

# ROMA TOWN COUNCIL

## ANNUAL FINANCIAL STATEMENTS

For the period ended 14 March 2008

---

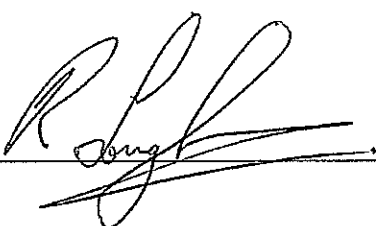
### MANAGEMENT CERTIFICATE


For the period ended 14 March 2008

This final general purpose financial report of former Roma Town Council has been prepared by Roma Regional Council pursuant to Section 532 of the Local Government Act 1993, the Local Government Finance Standard 2005, Section 33 of the Local Government Reform Implementation Regulation 2008 and other prescribed requirements.

I certify that:-

- (i) the relevant recording and reporting procedures have been complied with in the preparation of the final financial statements; and
- (ii) the final financial statements for the final period 1 July 2007 to 14 March 2008 and supporting notes set out on pages 1 to 35 present the former Roma Town Council's income, equity, balances and cash flows as required by the Local Government Act 1993.

  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
Chief Executive Officer

Date: 10 / 9 / 08

Date: 12 / 9 / 08

## INDEPENDENT AUDITOR'S REPORT

### TO THE MAYOR OF ROMA TOWN COUNCIL

#### Scope

##### *Report on the Financial Report*

I have audited the accompanying financial report of Roma Town Council, which comprises the balance sheet as at 30 June 2007, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and certificates given by the Mayor and Chief Executive Officer.

##### *The Council's Responsibility for the Financial Report*

The Council is responsible for the preparation and fair presentation of the financial report in accordance with the *Local Government Act 1993* and *Local Government Finance Standard 2005* including compliance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

##### *Auditor's Responsibility*

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the Auditor-General of Queensland Auditing Standards, which incorporate the Australian Auditing Standards. These Auditing Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed 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 judgment, including the assessment of risks of material misstatement in the financial report, whether due to fraud and error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

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

#### Independence

The *Financial Administration and Audit Act 1977* promotes the independence of the Auditor-General and QAO authorised auditors.

The Auditor-General is the auditor of all public sector entities and can only be removed by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which powers are to be exercised.

The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

## INDEPENDENT AUDITOR'S REPORT

To the Mayor of Roma Regional Council

### Report on the Final Financial Report

I have audited the accompanying final financial report of the former Roma Town Council, which comprises the balance sheet as at 14 March 2008, and the income statement, statement of changes in equity and cash flow statement for the final period ended on that date, a summary of significant accounting policies other explanatory notes and certificates given by the Mayor and Chief Executive Officer.

#### *The New Regional Council's Responsibility for the Final Financial Report*

The new Regional Council is responsible for the preparation and fair presentation of the final financial report in accordance with the *Local Government Act 1993*, *Local Government Finance Standard 2005* and the *Local Government Reform Implementation Regulation 2008* including compliance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the final financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### *Auditor's Responsibility*

My responsibility is to express an opinion on the final financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. These Auditing Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance whether the final financial report is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the final financial report. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement in the final financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the final 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 entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies and the reasonableness of accounting estimates made by the former Council, as well as evaluating the overall presentation of the final financial report.

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

### *Independence*

The *Financial Administration and Audit Act 1977* promotes the independence of the Auditor-General and QAO authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can only be removed by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

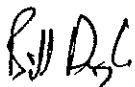
### *Auditor's Opinion*

In accordance with the *Local Government Act 1993* I have audited the former Council's final financial report, and -

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion -
  - (i) the prescribed requirements in respect of the recording and reporting procedures required for the preparation of this final financial report have been complied with in all material respects; and
  - (ii) the final financial report has been drawn up so as to present a true and fair view, in accordance with the prescribed accounting standards, of the financial performance and cash flows of the former Roma Town Council for the final period 1 July 2007 to 14 March 2008 and of the financial position as at the end of that final period.

### *Emphasis of Matter – Local Government Amalgamation*

Without qualification to the opinion expressed above, attention is drawn to Note 1.A in the final financial report which identifies that pursuant to Chapter 3, Part 1B of the *Local Government Act 1993* and in accordance with *Local Government Report Implementation Regulation 2008*, the former Roma Town Council was amalgamated into the new Roma Regional Council effective from 15 March 2008. All assets and liabilities of the former Council immediately before the changeover day were transferred to the new Council on the changeover day at the values reported in the balance sheet, in accordance with the requirements of the Regulation. Accordingly, this final financial report has been prepared on a basis that is consistent with a going concern basis.



W J DINGLE FCA  
as Delegate of the Auditor-General of Queensland

12 September 2008

Toowoomba