



Regional
Capitals
Alliance

WESTERN AUSTRALIA



19/20

RCAWA Annual Report

▲ Advocacy ▲ Collaboration ▲ Representation

ACKNOWLEDGEMENTS

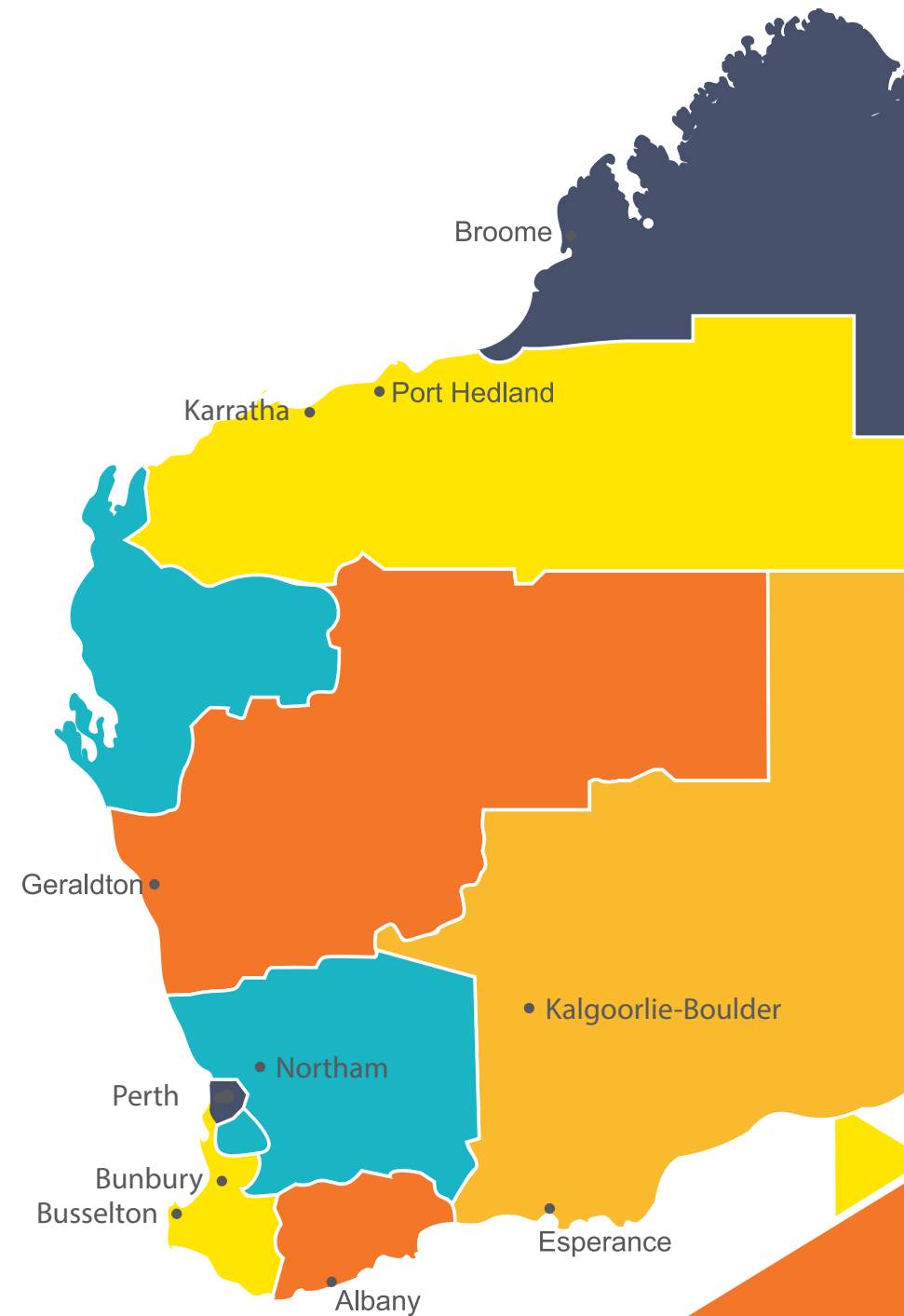
RCAWA members would like to acknowledge the Traditional Custodians of the land on which they work and live, and recognise their continuing connection to land, water and community. They pay respect to Elders past, present and emerging.

RCAWA members would like to acknowledge and extend their gratitude to the Premier of Western Australia, Ministers, Directors General, State and Local Government Departmental Officers, Industry Body members, and private sector representatives who have attended RCAWA meetings in the 2019-2020 year or who have assisted with, or provided a forum for challenges and opportunities facing the Alliance.



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FOREWORD: DENNIS WELLINGTON - RCAWA CHAIR

Like many organisations around the world, Regional Capitals were impacted by the Covid-19 pandemic which forced our structure, focus and priorities to shift in order to assist our communities to recover.

Supporting our regional industries to bounce back in the face of uncertainty and drive the State and Nations economy north in collaboration with all levels of government became our major priority in the wake of the public health crisis.

We were fortunate to have Jodi Cant; Director General, Department of Finance and Chair, Regional Stream of the State Covid-19 State Recovery Group at the June 18 Regional Capital Alliance Meeting.

Her discussion around the State's Covid-19 Response and Recovery Plan focused on the role of regional Western Australia as the state shifts into the recovery model of the plan and highlighted priority areas of action to be incorporated in the recovery effort.

Partnership and collaboration with the State Government has underpinned our regional response to Covid-19 and allowed the Regional Capital Alliance to advocate for the 250,000 residents that call one of our ten regional cities home.

Key achievements following the Alliance's advocacy efforts include a \$1 billion Regional Coronavirus Fund, \$500 million Local Roads and Community Infrastructure Program and \$1.3 billion in advanced payments of the 2020-2021 Financial Assistance Grants.

Additional advocacy of State Government has resulted in \$100 million for establishing the Regional Aviation Fund, \$570 million for regional universities and improving educational attainment in regional students, \$21 million for Regional University Centres and the establishment of a Regional Education Commissioner.

In October we released our Investment Framework to key political parties with the aim to enter long term partnerships that deliver outcomes for Regional Western Australia.

Current global issues surrounding the Covid-19 pandemic have identified a requirement for Australia to move to become an economy that is more focussed on secondary processing of our natural resources.

Regional Western Australia incorporates established communities with well-developed infrastructure, services and lifestyle opportunities with potential to boost the WA economy and drive growth during this time of change.

Now is the time to facilitate and fast track economic development opportunities across Regional Western Australia that support our communities, residents and businesses in order to come out of this pandemic thriving.



Dennis Wellington | Chair

OVERVIEW: PAUL ROSAIR – EXECUTIVE OFFICER

Regional Western Australia has faced arguably one of its most challenging years with the unparalleled impact of the worldwide COVID-19 pandemic hitting our shores in February 2020. The Regional Capitals Alliance WA responded in an exceptional manner, collaborating with Governments, Industry and one another to minimise the impact of the pandemic on its communities, resulting in an initial response of \$26.5m through a broad range of relief and stimulus measures.

In 2019/2020 the Alliance and its members continued to make a major contribution to the nation in areas of economic, social and community development; building capacity and resilience amongst membership and the communities it represents. They contributed over \$33bn to Gross Regional Product, provided over 10% of WA's employment, produced \$71bn of port production, \$4bn of agricultural produce and \$2bn in Tourism.

Over the past 12 months the Alliance has focussed on developing a Regional Investment Framework to further this economic growth across regional WA. This framework is based on the premise that Alliance members have the capability, capacity and business prospects to align its agenda with State and Federal priorities in the delivery of its combined 10 year, \$3.6bn forward capital works plans.

The success of the Alliance relies on a diverse network of stakeholders reaching common ground. It once again has been my pleasure working individually and collectively with the ten Mayors and Presidents of each regional capital and their Chief Executives. I would particularly like to acknowledge Mayor's Dennis Wellington and Peter Long and for their outstanding advice and Chairmanship of the Alliance, Mayor Shane Van Styn as Treasurer, CEO's Andrew Sharpe and Chris Adams for their Secretarial roles.

I would also like to thank our strategic partners. During 2019/2020 the Alliance engaged with Cabinet Ministers, politicians, public servants,

community representatives and business executives, all interested in the views and advice of the Alliance and ready to offer their support.

The Alliance is now considered a trusted advisor to, and advocate of, Governments of all persuasions, a collaborator with regional communities and a developer of partnerships with Industry and Not for Profit sectors. It is also a key representative body, which is often sought after by the media and key industry organisations to speak on behalf of Regional WA.



Paul Rosair | Executive Officer



WHO WE ARE

Home to over 250,000 people, the ten local government areas of the Regional Capitals Alliance Western Australia (RCAWA) make up half of the population of regional Western Australia.

RCAWA local governments represent the most significant concentrations of employment in regional Western Australia. With diverse economies and lifestyles, they offer exciting places to live, work, visit and invest.

Whilst they might encompass a large section of the regional population, they are overshadowed by the population of the Perth metropolitan area. The Alliance considers that significantly growing the regional population base, and strengthening the diverse regional economies, is critical to the future growth of our state.

Trends show that these regional centres offer a genuine attraction, with a number experiencing very significant growth over the past five years. Leveraging this momentum and building communities that offer a real alternative to the metropolitan area requires a focused and tailored approach.

RCAWA advocates for strategic planning for growth and investment in Western Australia's regional capitals. Regional capitals play a pivotal role in both strengthening the Western Australian economy, and supporting the growth of their region's economy. Each of the capitals are considered to have high capability and prospects, positioning them as ideal locations in which to focus the attention of government and industry to grow both the population base and economy of the state.

“Entire regions are likely to be successful if they are supported by a sustainable and resilient regional capital.”

Regional Capitals Australia

RCAWA members do not reflect the stereotyped rural idea of a regional centre. Rather, each centre offers a unique, vibrant community with well-developed infrastructure, services and opportunities. Harnessing these assets and building the regions of Western Australia is at the core of The Alliance's vision for the State.



OUR VISION AND FOCUS

OUR VISION

Vibrant, sustainable regional capitals across Western Australia that are attractive places to live, work, visit and invest.

WHAT WE DO

We lead the sustainable, strategic growth of Western Australia's regional capitals, with a focus on excellence and opportunity creation.



OUR FOCUS

Advocacy & Policy Influence

RCAWA provides strategic advice to government on the social and economic issues impacting on, and often unique to, regional locations. RCAWA advocates for fair consideration of these needs at a State and Federal level – that legislation, policy, planning, strategy and investment matches the growth needs of the regions and builds thriving regional communities.

Partnership & Collaboration

While RCAWA members may have diverse local contexts they also share much common ground. RCAWA members partner and collaborate on opportunities to innovate and develop new ways of working to accelerate the growth of regional communities.

Representation

The Alliance provides a unified voice as the peak body for the regional capitals of Western Australia.

HOW WE WORK



UNITY

Acting as a strong, cohesive alliance to lead change and implement projects aligned with the RCAWA mission.



PARTICIPATION

Active engagement at national, state and regional level forums, providing strategic and considered contributions to the development of regional capitals across Australia.



COMMUNICATION

Effectively communicating the value of RCAWA and its members with key stakeholders.

OUR PRIORITIES

ADVOCACY & POLICY INFLUENCE

Highly liveable, sustainable regional capitals offering a real alternative to the metropolitan area.

We will:

- Advocate for equitable access to quality services and infrastructure.
- Drive the development of a clear, consistent regional investment strategy based on capability and business prospects.
- Advocate for and enable decentralisation of the workforce across government and industry.
- Campaign for legislation and government policy that supports sustainable regional growth.

PARTNERSHIP & COLLABORATION

Innovative and sustainable networked system of regional capitals that are good places to live, work, visit and invest.

We will:

- Share of best practice in community building, leadership development and place making.
- Partner to create environments that facilitate decentralisation of the workforce across government and industry.
- Highlight investment opportunities across the regions and foster an enabling approach.
- Collaborate to deliver Alliance-wide and niche group projects that leverage the network's capabilities and business prospects.
- Foster collaboration and entrepreneurialism within the business and education sectors.
- Maximise digital connectivity to accelerate the growth of existing and emerging industries.

REPRESENTATION

Regional capitals are represented by a common voice.

We will:

- Collaborate with our members and our regional partners to understand, and communicate about, strategic issues and opportunities.
- Build brand awareness, and the reputation of, RCAWA.
- Exemplify excellence in stakeholder engagement and corporate communications.



OVERVIEW OF KEY OUTCOMES FOR 2019/2020

RCAWA is committed to providing representation and outcomes that deliver value to all members and constituents of the Regional Capitals.

It delivers these benefits by:

- ▶ Providing Strong Advocacy and Policy Influence
- ▶ Creating opportunities for Partnerships and Collaboration
- ▶ Representation

In support of these objectives, significant achievements by RCAWA members during the past year are as follows:

INVESTMENT FRAMEWORK

Link to Strategic Directions:

- **Providing Strong Advocacy and Policy Influence**
- **Representation**

The Regional Capitals would like to leverage their collective capacities, comparative advantages and to maximise their impacts on WA and Australian economies. As such they have collaborated, as regional leaders, on the development and agreement of an Investment Framework that delivers common outcomes for all stakeholders.

An initial review of plans, projects and Forward Capital Works Plans from the ten Regional Capitals amounted to approximately \$3.6 billion.

Economic and community building projects are nearly half of the total projects and include:

- **\$1.25 billion of transport projects**
- **\$150 million of technology projects**
- **\$125 million of health projects**

The development of the Strategic Investment Framework positions Regional Capitals to take a key leadership role in bipartisan collaboration with Governments, support from industry, the community sector and their local residents to enable and facilitate the social and economic development of regional Western Australia. Focusing on delivering high order outcomes of people, place, business and economy, Regional Capitals will collaborate with all sectors to provide a conducive and supportive environment to encourage and attract investment from all stakeholders.



INVESTMENT FRAMEWORK: STATS

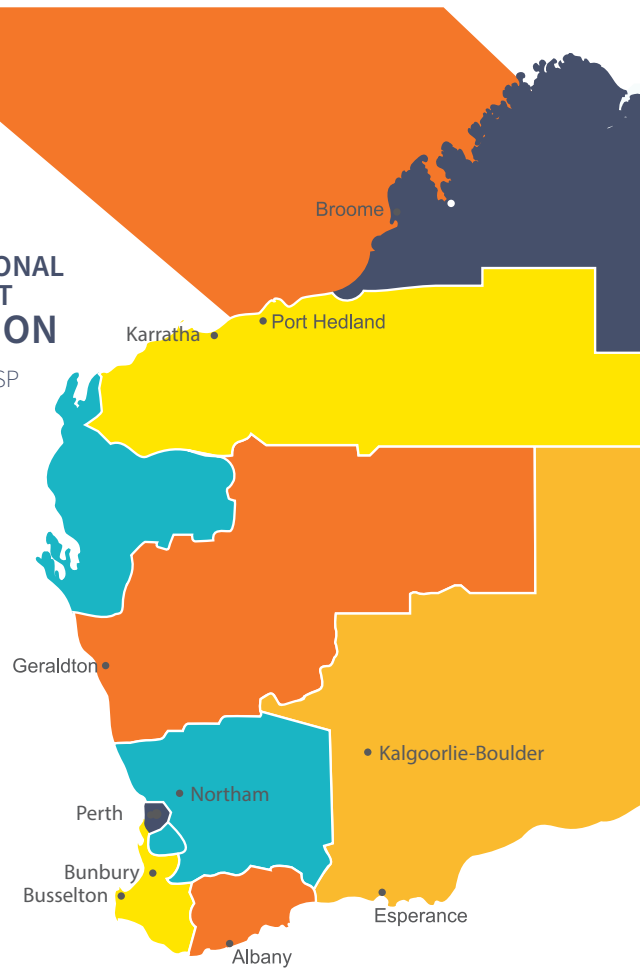
PORT PRODUCTION
\$71 BILLION

74% of WA's total exports



GROSS REGIONAL PRODUCT
\$33 BILLION

13% of WA's GSP



“ We lead the sustainable strategic growth of Western Australia’s regional capitals, with a focus on excellence and opportunity creation.”



EMPLOYMENT
11% of WA's employment

TOURISM
\$2+ BILLION

18% of WA's economy

“Western Australia’s ten regional capitals are home to over 250,000 people; that is half the population of regional Western Australia and the engine room of the nation.”



\$365K AVERAGE HOUSE PRICE

Significantly below the national average house price of \$571k



\$4 BILLION AGRICULTURE

14% of WA's economy

INVESTMENT FRAMEWORK: WHY?

To seek a bipartisan commitment from State and/or Federal Governments, over a ten year period, beyond election cycles, so as to leverage the \$3.6b forward capital works programs of Alliance members.

This commitment could be accessed by Alliance members, based on demonstrating a clear alignment with State and Federal Policy, Priorities, and Benefits to surrounding Local Government communities and providing a cogent business case.

Why now?

The current global economic headwinds of COVID-19 pandemic, potential trade wars and the uncertainty of China’s position in the world requires a Western Australian paradigm shift.

Many layers of government and private enterprise, since COVID-19, have presented the requirement for Australia to quickly move from a ‘harvest’ mindset to an economy that is more reliant on secondary processing of our abundant natural resources.

It is the time to facilitate and fast track economic development opportunities through faster pre-feasibility studies, opportunity approvals and development beyond the current WA Government Recovery Plan.

Those actions need to clear a path for investment and create an appropriate regulatory environment for public and private capital to navigate the complexities and challenges of approvals, which will then give comfort to investors.

REGIONAL CAPITAL INVESTMENT FRAMEWORK PRINCIPLES

- Deliver outcomes for WA and Australia
- Planned & strategic economic development
- Outcomes focused across People, Place, Business and Economy
- Provide regional leadership
- Collaborative approach
- Use our connections with industry and government
- Opportunities are business driven
- Active use of non-financial levers



RCAWA PROPOSED APPROACH

Facilitate, coordinate and connect with businesses of all sizes and community groups to identify key projects for the Regional Capital and region.

Identify all relevant stakeholders for each project.

Workshop 'best-path' options with other Regional Capitals to use experience of RCAWA.

Consult locally with community, regional local governments, business and relevant State and Federal Government authorities to develop project rationale and 'why'.

Develop clear Regional Capitals economic development and social plan linked to the region.

Ensure projects are attractive for all funding options available from State Government, Federal Government, business and investment groups.

Identify non-financial levers that will accelerate achievement of the vision and projects.

Support and/or prepare strategic comprehensive and coherent business cases for each project with stakeholders.

Regional Capitals Project Opportunities

880 TOTAL REGIONAL CAPITALS PROJECTS
Including ~10 aggregated projects

\$3.6B TOTAL VALUE
\$4M AV. VALUE OF PROJECTS

36 AGGREGATED PROJECTS PER REGIONAL CAPITAL

Megaprojects and Large Projects

\$50M+ PROJECT VALUE **15** PROJECTS

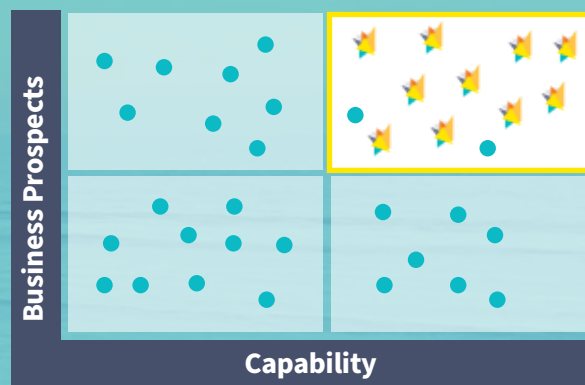
\$5M+ PROJECT VALUE **88** PROJECTS

Economic & Fundamental Infrastructure Projects

TRANSPORT **\$1.25B** **TECHNOLOGY** **\$150M**

ENERGY **\$25M** **HEALTH** **\$125M**

A DELIVERY MODEL FOR INVESTMENT CAPABILITY / BUSINESS PROSPECTS MATRIX



○ Other Regional LG's  RCAWA Alliance Members

Regional Capitals in the National Interest

RED TAPE	<ol style="list-style-type: none"> 1. Reform Local Government for better regional decision making. 2. Streamline land tenure and native title processes. 3. Integrate project approvals. A single integrated land, planning, environment and development system.
EMPLOYMENT	<ol style="list-style-type: none"> 1. Support skilled migration into regional capitals to match skill-based needs. 2. Reform FBT in remote regional Australia to incentivise work and living regionally. 3. Develop a National settlement Strategy that focuses on regional capitals.
TOURISM	<ol style="list-style-type: none"> 1. Provide more support to promote iconic attractions in regional capitals. 2. Reduce cost of regional airfares. 3. Build better collaboration between regional capitals and Tourism Australia. 4. Build tourism related infrastructure and facilities.
INFRASTRUCTURE	<ol style="list-style-type: none"> 1. Fast track regional capitals funding deals. 2. Adopt the Regional Investment Framework approach. 3. Include regional capitals in National Energy Policy discussions. 4. Establish arts and cultural facilities funding program.



RCAWA METROPOLITAN OFFICE

The RCAWA metropolitan office space in Victoria Park was officially opened in May 2019 by Hon. Ben Wyatt MLA, in the company of RCAWA representatives, Shane Van Styn, Mayor of the City of Greater Geraldton and Paul Rosair, Executive Officer.



OTHER ACTIVITIES

Benchmarking Framework:

Link to Strategic Directions:

- Creating opportunities for Partnerships and Collaboration

With research proving that benchmarking with similar entities provides a sound basis for organisational learning and improvement, RCAWA developed a benchmarking framework in 2018/19. Now in its second year, the model is being refined, with the aim of producing year on year comparative data and conducting a deeper dive into key specific areas to elicit beneficial learnings across the group.

COVID-19 response:

The effects of Covid-19 were wide-felt within the Alliance. When the State Government declared a State of Emergency 31 March 2020 many sectors within the regions were impacted, particularly tourism, retail and mining. The Local Governments, as organisations, had to make rapid decisions initially regarding staffing, closures of facilities and community safety and later around recovery and economic stimulus.

To facilitate a collaborative, supportive network, RCAWA CEO's conducted weekly COVID-19 ring-arounds from 19 March 2020 until the end of April 2020, sharing information on staff and elected members, disaster recovery and emergency action plans, operations and business stimulus.

Most Accessible Community In Western Australia Awards (Macwa):

Following the previous success of the MACWA awards, it was a big decision to postpone this year's campaign. With Covid-19 affecting all Local Governments, it was felt that the time was not right to distract from core duties. The awards will be back in early 2021, with a new bright, simplified format and RCAWA will look forward to seeing the amazing achievements of WA Councils.

Tourism:

Following on from the 2018/19 tourism round-table, the Alliance has kept in close contact with Tourism WA, particularly around the COVID-19 response which has focussed on WA road travel.

Workers Compensation

Exploration of collaborative insurance opportunities

Modernising the WA Planning System:

The Alliance was represented at meetings of the review group.

Review of Local Government Act 1995

As an ongoing activity, the Alliance continues to liaise and advocate with relevant government and industry bodies regarding the Local Government Act Review .

Other Activities:



- EPBC Act Legislation Review submission
- COVID-19 press release
- Planning and Development Amendment Bill 2020 correspondence
- WALGA Working Group – review of State council and zones, structures and processes submission



STAKEHOLDER ENGAGEMENT

A total of six Alliance meetings were held over the 2019-2020 financial year. RCAWA would like to acknowledge Tourism WA for the use of their Boardroom and hospitality for some of these meetings, the rest were held remotely due to COVID-19 restrictions on travel. The meetings were well attended by RCAWA members and visiting speakers including:

- Hon Peter Tinley; Minister for Housing; Veterans Issues: Asian Engagement
- Hon Bill Johnston MLA; Minister for Mines & Petroleum; Energy, Industrial Relations
- Hon. Mia Davies MLA; Leader of the National Party
- Hon Jessica Shaw; MLA Chair Economics and Industry Standing Committee
- Hon. Nola Marino; Assistant Minister for Regional Development and Territories
- Ian Blaney MLA; Spokesperson for Regional Cities;
- David Honey MLA; Shadow Minister for Water; Industrial Development; Lands; LA Opposition Policy Coordinator
- Nicole Lockwood; Deputy Chair Infrastructure WA, Independent Chair Westport Taskforce, Chair Freight and Logistics council of WA, Board Member Water Corporation
- Tiffany Allen; Director Land and Housing Construction Department of Communities WA
- John Langoulant; Chair Designate, Infrastructure WA
- Duncan Ord; Director General Department of Local Government and Communities
- Michelle Andrews; Director General at Department of Communities WA
- Jodi Cant; Director General, Department of Finance and Chair, Regional Stream of the State Covid-19 State Recovery Group
- Josh Nyman; Chief of Staff/ Hon Mia Davies MLA
- Ralph Addis; Director General Department of Primary Industries and Regional Development
- Mayor Tracey Roberts; President WALGA
- CR Lynne Craigie; President WALGA
- Nick Sloan; CEO WALGA
- Anne-Marie Britts; A/ED, Freight, Ports, Aviation and Reform (DOT)
- John Morris; Director Ports, DOT
- Peter Ryan; Director of Aviation, DOT
- Kim Giddens; Principal Policy Advisor, Office of Hon Peter Tinley
- Kay Hammer; Principal Policy Advisor, Office of Hon Peter Tinley
- Brendon McShanag; Principal Policy Advisor, Office of Hon Peter Tinley
- Katie McKenzie; Principal Policy Advisor, Office of Hon Bill Johnston MLA
- Paul Meyerkort; Principal Policy Advisor, Office of Hon Bill Johnston MLA
- Greg Cash; MainSheet Capital
- Gerard Moody; MainSheet Capital
- Chris Micks; MainSheet Capital



In addition to attendances at RCAWA meetings, the following Government and industry representatives had meetings with the Alliance's Executive Officer regarding their portfolios and alignment with the Regional Capitals agendas.

- Hon Mark McGowan; Premier, Western Australia
- Alannah MacTiernan MLC; Minister for Regional Development; Agriculture and Food; Ports; Minister Assisting the Minister for State Development, Jobs and Trade
- Hon Darren West MLC; Parliamentary Secretary to the Minister for Regional Development and Minister for State Development
- Hon Simone McGurk; Minister for Child Protection; Women's Interests; prevention of family and domestic violence; Community Services
- Hon Mathias Cormann; Minister for Finance and Senator for Western Australia
- Hon Ken Wyatt; Minister for Indigenous Australians and Member for Hasluck Western Australia
- Hon Mia Davies; Leader of National Party and Member for Wheatbelt for Western Australia
- Hon Jessica Shaw, MLA and Chair of the Economics and Industry Standing Committee
- Hon David Michael, MLA and Chair of the Expert Panel appointed by Government to finalise the review of the Local Government Act
- Hon Paul Papalia MLA; Minister for Tourism, Racing and Gaming, Small Business, Defence, Citizenship and Multicultural Interests
- Hon Dave Kelly MLA; Minister for Water; Forestry; Innovation and ICT; Science; Youth
- Hon Steve Irons MP; Federal Member for Swan
- Hon Jim Chown MLC
- Hon Ian Blayney, MLA Geraldton
- Richard Sellers; Director General Department of Transport
- Duncan Ord; Director General Department of Local Government Sport and Cultural Industries
- Mike Rowe; Director General, Department of Water and Environmental Regulation
- Ralph Addis, Director General, Department of Primary Industries and Regional Development
- Michelle Andrews; Director General, Department of Communities
- Niegel Grazia; Deputy Director General, Department of Primary Industries and Regional Development
- Melissa Murphy; Executive Director Department of Primary Industries and Regional Development
- Tiffany Allen; Executive Director, Department of Communities
- Vaughan Davies; Executive Director, Heritage, Department of Lands, Heritage and Planning
- Fiona Fischer; Regional Executive Director, Department of Communities
- Anne-Marie Britts; A/Executive Director, Freight, Ports, Aviation and Reform
- John Morris; Director Ports, Department of Transport
- Kathy Bonus; Chief Planning Advisor, Office of Director General, Department of Planning, Lands and Heritage
- Romilly Madew; CEO, Infrastructure Australia
- Richard Aspinall; Regional Manager, Greater Western Australia, National Indigenous Australians Agency
- Jeff Gooding; CEO, Kimberley Development Commission
- Brett Sabien; Manager Infrastructure Investment
- Natalia Gemmell; Manager, Department of Communities
- Nick Sloan; CEO WALGA
- Tony Brown; Manager WALGA
- Rachel Green; Manager, Department of Communities
- Tourism WA
- Melissa Northcott; MACWA Ambassador and Disabilities Commission Board Member
- Scott Cole; Director, Honan Insurance Brokers
- Paddi Creevey; Chair, Peel Development Commission
- Darren Forster; Principal Policy Adviser, Office of the Minister for Environment, Disability Services, Electoral Affairs
- Andrew Hammond, Commissioner, City of Perth
- KPMG, Ernst & Young, Deloitte
- Martin Aldridge, MLC Agriculture
- Jonathon Seth and team; CEO Local Government Insurance Services (LGIS)







OUTLOOK

During the first two quarters of the 2019/2020 financial year the combined productivity of WA's regional capitals picked up speed, however this stagnated in the latter half of the year due to COVID-19.

Having seemingly successfully mitigated the immediate health impacts of the pandemic, attention must now turn from a stimulus phase to an economic recovery phase of the State's response noting the following factors:

- The IMF forecasts a decline in global real GDP of around 3% in 2020
- WA's situation has both risks in the WA \$35bn gas export sector and opportunities in the \$95bn iron ore export sector
- While employment levels may not return to pre-pandemic levels elsewhere in WA, Regional Capitals offer many opportunities.

The Western Australian State Treasurer believes that Western Australia's economy is recovering at a faster rate than other States and the National economy due in part to the immediate response measures included in the \$5.5 billion WA Recovery Plan, combined

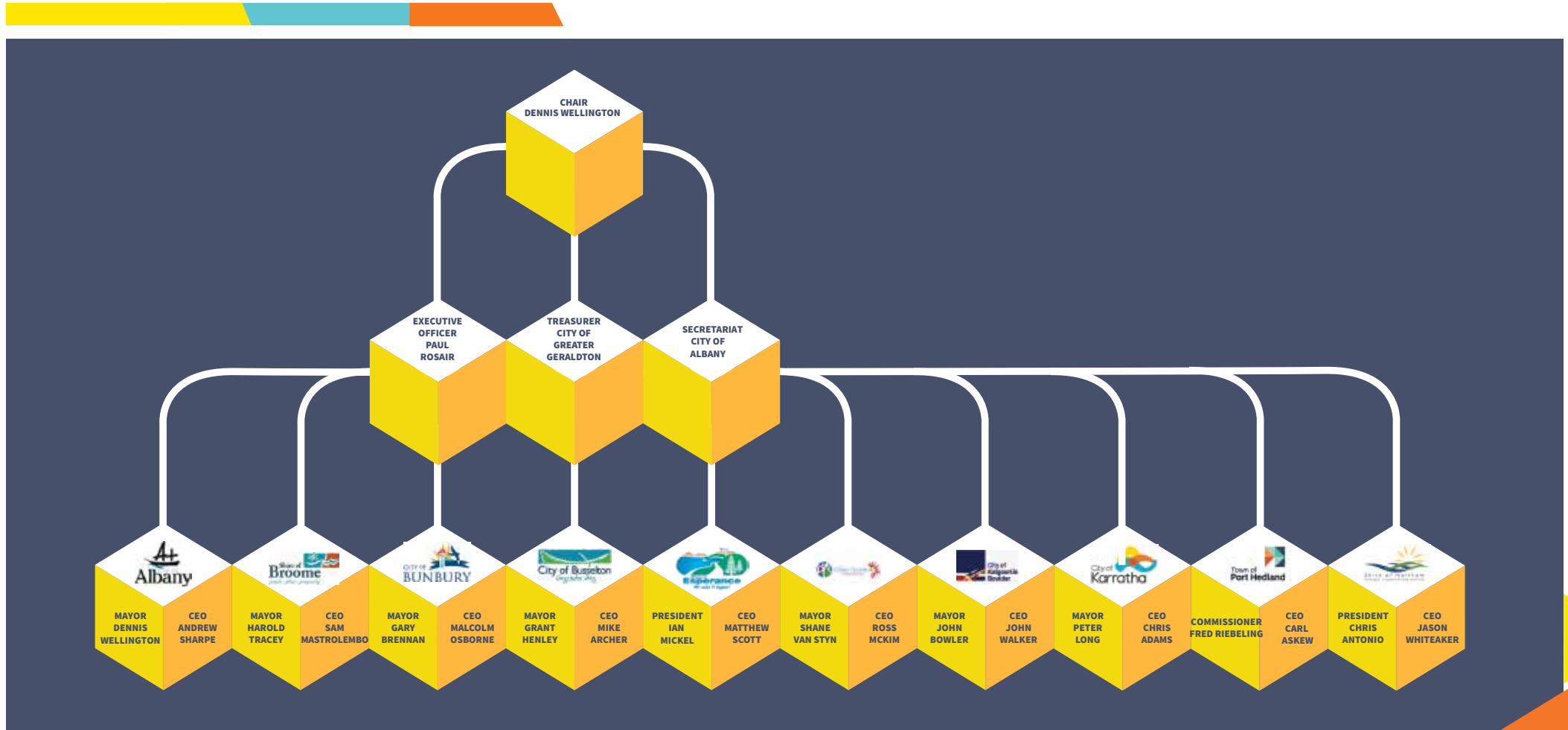
with a range of other State and Commonwealth Government stimulus initiatives. State budget surpluses will help fund \$27.1 billion investment in infrastructure over the next four years, creating a substantial pipeline of work for local industry and local jobs.

The Alliance is uniquely placed, as a trusted advisor to Government, a collaborator within regional communities and developer of local entrepreneurship within the private sector to advise on how and when to harness the capacity of WA's regional capitals in this recovery.

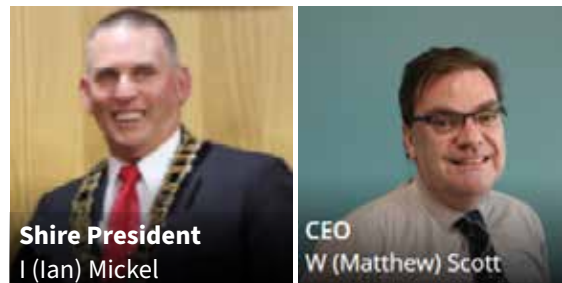
With every cloud there is a silver lining. COVID-19 has demonstrated that workers, particularly in the knowledge sectors, can successfully operate remotely or from home. This has now created the perfect storm of events for the Alliance to create the right business and liveability incentives and climate for Industry and the community to re locate to and prosper in regional WA. With the added attraction of Regional Capitals being regarded as safe, clean, green and virus free, there has been no better time for the Alliance, in tandem with government and industry, to build the infrastructure, services and capability to make this happen.

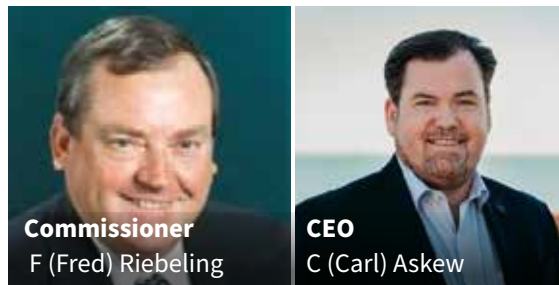
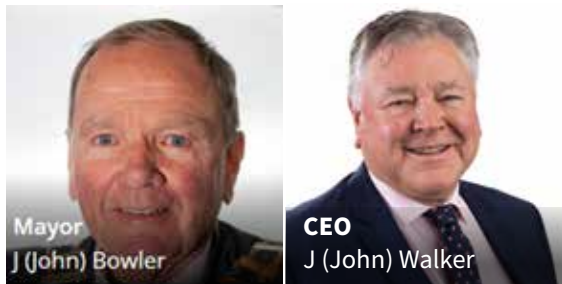


BOARD STRUCTURE



MEMBERS





RCAWA FINANCIALS FOR YEAR ENDED 30 JUNE 2020



Accountants and Business Advisors

A.B.N.: 16 112842 994

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reception@midwestfinancial.com.au

REGIONAL CAPITALS ALLIANCE WESTERN AUSTRALIA INC.

ABN 67 979 701 579

FINANCIAL REPORT

For the year ended 30 June 2020

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020	2019
			\$
INCOME			
Interest Income		62	323
Memberships		150,000	117,100
		150,062	<u>117,323</u>
LESS EXPENDITURE			
Accountancy Fees		798	193
Audit Fees		500	800
Bank Fees		135	33
Donations		1,520	
Executive Support		89,984	87,714
General expenses			220
Meetings and functions		1,268	1,959
Miscellaneous/Sundry			97
Printing & Stationery			273
Projects		32,194	
Travelling expenses		698	1,194
		<u>127,097</u>	<u>93,203</u>
NET OPERATING PROFIT (LOSS)		22,965	24,120

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Note	2020	2019
			\$
ASSETS			
BANK			
Regional Capitals Alliance Western Australia Inc		41,296	1,526
Regional Capitals Alliance Saver		47,558	62,496
TOTAL Bank		<u>88,854</u>	<u>64,022</u>
CURRENT ASSETS			
Trade Receivables			
TOTAL CURRENT ASSETS		<u></u>	<u></u>
TOTAL ASSETS		<u>88,854</u>	<u>64,022</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts Payable		9,328	17,916
Provision for audit fees		500	400
Provision for Mainsheet		12,000	
Tax Payable		-4,873	-3228
TOTAL CURRENT LIABILITIES		<u>16,955</u>	<u>15,088</u>
TOTAL LIABILITIES		<u>16,955</u>	<u>15,088</u>
NET ASSETS		<u>71,899</u>	<u>48,934</u>
EQUITY			
Opening Bal Equity		136,570	136,570
Retained Earnings		-87,636	-111,756
Net income		22,965	24,120
TOTAL EQUITY		<u>71,899</u>	<u>48,934</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1. Summary of Significant Accounting Policies

This special purpose financial report has been prepared for distribution to the members to fulfil the Committee of Management's financial reporting requirements of the Associations Incorporation Act 2015. The accounting policies used in the preparation of this report, as described below, are consistent with the financial reporting requirements of the Group's constitution, and are, in the opinion of the Committee of Management, appropriate to meet the needs of members.

- The financial report has been prepared on a cash basis of accounting, including the historical cost convention and the going concern assumption.
- The requirements of Accounting Standards and other professional reporting requirements do not have mandatory applicability to Regional Capitals Alliance Western Australia Inc. because it is not a "reporting entity". The Committee of Management has, however, prepared the financial report in accordance with all the measurement but not disclosure requirements of Accounting Standards and other professional reporting requirements.

2. Events after the reporting date

COVID-19 was declared a Pandemic by the World Health Organisation on 11 March 2020. The situation has been and continues to evolve very quickly. Significant economic damage has been seen globally and locally in Australia. The final financial impact of this Pandemic is unknown but maybe significant to the operation of the Organisation.

INDEPENDENT AUDITOR'S REPORT

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
REGIONAL CAPITALS ALLIANCE WESTERN AUSTRALIA INC.**

We have audited the accompanying financial report, being a special purpose financial report, of Regional Capitals Alliance Western Australia Inc. (the association) which comprises the committee's report, statement of financial position as at 30 June 2020 and the statement of profit or loss for the year then ended, notes comprising a summary of significant accounting policies and other explanatory notes.

Committee's Responsibility for the Financial Report

The committee of Regional Capitals Alliance Western Australia Inc. is responsible for the preparation and fair presentation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the *Associations Incorporation Act 2015* and is appropriate to meet the needs of the members. The committee's responsibility also includes such internal control as the committee determines is necessary to enable the preparation and fair presentation of a financial report that is free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks or material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation and fair presentation of the financial report, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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

INDEPENDENT AUDITOR'S REPORT (cont)

Independence

In conducting our audit, we have complied with applicable independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion, the financial report of Regional Capitals Alliance Western Australia Inc. presents fairly, in all material respects the financial position of Regional Capitals Alliance Western Australia Inc. as of 30 June 2020 and of its financial performance for the year then ended in accordance with Australian Accounting Standards and the requirements of the *Associations Incorporation Act 2015*.

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial report has been prepared to assist Regional Capitals Alliance Western Australia Inc. meet the requirements of the *Associations Incorporation Act 2015*. As a result, the financial report may not be suitable for another purpose.



**JIM DILLON - CPA 699724
GERALDTON**

Dated this 21st day of September 2020





Regional Capitals Alliance

WESTERN AUSTRALIA

