrastructure prospectuses across the region to position projects with a life cycle from inception to shovel-ready. Allowing the Board and Executive to advocate on behalf of the region and showcase the opportunities available to attract investment, deliver jobs and stimulate recovery.

I would like to acknowledge the retired Deputy Chair, Kristy McBain for her support and commitment to the CRJO. I would also like to acknowledge the extraordinary contribution of our previous Executive Officer Gabrielle Cusack who leaves the CRJO in July.



Cr Rowena Abbey

Chair

Canberra Region Joint Organisation



Strategic Regional Priorities

The CRJO developed a Statement of Strategic Regional Priorities that were endorsed by the Board in February 2019.

This Statement of Strategic Regional Priorities encompassed six vital pillars including Leadership, Economic, Infrastructure, Community, Environment and Cross-Border. These six pillars demonstrated the overarching strategic goals for the region and were supported by several Priority Actions for their actualisation.

The table below outlines actions undertaken throughout the 2019-20 financial year as they pertain to each Priority Action.

Leadership	
CRJO is a recognised leader in regional advocacy and the delivery of regional programs.	
Priority Actions	
1. Develop Regional Advocacy Plan	The CRJO held ministerial meetings with state and federal governments in October 2019 and February 2020 respectively, and met again with state ministers in May 2020. Throughout the financial year the CRJO advocated to state ministers for water security projects, infrastructure projects, JO/regional funding and recovery/resilience initiatives for the region.
2. Develop a strategy to influence legislation and government policies	Over the financial year the CRJO worked to influence legislation and government policies through the following actions: <ul style="list-style-type: none"> • Political advocacy to state and federal ministers – annual ministerial meetings at Parliament House Canberra and Sydney, as well as additional ministerial briefings as required. • Participation of the CRJO Chair in the Ministerial Advisory Group lead by the Minister for Local Government. • Inclusion of an Office of Local Government representative at each GMAG and Board meeting. • CRJO representation on the NSW Local Government (State) Award reforms committee. • Attendance of DPIE, AusIndustry, Public Works Advisory, LGNSW, OEH, EPA and other government agencies and external stakeholders at CRJO Working Group meetings.



3. Develop Regional Workforce Strategy	In consultation with the General Managers Advisory Group and the CRJO Human Resources Working Group, the Regional Workforce Strategy was put to market for a Request for Proposal in October 2019. KPMG was appointed as successful consultant in early 2020. The General Managers Advisory group revised the 10 recommendations tabled by the consultant in the draft strategy in June 2020. This strategy is currently continuing.
4. Develop Regional Project Management Model	The Regional Project Management Office, Sydney CBD, works with councils who have identified resource gaps to deliver key infrastructure projects. Participating Councils include Queanbeyan-Palerang, Wagga Wagga City Council, Snowy Monaro Regional Council.
5. Investigate opportunities for regional collaboration	<ul style="list-style-type: none"> • The CRJO together with several other JO's are participating in the Southern Lights program, the Best Practice in Aggregated Procurement program, and, the NSW Joint Organisation Chair's Forum, • Creation of the Regional Pandemic Management Policy. • Project development for a Regional Community Strategic Plan.
6. Develop creative and futuristics 30-year vision for shaping the region.	Postponed in 2019/2020. Will be reviewed by the Board in 2020/21.
Economic	
Our Economy is strong and diverse with extensive business and job opportunities.	
Priority Actions	
7. Develop the Canberra Region Economic Development Strategy	Together with NSW Government and ACT Government a regional framework was developed throughout 2019. The Draft CREDS was presented by ACT Government to GMAG in May 2020. The CRJO Regional Economic Development Working Group, with ACT Government and NSW Government continue to develop the strategy.
8. Support the development of a regional Agrifood Export Precinct	<p>The CRJO continues to work with NSW Government to deliver Export Capability Workshops across the Canberra region, with workshops already delivered in Hilltops, Yass Valley, Bega and Eurobodalla councils in 2019. Workshops for the remaining region were planned for early 2020, however were postponed due to bushfires and COVID-19 restrictions.</p> <p>Since its inception, the CRJO has fostered a strong and mutual affiliate member in Canberra Airport. Canberra Airport, along with associated organisations such as PakFresh, and the NSW Government have worked together to deliver:</p> <ul style="list-style-type: none"> • Export Capability Workshops across the Canberra region • Facilitation and coordination of the Canberra Airport Master plan Workshop which underpins opportunities for regional export via Canberra Airport. • Initial discussions regarding the development of a Future Food Systems Cooperative Research Centre in the Canberra region.

Infrastructure	
Our region is connected and serviced by infrastructure that meets contemporary. Emerging and future expectations.	
Priority Actions	
9. Develop further infrastructure prospectuses – recreation and cultural	In early 2019 GMAG delegated to the (CRJO) Regional Infrastructure Working Group that a recreational, cultural and tourism prospectus be developed. In November 2019, the working group resolved to prepare a report to GMAG for early 2020. This report was temporary suspended until May 2020 due to the impacts of bushfires and COVID-19 recovery efforts. In May 2020 the working group resolved to partner with the Infrastructure Collaborative to develop the initial report. This work is continuing.
10. Facilitate funding to eliminate telecommunication black spots	In late 2019 the CRJO Regional Infrastructure Working Group resolved to review the Digital Connectivity Survey undertaken by Riverina and Murray Joint Organisation and explore options of rolling out a similar survey in the CRJO, and the potential collaboration with RAMJO to expand the survey into the CRJO area. This project was temporary suspended due to the bushfires and COVID-19 recovery efforts. The CRJO has engaged with Telstra to determine opportunities to build and support further works to resolve know and new communications black spots as a result of the summer bushfires. This work is continuing and will inform submission to Commonwealth infrastructure funding rounds in 2021.
11. Facilitate regional communities to embrace smart technology	The development of a smart cities model has been discussed based on the EVO-cities work across NSW. Led by Goulburn Mulwaree Council, Queanbeyan-Palerang Regional Council and Wagga Wagga City Council this project will continue to evolve in 2021 and seek to integrate emerging technology that includes regional data, jobs, housing and education information.
12. Refine and update strategic CRJO infrastructure documents	Updates to the infrastructure prospectus commenced by the CRJO Regional Infrastructure Working Group in November 2020. The undertaking was suspended as councils undertook significant infrastructure recovery actions post bushfires. GMAG agreed to develop a regional waste strategy in line with the issues in NSW regarding recycling and resource recovery. In November 2019 the CRJO and ACT Government held a Waste Roundtable to discuss waste management in the region. A key outcome of this meeting was the development of a 2020 Recycling Prospectus in response to the waste export bans introduced in late 2019.
Community	
Our community is resilient and feels informed, connected and capable and valued.	
Priority Actions	
13. Advocate for funding to assist Councils manage Crown Land and Native Title Issues	The CRJO Regional Planners Working Group held a meeting with the Commissioner of Crown Lands and Project Manager State Parks in November 2019 to discuss crown land management. It was resolved at this meeting that CRJO would seek further Crown Land training and that a Native Title e-learning module would be released after final review and circulated to councils. This was

	temporarily postponed as councils focused resources on bushfire and COVID-19 recovery.
14. Provide direct support to assist Councils manage Crown Land and Native Title issues	As above, continuing.
15. Develop Regional Social Infrastructure prospectus	CRJO Regional Community Wellbeing and IP&R working group to assist in a roll out of a region wide wellbeing survey and Regional Community Strategic Plan. The working group developed a preliminary project scope and timeline in March 2020. This project was temporarily suspended due to COVID-19 restrictions and the postponement of local government elections until September 2021. The working group recommenced project planning in June 2020 and is currently developing a project scope for a Regional Community Strategic Plan, to be made ready by the local government elections in September 2021.
Environment	
Our environment is valued and enhanced for future generations.	
Priority Actions	
16. Facilitate an increase in the capacity of councils to deal with biodiversity	Remainder of Biodiversity funding provided by DPIE has been allocated to be used in upskilling existing council staff to advise on and administer the Biodiversity Assessment Calculators and determine offsets for developments. This training is currently in development and scheduled for delivery in early 2021.
17. Advocate for funding support to assist Councils with contaminated land management	Funding from Environment Protection Authority (EPA) for two contaminated land officers to assist the 10 member councils to increase capacity was awarded in December 2018. These two positions commenced in late 2019 will be co-funded for the next three years.
18. Develop Regional Waste Action Plan	Developed in 2018 and underwent review by the CRJO Regional Waste Working Group in October 2019. An additional staff member commenced with the CRJO in April 2020 to facilitate regional procurement of shared waste services.
19. Develop Regional Energy Action Plan	Delayed in 2019/2020. Will be reviewed by the Board in 2021.
20. Develop Regional Climate Adaptation Plan	The Emergency Preparedness Officer commenced with the CRJO in late 2019. The position was awarded to the CRJO by NSW Government (Resilience NSW) to develop resilience and recovery programs across the region. GMAG endorsed the establishment of a Local Government Emergency Management Enhancement Group (LEMEG) as well as the development of a Local Government Emergency Information Website. This work is continuing.

Cross-Border	
Our region operates seamlessly across all boundaries.	
Priority Actions	
<p>21. Cross-border impacts and opportunities are considered in the delivery of all strategic regional priorities</p>	<p>The CRJO signed an MoU with the ACT Government in September 2018. The MoU outlines six key themes for Cross Border collaboration and regional engagement.</p> <ol style="list-style-type: none"> 1. Infrastructure 2. Freight & Logistics 3. Economic Development 4. waste management & Resource Recovery 5. Sports, Culture & Wellbeing 6. Procurement & Shared Services <p>The CRJO has also participated in discussions regarding the draft MoU between the NSW Government and ACT particularly around infrastructure.</p> <p>The Board resolved to invite the NSW Assistant Cross Boarder Commissioner to attend Board and GMAG meetings from May 2020.</p>
<p>22. Advocate for positive cross-border connectivity</p>	<p>The CRJO actively engages with the ACT and East Gippsland Shire Council as they strongly advocate a borderless approach to collaboration and shared ideas.</p> <p>There has been a significant shift in the conversation in the past few years with greater engagement and collaboration across a number of shared issues and opportunities.</p>

In summary, the CRJO Councils, associate and affiliate members have worked in collaboration, engaging with Government (both NSW and ACT) agencies, organisations, state and federal ministers to bolster the CRJO's capability and deliver on its key strategic priorities.

The CRJO was awarded five grant funded positions:

- Waste and Resource Recovery Coordinator (commenced 2018 ongoing until June 2021, funded through EPA)
- Procurement Officer – Regional Waste Services (commenced 2020, 2-year contract, funded from the Regional Coordination Package, EPA)
- Contaminated Land Officer – Eastern Cluster (commenced 2019, 3-year contract, funded through EPA)
- Contaminated Land Officer – Western Cluster (commenced 2019, 3-year contract, funded through EPA)
- Emergency Preparedness Officer (commenced 2020, 3-year contract funded through Resilience NSW)

The funding of these positions has increased council capacity to manage environmental issues and provided greater input on legislative requirements and local government obligations to such things as recycling and re-use, biodiversity reform and contaminated land management.



General Purpose Financial Statements & Audit Reports

The 2019-20 audited General Purpose Financial Statements and Independent Auditor's Report are included on the following pages.



Canberra Region Joint Organisation

GENERAL PURPOSE FINANCIAL STATEMENTS
For the year ended 30 June 2020



Canberra Region Joint Organisation

General purpose financial statements for the year ended 30 June 2020

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

Canberra Region Joint Organisation

Suite 6B

2 Brindabella Circuit

Canberra Airport ACT 2609

Through the use of the internet, we have ensured that our reporting is timely, complete and available at minimum cost. All press releases, financial statements and other information are publicly available on our website: <http://www.crjo.nsw.gov.au>.

Canberra Region Joint Organisation

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

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

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

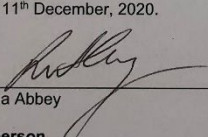
To the best of our knowledge and belief, these statements:

- present fairly Canberra Region Joint Organisation operating result and financial position for the period
- accord with Canberra Region Joint Organisation accounting and other records.

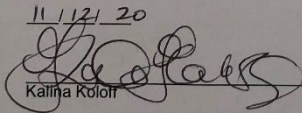
We are not aware of any matter that would render this report false or misleading in any way.

Signed in accordance with a resolution of the Board of CANBERRA REGION JOINT ORGANISATION made on Friday 11th December, 2020.

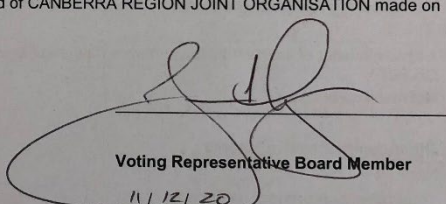
Signed in accordance with a resolution of the Board of CANBERRA REGION JOINT ORGANISATION made on Friday 11th December, 2020.



Rowena Abbey
Chairperson
11 / 12 / 20



Kalina Koloff
Chief Executive Officer
11 / 12 / 20



Voting Representative Board Member
11 / 12 / 20

Canberra Region Joint Organisation

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

	Notes	2020 \$	2019 \$
Income from continuing operations			
Member council contributions	2a	369,100.38	356,441.95
User charges and fees	2b	94,158.49	172,477.00
Grants provided for operating purposes	2c	463,227.00	738,342.00
Grants provided for capital purposes	2c	-	-
Other income	2d	173,471.45	138,926.07
Interest and investment revenue	2e	7,502.16	6,130.88
Total income from continuing operations		1,107,459.48	1,412,317.90
Expenses from continuing operations			
Employee benefits and on-costs		819,681.19	645,485.94
Borrowing costs	3b	4,405.37	-
Depreciation	7,8	25,191.80	12,286.47
Administrative expenses	3a	798,016.73	1,009,358.12
Total expenses from continuing operations		1,647,295.09	1,667,130.53
Net operating result for the period		(539,835.61)	(254,812.63)
Gain on transfer of assets from Queanbeyan Palerang Regional Council		-	1,368,662.73
Net result for the period		(539,835.61)	1,113,850.10
Other comprehensive income			
Nil		-	-
Total other comprehensive income		-	-
Total comprehensive income		(539,835.61)	1,113,850.10

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

** The CRJO has not restated comparatives when initially applying AASB1058 Income of Not-for-Profit Entities, AASB15 Revenue from Contracts with Customers and AASB16 Leases. The comparative information has been prepared under AASB111 Construction Contracts, AASB118 Revenue, AASB1004 Contributions, AASB117 Leases and related Accounting interpretations.

Canberra Region Joint Organisation

Statement of Financial Position as at 30 June 2020

	Notes	2020 \$	2019 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	931,941.46	790,180.58
Investments	5	504,141.05	500,000.00
Receivables	6	47,220.98	54,455.47
Contract assets	8	-	-
Contract cost assets	8	-	-
Prepayments		50,000.00	-
Total current assets		1,533,303.49	1,344,636.05
Non-current assets			
Investments	5	-	-
Contract assets	8	-	-
Contract cost assets	8	-	-
Property, plant and equipment	7	86,535.60	67,236.95
Right of use assets	9	-	-
Other		-	-
Total non-current assets		86,535.60	67,236.95
Total assets		1,619,839.09	1,411,873.00
LIABILITIES			
Current liabilities			
Payables	10	421,203.46	246,118.33
Contract liabilities	8	617,079.94	-
Lease liabilities	9	-	-
Borrowings	10	-	-
Provisions	11	-	51,904.59
Total current liabilities		1,038,283.40	298,022.92
Non-current liabilities			
Contract liabilities	8	-	-
Lease liabilities	9	-	-
Provisions	11	-	-
Total non-current liabilities		-	-
Total liabilities		1,038,283.40	298,022.92
Net assets		581,555.69	1,113,850.08
EQUITY			
Accumulated surplus		581,555.69	1,113,850.08
Other reserves (specify)	12	-	-
Total equity		581,555.69	1,113,850.10

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

Canberra Region Joint Organisation

Statement of Changes in Equity For the year ended 30 June 2020

	2020 \$			2019 \$		
	Accumulated surplus	Other reserves	Total equity	Accumulated surplus	Other reserves	Total equity
Opening balance	1,121,391.30	-	1,121,391.30	-	-	-
Changes due to AASB16 Adoption	-	-	-			
Changes due to AASB15 and AASB1058 Adoption	-	-	-			
Net operating result for the period	(539,835.61)	-	(539,835.61)	1,113,850.10	-	1,113,850.10
Other comprehensive income	-	-	-	-	-	-
Closing balance	581,555.69	-	581,555.69	1,113,850.10	-	1,113,850.10

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

** The CRJO has not restated comparatives when initially applying AASB1058 Income of Not-for-Profit Entities, AASB15 Revenue from Contracts with Customers and AASB16 Leases. The comparative information has been prepared under AASB111 Construction Contracts, AASB118 Revenue, AASB1004 Contributions, AASB117 Leases and related Accounting interpretations.

Canberra Region Joint Organisation

Statement of Cash Flows for the year ended 30 June 2020

	Notes	2020 \$	2019 \$
Cash flows from operating activities			
Receipts:			
Contributions from member councils		406,469.89	356,024.25
User charges and fees		93,163.10	148,538.80
Investment revenue and interest		7,502.16	6,130.88
Grants		1,128,526.30	738,342.00
Other		195,250.19	128,391.93
Payments:			
Employees and suppliers		(845,576.17)	(513,087.12)
Borrowing costs		(4,405.37)	-
Other		(793,254.07)	(865,457.89)
Net cash provided from (or used) in operating activities		187,676.03	(1,117.15)
Cash flows from investing activities			
Receipts:			
Sale of property, plant and equipment		2,119.80	-
Other		-	-
Payments:			
Purchase of investments (term deposits)		-	-
Purchase of property, plant and equipment		(46,610.25)	(79,523.42)
Other		-	-
Net cash provided from (or used in) investing activities		(44,490.45)	(79,523.42)
Cash flows from financing activities			
Receipts:			
Proceeds from investments		4,874.77	-
Other		-	-
Payments:			
Repayment of investments		-	-
Other		-	-
Net cash provided from (or used in) financing activities		4,874.77	-
Net increase/(decrease) in cash and cash equivalents		148,060.35	(80,640.57)
Cash transferred from former entities		-	1,368,662.73
Cash and cash equivalents at beginning of reporting period		1,288,022.16	1,368,662.73
Cash and cash equivalents at end of reporting period	4	1,436,082.51	1,288,022.16

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

** The CRJO has not restated comparatives when initially applying AASB1058 Income of Not-for-Profit Entities, AASB15 Revenue from Contracts with Customers and AASB16 Leases. The comparative information has been prepared under AASB111 Construction Contracts, AASB118 Revenue, AASB1004 Contributions, AASB117 Leases and related Accounting interpretations.

Canberra Region Joint Organisation

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Note 1 Basis of preparation

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

These financial statements were authorised for issue by the Board of the Joint Organisation on Friday 11th December, 2020. The Board has the power to amend and reissue these financial statements.

AASB101(119)
AASB101(112)(a),(b) The principal accounting policies adopted in the preparation of these financial statements are set out below.

AASB1054(7)-(9) These general purpose financial statements have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, the *Local Government Act 1993* (NSW) and Regulations, and the Joint Organisation Code of Accounting Practice and Financial Reporting. CANBERRA REGION JOINT ORGANISATION is a not-for-profit entity. The financial statements are presented in Australian dollars.

(a) New and amended standards adopted by JO

AASB108(28) The CRJO has not restated comparatives when initially applying AASB1058 Income of Not-for-Profit Entities, AASB15 Revenue from Contracts with Customers and AASB16 Leases. The comparative information has been prepared under AASB111 Construction Contracts, AASB118 Revenue, AASB1004 Contributions, AASB117 Leases and related Accounting interpretations.

(b) Historical cost convention

AASB101(117)(a) These financial statements have been prepared under the historical cost convention.

(c) Significant accounting estimates and judgements

AASB101(122),(125) The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the JO's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the JO and that are believed to be reasonable under the circumstances.

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Critical accounting estimates and assumptions

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

(i) employee benefit provisions – refer Note 11.

Goods and Services Tax (GST)

Interpretation
1031(6),(7) Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Interpretation
1031(8),(9) Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Statement of Financial Position.

Interpretation
1031(10),(11) Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities that are recoverable from, or payable to, the taxation authority are presented as operating cash flows.

Note 2 Income from continuing operations

	2020	
	\$	
Revenue from Contracts with Customers (AASB15)		
User charges and fees	-	
Grant revenue - operating	-	
	<u>-</u>	
Revenue recognised on receipt (AASB1058)		
Member Council Contributions	369,100.38	
Grant Revenue	463,227.00	
Revenue relating to grants for assets controlled by Council	-	
Other	275,132.10	
	<u>1,107,459.48</u>	
	2020	2019
	\$	\$
(a) Member Council contributions		
Bega Valley Shire Council	31,593.77	30,633.00
East Gippsland Shire Council	10,034.43	9,767.00
Eurobodalla Shire Council	34,418.80	33,717.00
Goulburn Mulwaree Council	29,077.42	27,885.00
Hilltops Council	20,701.67	40,886.00
Queanbeyan Palerang Regional Council	49,099.61	46,788.00
Snowy Monaro Regional Council	22,051.39	21,727.00
Snowy Valley Council	17,720.52	14,757.00
Upper Lachlan Shire Council	13,006.46	13,130.70
Wagga Wagga City Council	39,748.73	39,045.00
Wingecarribee Shire Council	42,626.37	41,549.00
Yass Valley Shire Council	19,272.48	36,557.25
ACT Government	39,748.73	-
Total member council contributions	<u>369,100.38</u>	<u>356,441.95</u>
(b) User charges and fees		
Roads & Bridges Register	-	59,026.00
EPA Contaminated Land (Eastern Cluster)	40,000.00	-
EPA Regional Co-Ordination Support	24,444.00	-
EPA Litter Project	4,483.00	-
EPA Illegal Dumping	2,000.00	-
EPA CRC Education	5,000.00	-
EPA Love Food Hate Waste	2,000.00	-
Private Vehicle User Fees	16,231.49	-
Water and Waste Water Prospectus	-	93,335.00
Canberra Region Economic Development Strategy	-	20,116.00
Other	-	-
Total user charges and fees	<u>94,158.49</u>	<u>172,477.00</u>

Note 2 Income from continuing operations (continued)

(c) Grants	2020		2019 (Operating Only)	
	<u>Operating</u>	<u>Capital</u>	<u>Operating</u>	
	\$	\$	\$	\$
EPA - Regional Co-Ordination Package	-	-	148,510.00	
EPA - Love Food Hate Waste	-	-	20,000.00	
EPA - Waste Action Recycling	-	-	44,832.00	
EPA - Community and Behavioural Change	-	-	20,000.00	
EPA - Household Chemical Cleanup	-	-	150,000.00	
OEH – Regional BioDiversity Officer	19,852.00	-	75,000	
EPA – Contaminated Lands Program	-	-	280,000.00	
EPA – Regional Coordination Support Fund	244,443.00	-	-	
EPA – CRC Education	-	-	-	
OLG – Regional Workforce Strategy	84,832.00	-	-	
OLG – Shared Services	20,000.00	-	-	
OLG – Aggregated Procurement	30,000.00	-	-	
OEH – Bin Trim	64,800.00	-	-	
Total grants	463,227.00	-	738,342.00	
Comprising:				
– Commonwealth funding	-			
– State funding	463,227.00			
– Other funding	-			
	463,227.00			
		2020	2019	
		\$	\$	
(d) Other Income				
Procurement rebate		104,623.78	99,099.38	
Motor vehicle private use		-	15,697.60	
Zoom license		-	6,774.84	
Code of conduct panel		-	3,759.30	
Reimbursement of EPA conference		-	11,911.91	
Admin fees		68,847.67	-	
Gain on disposal of assets		-	-	
Other		-	1,683.04	
		173,471.45	138,926.07	
(e) Interest and investment revenue				
Interest on financial assets measured at amortised cost		7,502.16	6,130.88	
Total interest and investment revenue		7,502.16	6,130.88	

Note 3 Expenses

	2020	2019
	\$	\$
(a) Administrative expenses		
Consulting & Accounting	382,065.96	860,814.40
Legal expenses	3,800.00	4,450.00
Advertising	45,659.69	6,990.18
Bank Fees	710.96	395.95
Cleaning	2,874.63	835.99
Freight & Courier	295.26	10.50
General Expenses	207,278.84	46,101.25
Insurance	10,444.51	12,842.99
Light, Power, Heating	905.59	533.98
Meeting Expenses	46,229.06	-
Motor Vehicle Expenses	28,043.34	16,546.14
Office Expenses	17,691.77	44,148.92
Printing & Stationery	6,721.40	1,922.09
Rent	4,609.18	-
Subscriptions	7,308.70	8,571.82
Telephone & Internet	8,663.84	5,193.91
Operating leases:		
– Buildings	12,274.00	-
– Computers	1,440.00	-
– Motor vehicles	-	-
– Other	-	-
Expenses from short term leases	-	-
Expenses from leases of low value assets	-	-
Variable lease expense relating to usage	-	-
Loss on disposal of property, plant and equipment	-	-
Total administrative expenses	<u>787,016.73</u>	<u>1,009,358.12</u>
Auditors' remuneration		
Auditors of the JO – NSW Auditor-General:		
(i) Audit and other assurance services		
Audit of financial statements	11,000.00	-
Other assurance services	-	-
Total fees paid or payable to the Auditor-General	<u>11,000.00</u>	<u>-</u>
(ii) Other assurance – services provided to the JO	-	-
Total fees paid or payable to other assurance providers	<u>-</u>	<u>-</u>
	2020	2019
	\$	\$
(b) Borrowing costs		
Interest on leases	-	-
Other borrowing costs	4,405.37	-
Total borrowing costs	<u>4,405.37</u>	<u>-</u>

Note 4 Cash and cash equivalents

	2020	2019
	\$	\$
Cash at bank and on hand	1,442,426.64	790,180.58
Deposits at call	-	500,000.00
Credit Facility	(6,344.13)	(2,158.42)
	<u>1,436,082.51</u>	<u>1,288,022.16</u>
Restricted cash and cash equivalents		
External restrictions	1,023,680.03	459,197.33
Internal restrictions	-	16,444.51
Unrestricted	413,000.00	812,380.32
	<u>1,436,082.51</u>	<u>1,288,022.16</u>

Note 5 Investments

	2020		2019	
	Current	Non-current	Current	Non-current
	\$	\$	\$	\$
Debt securities at amortised cost				
- Term Deposits	504,141.05	-	500,000.00	-
	504,141.05	-	500,000.00	-

Note 6 Receivables

	2020	2019
	Current	Current
	\$	\$
Receivables from member councils	35,127.32	46,916.79
Grant receivables	-	-
GST	12,093.66	7,538.68
Total	<u>47,220.98</u>	<u>54,455.47</u>
Less: provision for impairment:		
– Other (specify if material)	-	-
	-	-
Net receivables	<u>47,220.98</u>	<u>54,455.47</u>

Note 7 Property, plant and equipment

By asset class	At 1 July 2019			Movement during period			At 30 June 2020		
	Gross Carrying Amount	Accum Dep	Net Carrying Amount	Additions	Disposals	Dep	Gross Carrying Amount	Accum Dep	Net Carrying Amount
Office equipment	-	-	-	-	-	-	-	-	-
Furniture and fittings	-	-	-	-	-	-	-	-	-
Vehicles	79,523	(12,286)	67,237	39,698	-	(25,192)	81,744	(37,478)	44,265
Other									
	79,523	(12,286)	67,237	39,698	-	(25,192)	81,744	(37,478)	44,265

Note 8 Contract assets and liabilities

(a) Contract assets and liabilities

The CRJO has recognised the following contract assets and liabilities from contracts with customers:

Contract assets	2020
	\$
- Nil	-
Total Contract assets	-

Contract liabilities	2020
	\$
- Funds to construct JO controlled assets	-
- Funds received prior to performance obligations being satisfied (upfront payments) – AASB15	617,079.94
- Other	-
Total Contract liabilities	617,079.94

(b) Contract cost assets

Contract cost assets	Note	2020
		\$
Incremental cost to obtain a contract		-
Cost to fulfil a contract		-
Other		-
Total Contract cost assets		-

Note 9 Leases

The CRJO has applied AASB16 using the modified retrospective (cumulative catch-up) method and therefore the comparative information has not been restated and continues to be reported under AASB117 and related interpretations.

(a) CRJO as a lessee

CRJO has leases over a range of assets including land and buildings and IT equipment. Information relating to the leases in place and associated balances and transactions is provided below.

Terms and conditions of leases

Buildings

The CRJO held a property lease over an office facility at 24 Richmond Avenue Canberra Airport Fairburn ACT. This lease was entered into on 1/8/2019 and expired on 31/7/2020.

The CRJO held a property lease over an office at 56 Clinton St Goulburn NSW. This lease was entered into on 1/1/2020 and was due to expire on 31/12/2020. However, this lease cancelled without penalty or cost on 22/7/2020.

Office and IT equipment

The CRJO held a lease over the use of a Printer. This lease was entered into on 3/9/2018 for \$120 per month. This lease is due to expire on 3/9/2023.

Right-of-use assets

	Buildings \$	Office and IT \$	Other \$	Total \$
Adoption of AASB16 at 1 July 2019	-	6,120	-	6,120
Additions of right-of-use assets	30,416	-	-	30,416
Adjustments to right-of-use assets due to remeasurement of lease liability	17,545	-	-	17,545
Depreciation Charge	12,274	1,440	-	13,714
Impairment of right-of-use assets	-	-	-	-
Balance at 30 June 2020	597	4,680	-	5,277

Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below.

< 1 year \$	1-5 year \$	> 5 year \$	Total \$	Total per statement of financial position \$
2,037	3,240	-	5,277	Nil

Extension options

Nil

Note 9 Leases (continued)

Income statement

The amounts recognised in the Income Statement relating to leases where the CRJO is a lessee are shown below.

	\$
Interest on lease liabilities	-
Depreciation on right-of-use assets	-
Variable lease payments based on usage not included in the measurement of lease liabilities	-
Income from sub-leasing right-of-use assets	-
Expenses relating to short-term leases	-
Expenses relating to low-value assets	-

Statement of cash flows

	\$
Total cash outflow for leases	13,714

Leases at significantly below market value – Concessionary/peppercorn leases

Nil

Note 10 Payables and borrowings

	2020	2019
	Current	Current
	\$	\$
Payables		
Trade payables	313,595.77	157,222.71
Superannuation Payable	5,408.20	18,397.19
PAYG Tax Payable	60,804.00	70,498.43
ELE Entitlements	40,354.73	-
Other	1,040.76	-
Total payables	421,203.46	246,118.33
Borrowings		
Bank overdraft	-	-
Total borrowings	-	-
Financing arrangements		
	2020	2019
	\$	\$
Total facilities		
The amount of total financing facilities available to the JO at the reporting date is:		
- Bank overdraft facility	-	-
- Corporate credit cards	20,000.00	20,000.00
	20,000.00	20,000.00
Drawn facilities		
The amount of financing facilities drawn down at the reporting date is:		
- Bank overdraft facility	-	-
- Corporate credit cards	6,344.13	2,158.42
	6,344.13	2,158.42
Undrawn facilities		
The amount of undrawn financing facilities available to the JO at the reporting date is:		
- Bank overdraft facility	-	-
- Corporate credit cards	13,665.87	17,841.58
	13,665.87	17,841.58

Note 11 Provisions

	2020		2019	
	Current \$	Non-current \$	Current \$	Non-current \$
Employee benefit provisions				
Annual leave	40,354.73	-	29,397.39	-
Long-service leave	-	-	22,507.20	-
Other provisions				
Other	-	-	-	-
Total provisions	40,354.73	-	51,904.59	-
Current provisions not expected to be settled within the next 12 months	-	-	-	-

(a) Description of and movements in provisions

The movement in each class of provision (excluding those relating to employee benefits) is presented in the table below.

	Other provision (1) \$	Other provision (2) \$	Total \$
	At beginning of period	-	-
Changes to provision:	-	-	-
Amounts used	-	-	-
Unwinding of discount	-	-	-
Unused amounts reversed	-	-	-
Other (specify) _____	-	-	-
Total	-	-	-

Note 12 Reserves

Nature and purpose of reserves

(i) Other reserves (specify)

Nil

Note 13 Changes in accounting policy

Changes in accounting policy due to adoption of new Accounting Standards

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

All adjustments on adoption of AASB 15 and AASB 1058 have been taken to retained earnings at 1 July 2019.

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

AASB 15 and AASB 1058

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

- CRJO has not adopted the completed contract expedient and therefore has not excluded revenue which was fully recognised in previous years in accordance with the former accounting standards and pronouncements

Grants – operating

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

Grants – capital

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

Changes in presentation

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

Note 13 Changes in accounting policy (continued)

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

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

Statement of financial position as at 30 June 2020

	Carrying amount per Statement of financial position under AASB15 and AASB1058	Reclassification	Remeasurement	Carrying amount under previous revenue standards	Note
Current liabilities					
Income received in advance	617,080		(617,080)	-	
Contract liabilities	-		-	-	
Non-current liabilities	-	-	-	-	
Contract liabilities	-	-	-	-	
Net assets	581,555	-	617,080	1,198,635	
Equity					
Accumulated surplus	(539,835)		617,080	77,245	
Total equity					

- i. Transfer of part of the contract liability to income received in advance and elimination of contract liability which arises under AASB 15 for funds received to construct an asset to be controlled by Council and other funds under AASB 15 which have been received prior to the satisfaction of performance obligations.

Income statement for the year ended 30 June 2020

	Carrying amount per Statement of financial position under AASB15 and AASB1058	Reclassification	Remeasurement	Carrying amount under previous revenue standards	Note
Revenue	463,227		617,080	1,080,307	
Profit/(Loss) for the year	(539,835)		617,080	77,245	
Total comprehensive income	1,107,459		617,080	1,724,539	

- i. Difference in revenue between recognition on receipt under the old standards and as / when performance obligations are met under new standards.

Statement of cash flows for the year ended 30 June 2020

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

Note 13 Changes in accounting policy (continued)

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

The following tables show the impact of adopting AASB 15 and AASB 1058 on the Council's financial statements for the year ended 30 June 2019.

Statement of financial position as at 30 June 2019

	Carrying amount per Statement of financial position under AASB15 and AASB1058	Reclassification	Remeasurement	Carrying amount under previous revenue standards	Note
Current liabilities					
Income received in advance	589,256		(589,256)	-	
Contract liabilities	-		-	-	
Non-current liabilities	-	-	-	-	
Contract liabilities	-	-	-	-	
Net assets	524,594	-	589,256	1,113,850	
Equity					
Accumulated surplus	524,594		589,256	1,113,850	
Total equity					

- ii. Transfer of part of the contract liability to income received in advance and elimination of contract liability which arises under AASB 15 for funds received to construct an asset to be controlled by Council and other funds under AASB 15 which have been received prior to the satisfaction of performance obligations.

Income statement for the year ended 30 June 2019

	Carrying amount per Statement of financial position under AASB15 and AASB1058	Reclassification	Remeasurement	Carrying amount under previous revenue standards	Note
Revenue	149,086		589,256	738,342	
Profit/(Loss) for the year	(844,068)		589,256	(254,812)	
Total comprehensive income	524,594		589,256	1,113,850	

- ii. Difference in revenue between recognition on receipt under the old standards and as / when performance obligations are met under new standards.

Statement of cash flows for the year ended 30 June 2019

The adoption of AASB 15 and AASB 1058 has not materially changed the statement of cash flows for the year ended 30 June 2019.

Note 13 Changes in accounting policy (continued)

AASB 16 Leases

CRJO as a lessee

Under AASB 117, CRJO assessed whether leases were operating or finance leases, based on its assessment of whether the significant risks and rewards of ownership had been transferred to the JO or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for short-term leases and leases of low-value assets).

CRJO has used the exception to lease accounting for short-term leases and leases of low-value assets, and the lease expense relating to these leases is recognised in the Income Statement on a straight-line basis.

Practical expedients used on transition

AASB 16 includes a number of practical expedients which can be used on transition. CRJO has used the following expedients:

- Contracts which had previously been assessed as not containing leases under AASB 117 were not re-assessed on transition to AASB 16.
- Lease liabilities have been discounted using the CRJO's incremental borrowing rate at 1 July 2019.
- Right-of-use assets at 1 July 2019 have been measured at an amount equal to the lease liability adjustment by the any prepaid or accrued lease payments.
- A single discount rate was applied to all leases with similar characteristics.
- The right-of-use asset was adjusted by the existing onerous lease provision (where relevant) at 30 June 2019 rather than perform impairment testing of the right-of-use asset.
- Excluded leases with an expiry date prior to 30 June 2020 from the Statement of Financial Position, and lease expenses for these leases have been recorded on a straight-line basis over the remaining term.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.
- For leases which were classified as finance leases under AASB 117, the carrying amount of the right-of-use asset and the lease liability at 1 July 2019 are the same value as the leased asset and liability on 30 June 2019.

Financial statement impact of adoption of AASB 16

CRJO has recognised right-of-use assets and lease liabilities of \$6,120 at 1 July 2019 for leases previously classified as operating leases, or leases that are significantly below market value which were previously off balance sheet.

The weighted average lessee's incremental borrowing rate applied to lease liabilities at 1 July 2019 was 4%.

	\$
Operating lease commitment at 30 June 2019 per CRJO financial statements	6,120
Discounted using the incremental borrowing rate at 1 July 2019	5,875
Add:	
- Finance lease liabilities	
- Extension options reasonably certain to be exercised not included in the commitments note	
- Variable lease payments linked to an index	
- Other reconciling items	
Less:	
- Short-term leases included in commitments note	
- Leases for low-value assets included in commitments note	
- Other reconciling items	
Lease liabilities recognised at 1 July 2019	5,875

Note 14 Commitments

	2020
	\$
(a) Capital commitments (exclusive of GST)	Nil
(b) Non-cancellable operating lease commitments	
Commitments under non-cancellable operating leases at the reporting date but not recognised in the financial statements are payable as follows:	
– Not later than one year	1,440.00
– Later than one year and not later than five years	3,240.00
– Later than five years	-
Total	<u>4,680.00</u>

The operating leases in place are for Printer Equipment. All operating lease agreements are secured only against the leased asset and are for a term of two years. The leases generally have a CPI increase each year.

Note 15 Contingencies

The CRJO does not have any contingent liabilities.

Note 16 Financial risk management

Risk management

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

Financial risk management is carried out by the finance team under policies approved by the JO Board.

Note 17 Related party disclosures

Key management personnel

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

The aggregate amount of KMP compensation included in the Income Statement and Other Comprehensive Income is \$186,860.

There are no other transactions with KMP or their related parties. There are no transactions with other related parties.



INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

Canberra Region Joint Organisation

To the Board of the Canberra Region Joint Organisation

Opinion

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

In my opinion:

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

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

Basis for Opinion

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

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

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

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

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

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

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

Other Information

The Joint Organisation's Annual Performance Statement for the year ended 30 June 2020 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Board is responsible for the other information.

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

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

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

I have nothing to report in this regard.

The Board's Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

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

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

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



Dominika Ryan
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

12 January 2021
SYDNEY

Payment of Expenses Provision of Facilities and Allowances to Board Members

The Payment of Expenses Provision of Facilities and Allowances to Board Members Policy was adopted at the CRJO Board meeting of 15 February 2019. The policy was revised later in 2019 and adopted by the Board in February 2020. Costs and expenses related to CRJO Board members for the 2019-2020 year are outlined below:

Provision of dedicated office equipment allocated to Board Members.	Nil. Refer clause 5.4 of policy.
Telephone calls made by Board Members.	Nil Refer clause 5.4 of policy.
Attendance of Board Members at conferences and seminars.	CRJO representation on the NSW Regional JO Network Meetings 2019-2020. Total\$ 4,623 (travel and accommodation)
Interstate visits, including transport, accommodation and other out-of-pocket travelling expenses.	Not applicable. No interstate travel undertaken.
Overseas visits, including transport, accommodation and other out-of-pocket travelling expenses.	Not applicable. No international travel undertaken.
Expenses of any spouse, partner or other person who accompanies Board Members in the performance of his or her civic functions.	Not applicable. CRJO does not meet the cost of Board Members' spouses, partners and accompanying persons. Refer clause 5.3 of policy.
Expenses involved in the provision of care for a child of, or an immediate family member of a Board Member.	Not applicable. Refer clause 5.7.2 in policy.
Board Member sitting fees.	Total: \$26,250
Board meeting expenses.	Total: \$ 9,818



Details of Contracts Awarded by CRJO

The CRJO contracted the services of KPMG for the Regional Workforce Strategy. The submission quoted was \$173,000 of which \$100,000 would be funded by the NSW Office of Local Government Joint Organisation Capacity Building Fund.

Other minor contracts of \$50,000 or less included:

- Jennifer Lang - accounting services
- Western Research Institute - Best Practice in Aggregated Procurement, collaboration with three other JO's, funded by the Joint Organisation Capacity Building Fund
- Rowdy Digital - additional branding and initial design for website redevelopment
- Cheryl Gillmore - Strategic Planning Workshop
- Infrastructure Collaborative – Recreational, Cultural and Tourism prospectus data collation
- OPC IT Canberra – IT services and development of a document management system.

Legal Costs

The CRJO incurred no legal costs in relation to legal proceedings taken either by or against the CRJO.

Delegated Functions

The CRJO did not engage any external body to exercise functions delegated by the CRJO.

Interest

The CRJO does not control or hold interest in any corporations, partnerships, trusts, joint ventures, syndicates or other bodies and did not participate with any of the abovementioned entities (whether or not incorporated) during the year.

Equal Employment Opportunity (EEO)

In 2019-20 the CRJO employed six full-time staff. It is expected that the workforce will increase as the CRJO secures additional grant funding.

Remuneration Package of Executive Officer

The total remuneration package for the CRJO Executive Officer in 2019-20 was \$200,000 including salary, superannuation. No bonus, performance or other payments that do not form part of the salary component were included.

The CRJO had no other senior staff members during this period.



Capital Works Projects

The CRJO did not undertake any capital works projects.

Government Information Public Access (GIPA)

The CRJO received no requests for public access to government information.

Information included on public disclosure activity

The CRJO has a Public Disclosure Policy and register, however did not receive any public requests for access.

