

FinPro Member Update July 2020 (Edition 2)

President's Message

Hi everyone,

I hope you have been able to find 5 minutes this week to relax, or do something other than emails and ZOOM meetings!

Plenty happening across the sector and organisation – many budgets were adopted this week and some Councils have even had their year-end auditors visit 😊 Tony Rocca (VP Technical Committee FinPro) and myself caught up with Sanchu Chummar from VAGO yesterday to 'check in' on how things are going. We will have an update about our discussion in next week's Member Update. In the meantime, if you do have any concerns and further items you would like us to raise with VAGO (or anyone else) please email [Gab](#).

In our recent Member Survey around how we can assist you through our Professional Development Program, 62% of respondents identified that they were concerned about implementing all the changes required for the new accounting standards. In response to this we have put together a number of key documents and summarised these in today's members update on pages 2 and 3. We have even included an example report that you would be able to provide to your Audit and Risk Committees on the work required to be compliant. We hope that providing these resources is of assistance to you!

Next week we will be launching our FinPro PD for the upcoming months, which given the current circumstances will be on-line webinars!

Have a great weekend,



Bradley Thomas - FinPro President
Director Community and Corporate Services – Hepburn Shire

Membership News

Congratulations to **Kristy Stephens**, Senior Accountant at Bass Coast Shire and FinPro Executive Member and her partner Ramsey on the birth of their first child, Aiden on 2 July 2020. A lovely gift for the new Financial Year!

Wishing good luck to **Greg Hall**, CFO Boroondara City Council as he eases into retirement. His last day is 6 August and prior to leaving he will be completing his 18th budget for that organisation. Greg also served on the FinPro Executive Team from 2013 – 2017. Great effort Greg and good luck.

If you have any news to share with the FinPro membership please forward this to [Gab](#).

FinPro Technical Committee News / Updates

General Information

The LGV website provides a host of information: [LGV - COVID19 Information](#)

The FinPro Website provides a host of information: [FinPro Resource Library](#)

Information available here includes:

- Previous copies of the FinPro Member Updates
- Implementation of the Local Government Act
- Accounting Standards Guidance (Updated 17 July 2020)
- Model Budget 2020/2021 and Model Financial Statements 2019/20
- Samples of council policies

Implementing the changes to the Accounting Standards

Recent survey results (from the FinPro survey on Professional development) showed that 62% of respondents were concerned about implementing all the changes required for the new accounting standards.

Taking this onboard, we have developed some guidance to assist members. This information is provided following consultation with both LGV and VAGO and is listed here and also included on our [website](#).

Accounting Standards Guidance and Worked Examples – AASB 15, AASB 16 and AASB 1058

The Accounting Standards Working Group, (Comprising FinPro members and staff from LGV and Crowe Horwath), worked together during 2018 and early 2019 to develop a guidance document specific to the Local Government Sector. It was developed by the working group and was published and issued by Local Government Victoria.

A copy of the guidance is available [HERE](#) – please note that you will need to scroll right down the page to the last item.

The guidance material is to assist the LG sector to transition to the new accounting standards in a consistent and practical manner and should be used to supplement the standards. The worked examples are in an appendix to the guidance document and provide practical guidance to the overall application of the guidance materials. The examples have been made simple with the aim being that the sector be able to apply such examples in their organisation's decision making.

The 2019-20 Local Government Model Financial Report and associated Better Practice Guide and Summary of Changes may also be useful in identifying specific financial statement impacts and changes in accounting policy resulting from the changes to the Accounting Standards.

To further assist Councils with their progress in implementing the new standards, please refer to the following documents and webinars that may assist with the process at financial year end:

Sample Reports/Webinars	Link
Sample Audit Committee Report	Copy available on the FinPro Website – pdf format. Word format available by emailing gabrielle@finpro.org.au
Sample Position Paper - application of revised standards	Copy available on the FinPro website – pdf format. Word format available by emailing gabrielle@finpro.org.au
AASB16 Leases - Webinar	Webinar conducted by Martin Thompson (Crowe) and Daniel O'Shea (LGV) – 29 March 2019 - Recording link
AASB16 Leases - further worked examples	Additional Information – AASB 16 Examples (April 2019) - there are two sets of spreadsheets with examples on them available on the FinPro Website
Accounting Standards AASB 15 Revenue, AASB 1058 Income for Not for Profits and AASB 9 Financial Instruments	A webinar was held on 12 April 2019 – recording link Copy of the presentation is available on the FinPro Website .
2019-20 Local Government Model Financial Report (LGMFR) and associated Better Practice Guide and Summary of Changes	Copies available on the LGV website – excel, pdf and word formats.
AASB 15/1058 Assessment Tool	This tool, designed by DMG Audit & Advisory, was designed to address particular audit risks in their clients and assists in the completion of your assessment. It seeks to simplify the steps in the standards and provide guidance. Please note that it may not address all situations or take every situation into account. Copy available on the FinPro Website .
Copies of all accounting standards	Copies available on the AASB website

LGV Supplementary guidance for the treatment of COVID-19 impacts on the LGPRF performance indications

VAGO's advice is that each indicator needs to be assessed for the COVID_19 impact and further [guidance has been provided by LGV](#) – see page 4 of last week's [FinPro Member Update](#).

2020/21 Council Budget Parameters and Budget Adoption Timelines

A reminder that FinPro are providing an up-to-date picture across the state of the progress of adoption of Council Budgets for 2020/21, along with measures taken within the budget to assist communities to cope with the affects of COVID-19. As Council's adopt their budgets, please provide the updated information to [gab](#) so that she can update the survey accordingly.

[SURVEY RESULTS](#)

Submission of 2020-21 Annual Budgets and 2019-20 Annual Reports

Local Government Victoria issued Bulletin 49/2020 today (Friday 17 July 2020). The content of the Bulletin was as follows:

BULLETIN: 49/2020

SUBMISSION OF 2020-21 ANNUAL BUDGETS AND 2019-20 ANNUAL REPORTS

The *Local Government Act 1989* requires Victorian councils to submit their Annual Budget and Annual Report to the Minister for Local Government. Councils can submit these documents by electronic means to OfficeMinLeane@ecodev.vic.gov.au with a copy to local.government@delwp.vic.gov.au.

If councils wish to post their documents the mailing address is:

The Hon Shaun Leane MP

Minister for Local Government
 121 Exhibition Street
 Melbourne, Victoria 3000
 Australia
 DX 210074

**Colin Morrison Acting Executive Director
 Local Government Victoria**

COVID-19 impacts on financial reporting

CPA Australia have recently released a publication on the COVID-19 impacts on financial reporting. This may be useful as an additional resource for members.

[VIEW PUBLICATION – Impacts of COVID-19 on annual report disclosures – A guide for directors, preparers and auditors.](#)

Sample Employer superannuation note for financial statements - as provided by Vision Super

This week Vision Super distributed the following information to their VBI contacts at each employer. A copy is included here for your information. If you would like to join the mailing list at Vision Super to ensure you receive such updates please contact Vision Super Employer Services on 1300 304 947 or employerservices@visionsuper.com.au

Sample employer superannuation note for financial statements

Employers are required to make specific superannuation disclosures in their financial statements regarding their superannuation arrangements in accordance with AASB 119 – Accounting for Employee Benefits.

To help you, every year Vision Super prepares two sample notes as guides – one for a short-form note and the other for a long-form note.

PDF copies of the sample notes are linked below:

Year ended 30 June	Short form	Long form
2020	Reduced sample superannuation note for the year ended 30 June 2020	Sample superannuation note for the year ended 30 June 2020

FinPro Professional Development

Cancellation of both our Leadership Program for 2020 and our Annual Conference has now provided us with an opportunity to revisit our Professional Development offerings. We recently surveyed members about their Professional development needs over the coming months. Thank-you to the many members who took the time to provide quite detailed responses to us. This will really allow us to make some informed decisions regarding a new PD program for the remainder of 2020 which we will roll out in the new few weeks. The program will provide a 1 – 1 ½ hr. LUNCH AND LEARN session on the last Friday of each month. It will cover a range of topics and speakers and include Q&A and panel sessions. The program will be FREE to all members. Proposed dates and focus areas are:

- Friday 31 July 2020 (focus on working from home, managing teams virtually and being part of a virtual team.
- Friday 28 August 2020 – focus on the economy)
- September date TBA (pending AFL final series announcements), - focus on learnings from the Preparation of 2020/21 Budgets and
- Friday 30 October 2020 – focus TBA

Job Vacancies

FinPro is happy to place advertisements on our website for any finance related positions our members councils are advertising. Please send the following details through to [Gab](#)

The following position is currently being advertised:

- **Coordinator Procurement (Full-time)**
Hume City Council
Applications close 20 July 2020
For further information please view Position Description or contact Fadi Srour on 9205 2600

FinPro Executive Members

President – Bradley Thomas (Hepburn Shire Council)

Executive Officer – Gab Gordon

Vice-President: Chair Technical Committee – Tony Rocca (Maroondah City Council)

Technical Committee members:

- Danny Wain (Monash City Council)
- Kristy Stephens (Bass Coast Shire)
- Liz Rowland (Western Water)
- Mark Montague (Yarra City Council)
- Nathan Morsillo (Greater Bendigo City Council)
- Vishantri Perera (Yarra Ranges Shire Council)

Vice-President: Chair Professional Development committee – Binda Gokhale (Wyndham CC)

Professional Development Committee members:

- Belinda Johnson (Southern Grampians Shire)
- Charles Nganga (Casey City Council)
- John Brockway (Surf Coast Shire) – also leads the FinPro Mentoring Program
- Kim Jaensch (Frankston City Council) – also leads the FinPro Leadership Program

Thank-you to our 2019 [Conference sponsors](#)

To Contact FinPro:
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