



2022 - 2023

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ANNUAL REPORT





**#charterstowers**

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## Acknowledgement of Country

Charters Towers Regional Council acknowledges the Gugu Badhun, Gudjala, Jangga, Birriah and Warrgamay as the Traditional Owners of the Charters Towers Region.

We pay our respects to their elders past and present.

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# Mayor's Message

Cr Frank Beveridge

It is with great pleasure and a profound sense of responsibility that I present to you Council's Annual Report. In this Report, you will find a comprehensive overview of the endeavors, achievements, and challenges Council have encountered over the past year.

The Report highlights Council's commitment to the Dalrymple Saleyards Masterplan, ongoing development efforts, and infrastructure improvements. Subdivision and commercial growth have continued, with a Strategic Land Use Study guiding our future plans.

This year we celebrated local businesses with the Charters Towers Regional Business Excellence Awards and promoted our region's lifestyle through the Charters Towers Lifestyle and Liveability Project. We've been actively advocating for improved transport connectivity and have identified funding opportunities for key projects.

In the realm of environmental sustainability, we have undertaken substantial initiatives, such as pre-construction activities for the Big Rocks Weir Project. Additionally, our commitment to reducing our carbon footprint has led us to conduct a solar energy audit and power concept design, with plans to install solar panels at strategic locations like the Highway Depot, The World Theatre, and Excelsior Library, to harness

the abundant North Queensland sunlight and reduce our environmental impact and realise cost savings. Council also prioritised flying fox management, successfully relocating them from Lissner Park.

We've made substantial progress in fostering a cohesive and inclusive community, marked by the commencement of construction of the Miners' Memorial and the opening of the Charters Towers Water Park. We also successfully completed our 150 year celebrations with a series of community events and activities, blending old favourites with exciting new ones. Highlights included the 'Celebrating the Faces & Places of Charters Towers' Street Party, History & Heritage Fair; Rush Festival; and Freedom of Entry by the 10th Force Battalion.

Council's commitment to fostering meaningful dialogue with all stakeholders led to the introduction of the "Have Your Say" platform which has become a vital tool for showcasing Council's major projects and for soliciting valuable feedback on proposed policies and initiatives. We also developed a Community Engagement Strategy, aimed at ensuring inclusivity, active participation, attentive listening, and transparency in our policy making, programs, and activities.

“

*I must say that the past 12 months have seen some remarkable achievements, but the future is even more exciting. Together, we can create a future that is both sustainable and prosperous.*

”

*Frank Beveridge*





# Chief Executive Officer's Message

Martin Drydale

It is with great pleasure that Council presents its 2022–2023 Annual Report. This Report provides a condensed overview of our achievements, reflecting our unwavering commitment to serving our community.

At the heart of our endeavors lies a steadfast commitment to the well-being and prosperity of the Charters Towers Region.

From initiatives that engage our youth and enhance community engagement to investments in infrastructure, digital transformation, and stakeholder partnerships, this Report offers a glimpse into our multifaceted efforts.

One of our proudest achievements has been the engagement of our young residents through the Charters Towers Youth Council (CTYC). This platform empowers our youth to actively participate in local decision-making, fostering leadership skills and civic responsibility. CTYC is not just an advisory committee; it represents the future of our community.

As part of our commitment to transparency and engagement, our stakeholder engagement efforts have extended to critical projects like the Dalrymple Saleyards Masterplan and the Kennedy Regiment Memorial Pool concept plan.

Efficiency has been a cornerstone of our operations, with the establishment of a Project Management Office (PMO) streamlining our processes and ensuring optimal project outcomes. Our Information, Communication, and Technology (ICT) Strategy and robust records management reflect our adaptability in an ever-evolving digital landscape.

The safety and satisfaction of our community are paramount, reflected in our enhanced customer service, improved health and safety protocols, and the introduction of the Microsoft Teams calling platform.

Our infrastructure development, including road construction and maintenance, water security planning, and sewer strategy studies, underpin our commitment to providing essential services efficiently.

In nurturing our workforce, we developed a Workforce Strategy Plan (WSP) to ensure that we have the right people, with the right skills, in the right roles. Our Staff Reference Group and Employee Engagement Survey underscore our dedication to creating a welcoming and inclusive workplace.

As we embrace digital transformation, our Business Breakfasts have facilitated networking and knowledge exchange, while our advocacy efforts have strengthened our region's voice on essential services.

This Report is a testament to the tireless dedication of our team, and the enduring trust of our community. It serves as a snapshot of our ongoing journey toward excellence and innovation.

We are focused in our commitment to serve the Charters Towers Region with dedication, integrity, and vision and the challenges and opportunities ahead inspire us to continue our pursuit of excellence in governance and community service.

“ I invite you to explore our Annual Report for a more detailed insight into our achievements and the promising path that lies ahead. ”

*Martin Drydale*



# Organisational Structure

## Community and Council

Charters Towers Regional Council is governed by the Mayor and Councillors who are elected by and represent the community.

Each councillor has been assigned a portfolio that aligns to a key strategic focus that are identified in Council's Corporate Plan 2021-2025.

## Executive Leadership Team

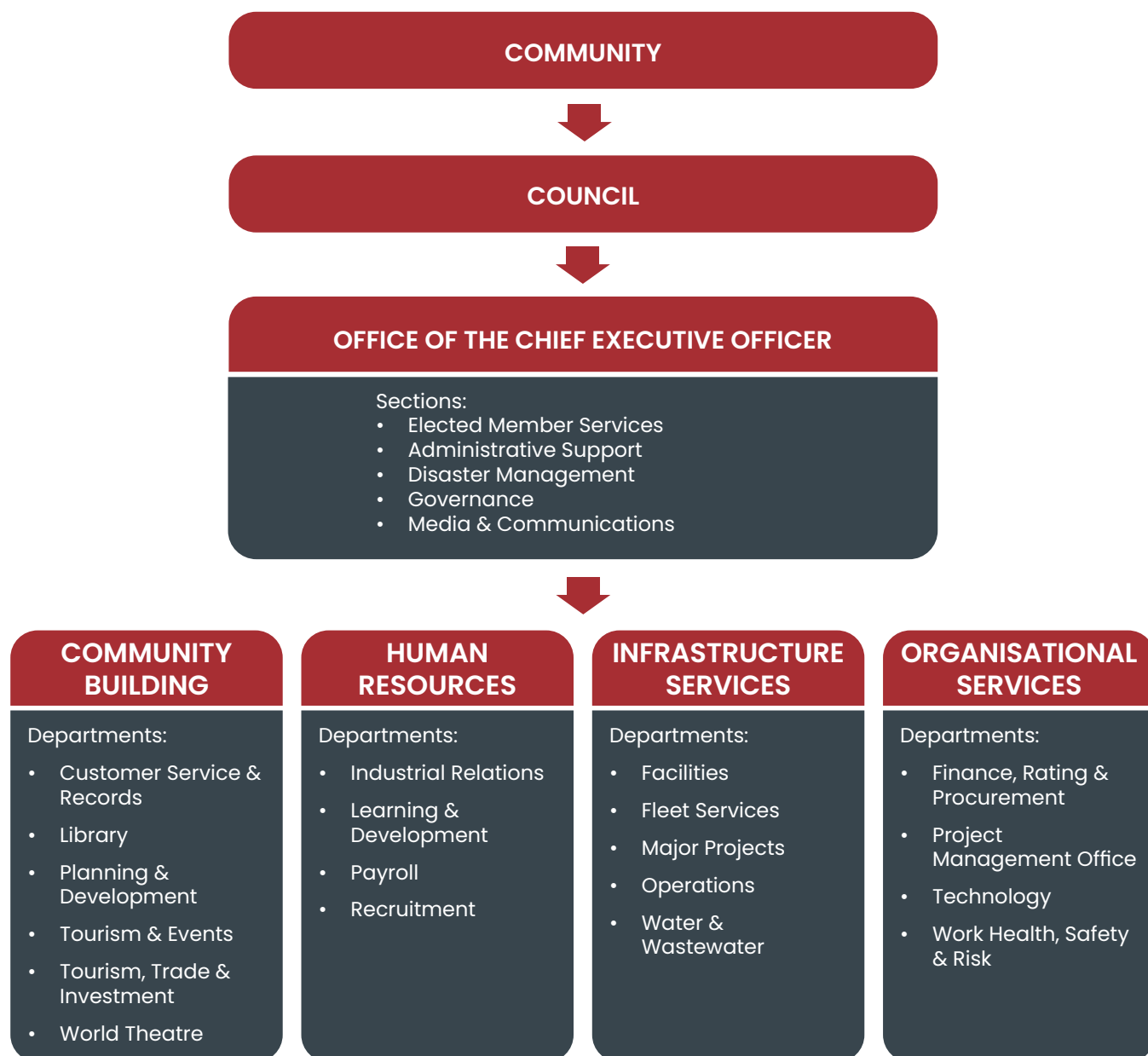
The Chief Executive Officer is the head of the organisation and oversees the Executive Leadership

Team (ELT), consisting of the Chief Executive Officer, one (1) Director and three (3) Executive Managers.

The Chief Executive Officer also has direct oversight of five operational sections; Elected Members, Executive & Administration Services, Media & Communications, Governance and Disaster Management.

## Management Leadership Team

The Management Leadership Team (MLT) consists of each Department Manager as well as the ELT.





# Council



**Frank Beveridge**

**Mayor**

- › Advocacy › Regional Representation
- › Intergovernmental Relations › Investment Attraction
- › Ex-Officio All Portfolios



**Graham Lohmann APM**

**Deputy Mayor**

- › Arts & Culture Library
- › World Theatre
- › Community Centres
- › Health › Disaster Management



**Alan Barr**

**Councillor**

- › Water Resources
- › Waste Management › Refuse Tips
- › Cemeteries › Land Management
- › Biosecurity Plans



**Sonia Bennetto**

**Councillor**

- › Governance › Education
- › Finance › Human Resources
- › Corporate Planning & Performance
- › Procurement › Media & Comms
- › Information & Communications Technology



**Kate Hastie**

**Councillor**

- › Pump Track & Skate Park
- › Pools › Water Park
- › Council-owned Housing
- › Audit & Risk › Sport & Recreation
- › Facilities Maintenance & Management



**Julie Mathews**

**Councillor**

- › Regional Economic Development
- › Town Planning
- › Building Control & Plumbing
- › Housing Strategy › Tourism
- › Visitor Information Centre



**Bernie Robertson**

**Councillor**

- › Road Safety › RMPC
- › Sealed & Unsealed Road Maintenance
- › Parks › Verge Maintenance › Saleyards
- › Equestrian Centre › Ranger Services
- › Animal Control



# Strategic Framework

The Annual Report is an important monitoring and measurement document that fits within the wider strategic framework, linking back to the Corporate Plan priorities. The strategic framework includes long, medium, and short term plans which set the direction for what Council does and what Council aims to achieve as an organisation to benefit the Region.



## CORPORATE PLAN

The Corporate Plan is a five year strategic road map for the Region, which identifies projects, operations, and services Council will implement over the life of the Plan.



## OPERATIONAL PLAN & BUDGET

The Operational Plan and Budget are annual documents that outline how Council will achieve the Corporate Plan outcomes for the financial year.



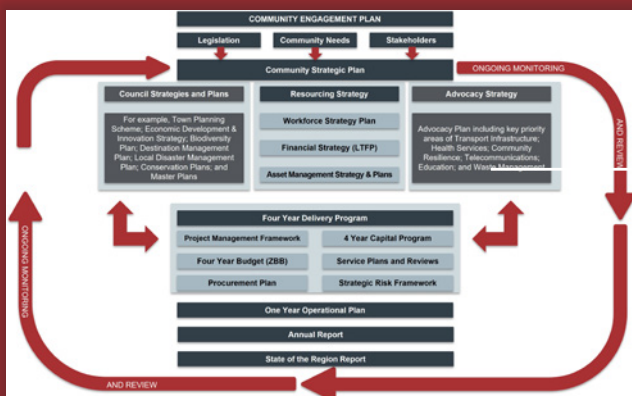
## QUARTERLY REPORTS

Quarterly progress reports are completed each quarter to track the progress of projects, initiatives and activities set out in the Operational Plan.



## ANNUAL REPORT

This report is created at the end of each financial year to provide a summary of what Council has achieved for the year.



## NEW FRAMEWORK

From 1 July 2023, Council will introduce a new integrated planning, performance and reporting framework.

# Corporate Priorities

Council's Corporate Plan 2021–2025 sets the strategic direction for Council and the community over a five-year period. There are two focus areas identified in the Corporate Plan 2021–2025 that allows Council to target its strategy for delivering value for money, while improving the organisation to support the community.

It is a requirement under the *Local Government Regulation 2012* to produce an annual Operational Plan. The Operational Plan details how Council will achieve the Corporate Plan in a given financial year. The following sections summarise the progress of achievement against deliverables detailed in the 2022–23 Operational Plan.

## Community Focus Areas

### Performance and Progress

## ECONOMIC PROSPERITY

### *Prosperity and continued economic development*

#### Dalrymple Saleyards Masterplan

Whilst the Dalrymple Saleyards delivers significant fiscal and employment benefits to the Charters Towers region, the potential for expansion and increased return on investment has been recognised and is a high priority for Council.

Council's commitment to growing the saleyards facility is being translated to tangible outcomes through the development of evidence-based masterplans and business cases for the Saleyards and Equestrian Centre.

Upon completion, Council intends to vigorously pursue funding opportunities to bring these future fit facilities to a reality and ensure the value this infrastructure contributes to the region's economic resilience and liveability is optimised. Both masterplans are due to be completed by Q2 23/24.

#### Towers Hill Lookout Technology Refresh (CFA 1.3)

The Ghosts After Dark presentation in the amphitheatre at the Towers Hill lookout was refreshed after an extended period being exposed to the elements and periods of downtime due to equipment repairs. This refresh saw aged equipment and cabling replaced, improvements applied to the technology operations, and overall inspections of the systems to ensure continued safety of patrons.

#### Development Services

There has been steady development activity within the region regarding subdivisions and commercial developments in 2022–23. The Grand Secret development (114 Lot subdivision) and several commercial developments within the Goldtower precinct were approved.

There were 15 new dwelling houses built in 2022–23.

**Table 1: Summary of Applications Lodged**

Quarter	Building	Plumbing	Planning	Total
July 2022 to Sept 2022	52	8	10	70
Oct 2022 to Dec 2022	25	10	6	41
Jan 2023 to Mar 2023	37	14	3	54
Apr 2023 to June 2023	27	19	14	60
<b>Annual Total</b>	<b>141</b>	<b>51</b>	<b>33</b>	<b>225</b>

**Table 1: Summary of Building Works Costs**

Quarter	Total Cost of Works
July 2022 to Sept 2022	\$2,676,893
Oct 2022 to Dec 2022	\$2,457,625
Jan 2023 to Mar 2023	\$4,424,107
Apr 2023 to June 2023	\$1,270,838
<b>Annual Total</b>	<b>\$10,829,463</b>



## Strategic Land Use Study

The Strategic Land Use Study (the Study) commenced in 2022-23 and is nearing completion and will provide a comprehensive review of urban land supply within the Charters Towers Regional Council Local Government Area (LGA), in the context of projected growth within the study area from 2023 to 2040 and beyond.

The Study will provide a detailed assessment of the historic, current, and future assessment of rural residential, urban, industrial, and commercial land supply across the Region. The monitoring of land supply is a key tool to assist in the management and development of growth.

The primary purpose of monitoring land supply is to improve the management of growth by ensuring that Council, public utilities, government, and the development industry have access to informed and accurate information on the availability, development trends, new growth fronts, and their implications for planning and infrastructure investment.

### Charters Towers Regional Town Plan V2 (Planning Scheme)

A Planning Scheme is an important document that the community, development industry, and governments' look to understand a local government's plan for managing growth and change in an ecological and sustainable way. The Planning Scheme sets out the future vision for a local government aligned with the Corporate Plan.

The Strategic Land Use Study (once adopted) will also guide the Planning Scheme for its future, and a review of the Planning Scheme will be undertaken in 2023-24.

### Local Government Infrastructure Plan (LGIP)

The purpose of the LGIP is to:

1. Integrate infrastructure planning with the land-use planning identified in the planning scheme.
2. Provide transparency regarding a local government's intentions for the provision of trunk infrastructure.
3. Enable a local government to estimate the cost of infrastructure provision to assist its long-term financial planning.
4. Ensure that trunk infrastructure is planned and provided in an efficient and orderly manner.
5. Provide a basis for the imposition of conditions about infrastructure on development approvals.

The LGIP is also under review and will be aligned and informed by the new Community Strategic Plan and the Strategic Land Use Study.

### Charters Towers Regional Council Business Excellence Awards

The 2023 Charters Towers Regional Business Excellence Awards took place at the Arthur Tittley Centre in May 2023 to recognise and celebrate local businesses throughout the region.

Finalists were selected by an independent panel of judges who were engaged to select winners based on the following categories:

- Customer Excellence
- Technological and Innovation Impact
- Employer of Choice
- New and Emerging Business and
- Business of the Year

The "People's Choice Award" was determined by a public online vote and was well supported with over 1600 votes submitted.

### Charters Towers Lifestyle and Liveability Project

The Charters Towers Lifestyle and Liveability Project is designed to attract and retain new people to the region by promoting an easy-going country lifestyle with all the benefits of city living.

This Council-led campaign highlighted the regions' lifestyle, industries, excellent education, and affordable housing through a series of six short videos that were distributed amongst various channels including: website, social media, television, the TORS Drive In Cinema, local real estate agents, the CTCRC "New Recruitment" Packs, the Charters Towers Chamber of Commerce website, print media and shared by local businesses.

The short videos were designed to attract families to the region who are looking for a lifestyle tree change with each video featuring young families who explain why they chose Charters Towers as their ideal home.

### Leveraging Technology

In May 2023, the Charters Towers Local Disaster Management Group resolved to advocate for improvements in connectivity under the Regional Connectivity Program and Mobile Black Spot Program to enhance mobile connectivity on the Flinders Highway (Townsville – Charters Towers). The Flinders Highway is part of the National Highway and is of vital importance to the development of northern Australia. Council has also referenced the need for improved telecommunications on the Gregory Developmental Road (State Road of Significance) between Belyando Crossing and Greenvale and is also a vital transport corridor.

### Identify Funding Opportunities for the Delivery of the Priority Projects

#### *Kennedy Regiment Memorial Pool (Partially funded):*

- RCIF funding approved (\$7.8M)
- Growing Regions Program - opportunity

#### *Big Rocks Weir (not yet fully costed, partially funded):*

- State and/or Federal funding committed (\$30M state and \$38M Fed) however costs of construction not yet finalised.

#### *Saleyards and Equestrian Centre Upgrade:*

- Regional Precincts & Partnership Program (opportunity)







# ENVIRONMENTAL SUSTAINABILITY

## *Environmental sustainability and protection of local and regional natural assets*

### **Big Rocks Weir**

Pre-construction activities for the Big Rocks Weir Project included drafting of an Economic Impact Statement and design for the Weir structure continued in 2022-23. These activities are currently being worked through in consultation with State and Federal government agencies.

### **Installation of Solar Panels**

Council remains committed to reducing its carbon footprint and implemented a solar energy audit and power concept design. Subsequently, three sites were identified for the installation of solar panels. The three sites were the Highway Depot, World Theatre and Excelsior Library.

As a renewable energy that is in abundance all year round in North Queensland the solar panels will convert sunlight into clean energy which minimises our impact to the environment and delivers great savings to the community also.

### **Relocation of Flying Foxes from Lissner Park**

Council continued its commitment for flying fox management with the relocation of the Flying Foxes from Lissner Park through the planning and implementation of a detailed action and communication plan, devised in conjunction with Biodiversity Australia.

This joint plan resulted in Council successfully removing the Flying Foxes from Lissner Park. Further planning and strategic decision making will continue in 2023-24 and Council will continue to work with the community on what the final goal shall be for the relocation program.

### **Wild Dog 1080 Baiting Program**

Council conducts a wild dog baiting program throughout the entire region every 6 months targeting adults during breeding season (April/May) and pups and juveniles (September/October). This program has been successfully delivered with 95 Stations participating in the 2022-2023 1080 Baiting Campaign.

### **Regulatory Services**

Regulatory Services took delivery of a new K9 animal holding and transport unit. The unit reduces stress and impact on animal's while being handled. It also provides increased health and safety outcomes for employees, eliminating lifting and close contact with dogs during loading and offloading.

The unit is a welcome addition that will provide an improved service to the community and their animals.

### **Regulated Dog Inspection Programme**

To ensure compliance with the provisions of the *Animal Management (Cats and Dogs) Act 2008* and *Animal Management (Cats and Dogs) Regulation 2019* relating to regulated dogs, Council undertook a selective inspection program.

The program covered the entire Local Government Area, with the purpose of the Program to ensure that dog owners were aware of their responsibilities and to assist owners to achieve compliance.

Fourteen (14) inspections were conducted between April and June 2023, which resulted in five (5) premises being removed from the register, and the remaining nine (9) premises achieving compliance with the conditions for keeping a regulated dog.



# SOCIAL COHESION

## *A cohesive and inclusive community*

### **Priority Projects**

Construction of the Miners Memorial commenced in 2022-23 and is intended to pay homage to mining in the Charters Towers region. Upon completion, the site will link to the walking track on Mosman Street which will provide another destination for locals and visitors to exercise and enjoy. The infrastructure is scheduled to be completed by the end of 2023.

The much-awaited water park was officially opened in October 2022. The facility incorporates a water splash pad which features a tipping bucket, water slides, various jets and spray hoops all under cover of giant shade sails. The facility also has picnic shelters, barbecues, and an amenities block. Entry to the Charters Towers Water Park is free.

Construction of the Local Disaster Coordination Centre also commenced in 2022-23 and is due to be completed in late 2023. Once activated, the facility will provide a dedicated site to supporting communities prior to, during and post disaster events.

Redevelopment of the Kennedy Regiment Memorial Pool also commenced with master planning and concept designs being prepared. Redeveloping this facility is anticipated to increase useability resulting in improved social outcomes.

### **Airports**

The Charters Towers Airport upgrade project delivered critical compliance and safety improvements including installation of RNAV system, airstrip widening, upgraded perimeter fencing, general aviation parking upgrades and training of airport reporting officers. As a regional airport it is imperative that the serviceability of this facility is maintained to ensure we remained connected, safe and strengthen our position to host additional commercial opportunities in the future.

### **Recreation Infrastructure**

Our communities continued to reap the benefits of quality sport and recreation infrastructure being maintained and upgraded to meet their needs. Several projects are underway or are completed that aim to ensure public spaces can provide opportunities for social engagement, connects communities, and drive improvements in health and wellbeing.

The Greenvale Sports Reserve received upgraded field lighting and switchboards which will ensure lighting is sufficient for any activities day and night as well as providing emergency services helicopters with a safe space to land when performing retrievals.

At Ravenswood, the multi-purpose courts area received a much-needed makeover with repairs to fencing, high pressure cleaning and replacement of backboards for the basketball hoops.

The Weir Park amenities have reached the end of their useful life and are being replaced with a modern, accessible, and low maintenance set of facilities that will serve the many locals and visitors who spend many hours at this scenic location.

The kitchen facilities at the Charters Towers Showgrounds need to not only meet compliance requirements but must ensure it can continue to meet the needs of the many events that are held there. As a community asset, this facility needs to offer modern equipment which can meet commercial kitchen hygiene standards. Upgrades delivered included the provision of new fridges and bain-marie which will deliver improvements in kitchen functionality, efficiency, together with allowing for safe food preparation storage.

With this region enjoying warm temperatures all year round, we understand the need to provide quality aquatic facilities to our communities. This past year saw the replacement of the storm damaged shade sail at the Pentland Pool and resurfacing of the 25m indoor pool concourse. These, and other planned improvements ensures we can continue to deliver essential services to the community which contribute to the liveability of our region.

### **UHF Repeaters**

UHF repeater infrastructure across the region saw a continued commitment to maintenance with a number of sites having refreshed parts installed. The most significant being emergency repairs and installation of a new mast due to the collapse of the existing mast from high wind weather conditions north of Greenvale.



### Library Outdoor Play Space

The Library Outdoor Play Space was officially launched in April 2023 and was funded by the “First 5 Forever” funding initiative from the State Library of Queensland and the Queensland Government.

This space is used for ‘Messy Play’ sessions which provide children a vast range of play to learn experiences and exposure to rich language opportunities. It has also proven to be a great space for parents to connect with Library staff and build confidence in their language and literacy skills and meet and connect with other families. It also gives the library the opportunity to provide services in more natural surroundings.

Since opening, a total of eight (8) (fortnightly) Messy Play sessions have been held with around 280 participants and two (2) Holiday Program sessions with 45 participants.

### MoveIT NQ

Move It NQ is a free after-school youth-based activity programme designed to help children develop their skills and abilities while also promoting a healthy and active lifestyle. The Programme is suitable for youth aged 10 & 14 years of age. Activities in the programme included archery, basketball, touch football and soccer. A total 38 sessions were conducted with over 340 participants attending.

Funding for the program was provided by North Queensland Sports Foundation.

Advocating for improved health services and raising awareness



# CULTURE & HERITAGE

## *Fostering regional identity and celebrating the diversity of our communities*

### **Heritage Icons**

Council's strong connection to the region's beautiful heritage was upheld with the delivery of maintenance and upgrades to a number of our iconic heritage sites. The WWI guns and shelter at Lissner Park were refurbished with additional fencing constructed to improve their preservation.

Wherry House is another heritage place of importance in the region which was experiencing considerable issues with birds roosting in the upstairs verandah. Specialised bird netting was installed, and rotting beams were replaced like for like which is required to comply with Heritage legislation. The value of heritage sites is immeasurable, and it is important they are proactively preserved.

### **RADF**

The 2022-23 RADF Program promoted the role and value of arts, culture and heritage as key drivers of diverse and inclusive communities and strong regions. There were two (2) rounds of funding with seven (7) successful applications received with total approved funding of \$31,350 and overall project budgets totalling nearly \$124,000. Preference was given to applications that addressed one or more of the following local priorities:

- Sharing stories and celebrating our history
- Activating local places and spaces
- Elevating First Nations arts
- Strengthening our community by creating partnerships

The approved projects involved a variety of activity types including workshops, creative development of new works and cultural tourism.

RADF also supported the Rush Festival, by providing the funding for the band Busby Marou who are a

world renowned musical duo with their roots firmly set in regional Queensland with a strong connection to Aboriginal and Torres Strait Islander Peoples. Bringing Busby Marou to the Rush Festival met RADF priorities of elevating First Nations arts, activating local places and spaces, and sharing stories and celebrating our history. Busby Marou performed at the family-friendly Sunday Session of the Festival. The performance was very well received by all in attendance.

### **The World Theatre**

The World Theatre has delivered another year of superb events on stage, screen and in the gallery.

Live show highlights included Elvis by Brodie, Jimeoin, Towers Got Talent, Umbilical Brothers, Adam Harvey and Beccy Cole, Blithe Spirit by Towers Players, All Fired Up, and end of year showcases from Power Up Dance and Fitness Studio and Gold City Dance Studio.

The Cinema screen came alive with a range of titles during the school holidays and for special event screenings. Highlights included Paws of Fury, Super Pets, Avatar Way of Water (2D +3D), Dungeons & Dragons, Super Pets, Our World Charters Towers, Andre Rieu, Top Gun: Maverick, Hallelujah: Leonard Cohen, and Minions: Rise of Gru.

In the gallery, Council welcomed exhibitions from Peter Lawson, Jim Arena & David Wilkinson all with different, beautiful versions of the landscape genre; Heather Jonsson brought a very individual popular style, Aust Wide 8 shared a broad range of fabric art from around Australia, Faces Behind the Music gave striking black and white photographic portraits of Aussie rockers auctioned to raise funds for local charity with one amazing portrait donated to Council's art collection. Wisdom of Trees celebrated the natural world with paintings and a wonderful fabric installation of a huge tree.



## 150 Celebrations

In 2022, Charters Towers celebrated 150 years since the discovery of gold which led to the declaration of the goldfields. The Region celebrated with several events and activities, some old favourites and some new and exciting events fitting for the occasion.

The following events were celebrated:

- **History & Heritage Fair (27 August 2022)**
  - ◊ History Displays (blacksmith, gold panning, wood turning)
  - ◊ Markets
  - ◊ Venus Gold Battery Tours
  - ◊ Gold Rush (mining right & plot to search for gold)
  - ◊ Entertainment
- **Rush Festival (30 September – 2 October 2022)**
  - Friday, 30 September**
    - ◊ Street Parade
    - ◊ Traditional Smoking Ceremony & Welcome to Country
    - ◊ Markets & Short Film Festival
  - Saturday, 1 October**
    - ◊ Live Music Concert featuring Kate Ceberano, Dragon and Russel Morris
  - Sunday, 2 October**
    - ◊ Towers Rush Scavenger Hunt
    - ◊ Live music featuring Busby Marou and Ross Wilson
    - ◊ Family Fun Day
- **Towers Got Talent! (29 October 2022)**
  - ◊ Social talent show (magician, dancers, singers, etc)
- **Freedom of Entry (21 October 2022)**
  - ◊ 10th Force Support Battalion – Exercised its Freedom of Entry
- **Community Celebrations (Saturday, 22 October)**

The above events were part of a year long programme which included 'Celebrating the Faces & Places of Charters Towers' Street Party in May 2022 and a 2022 Commemorative Calendar.











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# Sunday Vibes Youth Festival

SUNDAY 19th June 2022  
10am till 2pm  
DEFIANCE MILL PARK  
#CTYOUTH

LIVE MUSIC | Food Stalls | Market Stalls  
FREE Pump Track & SKATE Workshops  
Health Services | Activities  
Performances | Art | Sport  
Rock Climbing Wall | Jumping Castle Slide

KIRSTEN  
MAISON

prospect community services  
INTERSPORT  
CHARTERS TOWERS REGIONAL COUNCIL  
Queensland Country  
COACHING & MENTORING  
MINJAR GOLF



# Organisational Focus Areas

## Performance and Progress

### TRANSPARENCY & ACCOUNTABILITY

#### *Open and accessible Council decision making*

##### **Youth Council**

The Charters Towers Youth Council (CTYC) provides numerous invaluable benefits to the young residents of the community. As an inclusive platform for youth engagement, it empowers young individuals to actively participate in local decision-making processes. By fostering leadership skills and civic responsibility, the Youth Council encourages young people to become future community leaders.

The CTYC members act as an advisory committee whose role is to represent the voice of young people who live, work, study, or volunteer in the Charters Towers Region and to provide input into Council activities and decisions.

The CTYC is a one (1) year program offered to Year 11 students for the calendar year and nominations are made directly from the local schools.

##### **2022 Youth Councillors**

- Jared Stoll, Blackheath & Thornburgh College
- Farah Caddy, Blackheath & Thornburgh College
- Taryn Woodard, All Souls & Saint Gabriels
- Kye Smollet, All Souls & Saint Gabriels
- Layla Gossage, Charters Towers State High School
- Annaliese Koch, Charters Towers State High School
- Jessica Rose, Columba Catholic College
- Ronald Denton, Columba Catholic College

##### **2023 Youth Councillors**

- Lauren Atwell, All Souls & Saint Gabriels School
- Lauchlan Butler, All Souls & Saint Gabriels School
- Lara Kleem, Blackheath & Thornburgh College
- Natasha Ssamusew, Blackheath & Thornburgh College
- Adam Brandis, Columba Catholic College
- Abbey Turner, Columba Catholic College
- Taitum Herring, Charters Towers State High School
- Amber Ferguson, Charters Towers State High School
- Tamika Herlihy, Charters Towers School of Distance Education

##### **Improving Community Engagement**

Council introduced the Have Your Say platform to improve communication with all stakeholders and to ensure open communication for key Council initiatives and projects and allow community members to be part of the journey.

This platform now showcases Council's major projects and is used to engage and seek feedback on new policies and initiatives proposed by Council.

A Community Engagement Strategy was also developed this financial year with an overarching goal to involve, engage, listen, and be transparent with our community when developing any policies, programs, or activities (other than routine administrative matters).

Council undertook key stakeholder engagement in 2022-23 for the Community Strategic Plan 2023-2033 and commenced stakeholder engagement for the Dalrymple Saleyards and Masterplan and Kennedy Regiment Memorial Pool concept plan.

Two surveys were also undertaken for green waste disposal in the region and for the Kennedy Regiment Memorial Pool project.



# GOVERNANCE & STRUCTURES

## *Efficient and clear Council processes*

### **Project Management**

An increased focus on process and sustainable outcomes has led to the initiation of a Project Management Office (PMO). The PMO assists Council to ensure that all projects are properly developed and managed through a structured review process to ensure optimum outcomes are delivered. This was the first year of the PMO and key achievements included:

- Development of a Project Management Policy and Project Management Framework Guidelines.
- Implementation of a formalised and structured project management methodology.
- Established a Project Management Governance Group.

### **Looking forward: Key Opportunities**

- Develop an improvement plan for the Project Management Office to facilitate the maturity of Council's project management practices.
- Monitor and review implementation of Project Management Framework.
- Establish a consistent Project Management Office model and methodology.

### **ICT Strategy**

With the ever-evolving technology and Information space, a new Information, Communication and Technology (ICT) Strategy was initiated. This Strategy, expected to be completed early in the 2023-2024 financial year, will provide a clear roadmap for the next 5 years to ensure capability, adaptability, security, and sustainability across the breadth of ICT services.

### **Records Management**

There has been a review of three (3) major documents associated with Records Management within Council during 2022-23. The following documents have been reviewed and adopted:

- Records Management Policy which provides a framework for the governance of recordkeeping within Council ensuring it is managed in accordance with relevant legislation, policies, standards, and guidelines.
- Records Management Procedure which sets out guidelines for the correct management of records and supports the Records Management Policy.
- Digitisation and Digital Records Framework which establishes a whole of Council, compliant, structured, effective, and consistent approach to the management of born digital records and original paper records during and after the digitisation process.

### **Fraud & Corruption Policy**

A review of the Fraud & Corruption Prevention Framework was undertaken and adopted by Council.

The guideline is designed to inform all employees of Council's position regarding fraud and corruption and the consequences of failing to comply with the provisions of the Fraud and Corruption Policy. Fraud and corruption control is a shared responsibility of all employees of Council.

### **Complaints Management Framework**

A comprehensive review of Council's Complaints Management Framework was undertaken in consultation with LGMA. The policy and framework were adopted by Council in Jun 2023 and now clearly outlines the complaint type, suggested action and resolution timeframe.

### **Introduction of New Meeting Management System**

Resolve, an online meeting management platform was introduced in October 2022. The platform ensures a streamlined process for both of Council's key meetings, General Meeting of Council, and the Audit & Risk Committee Meeting.



# CHARTERS TOWERS REGIONAL COUNCIL









## ASSETS & INFRASTRUCTURE

### *Maintaining current assets and investing in high value projects*

#### **Dalrymple Saleyards**

Despite the pressure and challenges facing the livestock industry in recent years, the Dalrymple Saleyards maintained a lead position in the cattle industry, continuing to inject vital stimulus into the local and regional economy. The Dalrymple Saleyards retained National Saleyards Quality Assurance and Live Animal Export accreditations ensuring the yards provided a compliant and effective processing and clearing facility for the Northern region. Council continued to invest in the maintenance and upgrade of infrastructure at the facility which included a full clean out and replenishment of the export yards surface. This included a total of 6,514 tonne of material put back into 17,570 square metres of yards. The project addressed issues with the surface of the export yards which was impacted by an extended wet season and large numbers of cattle being cleared.

The 2022–23 year saw a total of 114,951 head sold over the scales at a value of \$133,748,513 and 59,565 head were cleared for live export to international markets. In addition, the Dalrymple Stadium remained an important destination for stud cattle with 955 head sold at auction at a value of \$9,639,000 including one Brahman bull which broke records selling for \$96,000!

The Dalrymple Equestrian Centre featured heavily in horse sports calendars hosting many significant events such as the Gold City Campdraft, Charters Towers Goldfields Rodeo, Horse of the North, the Northern Beef Producers Expo, and the Nutrien Northern Performance Sale which recorded a turnover of \$1,000,000 in 2022.

#### **Road Construction and Maintenance**

In 2022–23 Council replaced a deteriorated concrete floodway along Old Dalrymple Road that provides vehicle safety, all weather access and caters for increased traffic volumes expected into the future. The concrete stormwater drain extension continued through the middle of Mosman Creek improving stormwater discharge from the urban area in Charters Towers.

Council completed two pathway upgrades in the CBD area, being disability access improvements across Bow Street and Gill Street and Mosman Street pathway replacement from the back of the kerb to the property boundary line between Towers Street and Marion Street.

Two Local Roads of Regional Significance; Mount Fox Road and Dotswood Road had upgrade works completed on them with the support and co-contribution by the Queensland Governments Transport Infrastructure Development Scheme.

Council continues to manage reconstruction works for rural road infrastructure through DRFA funding. This has allowed roads damaged by significant storm events to be repaired using grants funded jointly by the Queensland and Federal Governments. Council has also been able to address other maintenance issues in some of the areas our contractors have been working.

There were 20.5km of road resealing works completed in 2022–23 budget year ensuring the underlying road pavement is protected from water ingress, preventing pavement failures, and ensuring the expected asset design life is achieved. This project was supported and co-funded by Federal Government's Roads to Recovery Program.

#### **Water Security Planning**

Council completed an extensive review and concept study investigating long term options for the provision of improved water distribution and storage in Charters Towers. The study focused on ensuring that system models and design of new works will meet maintenance objectives, will allow for future city development, and improved long term water security.

#### **Water Infrastructure Improvements**

Council completed over 1.6 kms of water mains replacement, under an infrastructure upgrade program aimed at addressing issues with water mains. These works are vital to maintain these services for residents, addressing aging infrastructure, improving standards aiming to reduce main breaks and water service disruptions.

#### **Charters Towers Sewer Strategy Study**

Council commenced a study to review and provide some concept options for long term asset provision in the sewerage reticulation and treatment systems for Charters Towers. This study is expected to be completed in 2023–24 and is focused on identifying requirements for a possible new sewerage treatment plant, identify options for improved recycled water usage and to address growth demands with future development.





# CUSTOMER SERVICE

*Friendly, skilled, and understanding service*

## **New Calling Platform**

The implementation of the Microsoft Teams calling platform has seen an alignment to the internationally used and recognised standard of system for phone calls. This implementation saw staff migrate from traditional handheld landline phone hardware to headsets connected to a computer, or mobile phone. The headsets allow for greater workforce flexibility, while improving employee ergonomics.

## **CCTV Improvements**

With additional facilities being commissioned or through operational changes, additional CCTV coverage or improvements to existing coverage were initiated for community and asset safety. Sites and facilities included the Water Park, Towers Hill, and Saleyards.

## **Customer Service Charter & Survey**

The Customer Service Charter and Customer Service Standards Policy were reviewed and amended during 2022-23. The review was undertaken to ensure Council was continuing to meet the requirements of the relevant acts and to encourage continuous improvement by Council in the area of customer service.

The Charter establishes a framework for the provision of high-quality standards of customer service both internally and externally. The Policy is to be used to guide staff with appropriate interaction when liaising with members of the community. Charters Towers Regional Council is committed to serving the community with efficient customer service.

A Customer Satisfaction Survey is currently being offered at Council's Administration Centre for customers to have their say on the level of service received and how Council can improve on this experience in the future. From the surveys received in the last quarter of 2022-23, 85.7% of respondents rated the resolution or progress of their enquiry as excellent, 92.9% of respondents rated the helpfulness of staff as excellent, 85.7% of respondents thought clear communication of information was at an excellent level. 28.6% of respondents rated the wait time as good or medium with 71.4% rating it as excellent.

The survey will continue into 2023-2024. These statistics will be used to advise on areas of improvement for the organisation. Council is determined to provide the best possible customer service experience for all customers.

## **Engagement with Councillors**

Councillors attended a total of 16 markets or community engagement sessions during the 2022-23 period. The annual Community Meetings were held in Ravenswood, Homestead, Pentland, Greenvale and Hervey Range during August/September 2022. This does not include attendance at various meetings relevant to each Councillor's portfolio responsibilities.



# PEOPLE FIRST

## *Fostering talent and creating a safe and welcoming workplace*

### **Workforce Strategy Plan**

Council made a commitment through the Operational Plan 2022-23 to develop and implement a Workforce Strategy Plan (WSP) which supported the achievement of Council's Corporate Plan 2021 -2025 People First objectives.

The WSP is a first by Charters Towers Regional Council (Council) and articulates the organisation's strategic response to the challenges and opportunities associated with the recruitment and retention of Council employees. The aim of the WSP is to support long-term workforce strategies in response to community priorities and the changing requirements of the local government sector, and as such will be required to be reviewed and updated on an annual basis.

The ongoing focus of the WSP is to ensure that Charters Towers Regional Council has the right people, with the right skills, doing the right jobs, at the right time.

A high-level and holistic review of Council's current workforce and wider external operating environment informed the development of the WSP which includes a 4-year Action Plan.

The WSP includes succession planning, internal and external attraction and retention considerations and strategies, and capabilities assessment.

The components of the WSP set out Council's ongoing commitment to deliver on the:

- Attraction and retention of our workforce.
- Leadership of our workforce.
- Learning and development of our workforce.
- Recognition and reward of our workforce.
- Health and wellbeing of our workforce.
- Culture and values of our workforce.

### **Staff Reference Group**

Council continued to deliver a People First Strategy by encouraging a welcoming, inclusive workplace culture by forming a Staff Reference Group (SRG). The SRG created an opportunity for employees of the organisation to express their views and contribute ideas towards building an inclusive workplace culture.

The group's key achievements included:

- identifying strategies to strength Council employer branding proposition.
- undertaking a review of Council's Organisational Values.
- developing a new Mission Statement for Council.
- exploring key opportunities to promote communication and knowledge sharing practices across Council.

### **Employee Engagement Survey**

Employees were invited to participate in a voluntary survey about the working conditions experienced at Council. The results of the survey provided significant insights and valuable information regarding key challenges, strengths and weaknesses encountered by the workforce.

These activities promoted positive workforce planning which included:

- A commitment to the delivery of leadership training to People Managers for the organisation through relevant forums and key messaging.
- Encouraging opportunities for mentoring within the workplace to support upskilling and a collaborative workplace culture through increased access to available funding.
- Ensuring there are options for staff to grow and expand their skills.

### **Health and Safety**

- Delivering revised Safe Work Method Statements across the whole of Council.
- Operational Due Diligence Training delivered to people managers.
- Reinduction of all employees.

# INNOVATION & TRANSFORMATION

## *Harness smart process and digital transformation*

### **Business Breakfasts**

During the 2022-23 financial year Council hosted four (4) Business Breakfasts that were established to provide attendees with the opportunity to engage, network, and share ideas and information. The Business Breakfasts were a direct result of implementing the Charters Towers Regional Economic Development and Innovation Strategy (EDIS).

Guest speakers included Mr Wayde Chiesa, CEO of Regional Development Australia; Mr Tony Titley, Director of W. Titley & Co.; Mrs Jane Jesberg, Director of the Rix Hotel; and Ms Tiffany Hopkins, Chief Executive Officer Prospect Community Services.

The events were well received with a collective total of 235 attendees over the four (4) breakfasts.

### **Advocating for Our Region**

The Mayor, Councillors and Chief Executive Officer worked with various levels of government, departments and neighbouring Council's to ensure a collaborative approach when advocating for key services for North Queensland.





# Statutory Information

## Beneficial Enterprises

Council did not conduct any beneficial enterprises in 2022–23.

## Code of Competitive Conduct

In accordance with Sections 45 and 47 of the *Local Government Act 2009*, Council resolved at its General Meeting held 16 November 2022, (Resolution 3491\*), that the Code of Competitive Conduct did not apply to Council's business activities for the following reasons:

Business Activity Section 39 (Regulation)	Code of Competitive Conduct Applied Section 47(7)	Reasons for not Applying Code Section 47(8) of the Local Government Act
Road Activity	No	Council's status as a sole invitee (Road Maintenance Performance Contract and Transport Infrastructure Contract) provides the basis for the works to be undertaken.
Water & Sewerage	No	This activity is not in direct competition with other service providers.
Saleyards	No	This activity is not in direct competition with other service providers.
Fleet Management	No	Council's fleet is primarily for internal needs, such as maintaining public roads and streets.
Waste Management & Landfill	No	This activity is not in direct competition with other service providers.
On-site sewerage designs & reports	No	Costs associated with these activities do not meet the threshold prescribed by regulation.
Cinema Screenings	No	Costs associated with cinema activities do not meet threshold as prescribed by regulation.
Building Certifying Activities*	No	Costs associated with these activities do not meet the threshold prescribed by regulation.

\* 'Building Certifying Activities' did not form part of this resolution, however the activity has been considered against legislation and determined that it does not apply. Inclusion of this activity will form part of the 2023–24 deliberations.

Council did not commence any new business activities within the period.

None of Council's business activities satisfy the statutory threshold for classification as a significant business activity and as such the competitive neutrality principle was not applied.

During 2022–23, there were no investigation notices provided to Council relating to competitive neutrality complaints, nor did the Queensland Competition Authority make any reportable recommendations to Council in relation to a competitive neutrality complaint.

## Summary of All Concessions for Rates and Charges Granted

Council provides rating concessions on properties owned by pensioners registered with Centrelink, where the property is their principal place of residence and where the rate account is fully paid by the discount date of each levy. The concession for eligible pensioners is made up of a remission calculated on the general rate, to a maximum of 27% of the general rate levy applicable to the rating category designated, capped at \$368 per year. In total, Council approved 1,030 pensioner rebate applications and remitted \$286,365.16 in concessions.

Council continues to provide financial assistance of 50% of the general rate and 50% of the sewerage charge towards approved sporting, cultural, and welfare groups as budgeted subject to the rate account being paid in full by the due date. No concession is provided on water charges unless otherwise determined by Council and 50% of the calculated excess water charge when an organisation has an approved Water Management Plan, subject to a defined period, if required. Council approved 41 community organisation concession applications and remitted \$156,493.39 in concessions.

Council may also grant a rebate to allow financial relief for water consumption charges that have arisen as a result of a proven concealed water leak in accordance with its Concealed Leak Policy to ratepayers who meet the eligibility criteria set out in the Policy. A total of three (3) concealed leak applications were approved and Council remitted \$3,922.83 in concessions.



Council also recognises financial hardship exists in some cases in relation to rates and charges and is willing to consider applications from eligible property owners for relief in accordance with accepted and resolved parameters set out in Council's Rates and Hardship Policy. A total of 7 repayment plan extensions were approved by Council during 2022-23.

## Administrative Action Complaint Disclosures

In accordance with s268 of the *Local Government Act 2009* (the Act), a Policy has been developed to provide instruction on the requirements of processing, recording, investigating, and resolving customer complaints (including administrative action complaints) in the appropriate manner in accordance with Council's Complaints Management Process. Council reviewed its Policy and Procedural Guideline in 2022-23 to ensure that it met best practice. A complaint must be dealt with pursuant to the formal Complaint Management Process. Council is committed to dealing fairly with administrative action complaints.

Complaints are viewed as an opportunity for improvement, providing feedback to Council about a service delivery experience or decision of Council. Analysis of the complaints received informs Council's continuous improvement process and generally improves the quality of Council's service. On the basis that 100% of complaints during 2022-23 were resolved under the complaints process, Council considers this a successful achievement rate, and its performance meets expectation.

A robust database of timely and accurate information is an integral component of improving customer satisfaction. Consequently, all complaints are electronically recorded. Council's electronic workflow process incorporates appropriate records of an officer's dealings with a complaint and a reporting function enables analysis of complaints to determine the root cause and to identify any apparent trends or systemic issues.

All complaints are recorded in the system, whether they are received verbally, in writing or via electronic means. Regular reports from the system are provided to Senior Management and the Audit and Risk Committee as part of Council's overall customer service quality improvement strategy. For further information on Council's complaints management process, see [www.charterstowers.qld.gov.au/complaints-management](http://www.charterstowers.qld.gov.au/complaints-management).

Council received 25 administrative action complaints during 2022-23.

In accordance with s187(2) of the Regulation, Council reports the following –

Number of administrative action complaints:

i.	Made to Council	25
II.	Resolved by Council under the Complaints Management Process	25
III.	Not resolved by Council under the Complaints Management Process	0
IV.	The number of administrative action complaints not resolved by Council under the Complaints Management Process that were made in a previous financial year.	0

## Councillor Complaints

Section 186 of the *Local Government Regulation 2012* requires that Council's Annual Report contain details of any decisions, orders, recommendations, and complaints about Councillors during the financial year.

Details for 2022-23 are outlined below:

Type of Complaint	Number Received
Total number of orders made under s150I(2) of the <i>Local Government Act 2009</i>	Nil
Total number of orders made under s150AH(1) of the <i>Local Government Act 2009</i>	Nil
Total number of decisions, orders, and recommendations made under s150AR(1) of the <i>Local Government Act 2009</i>	Nil
The name of each Councillor for whom a decision, order or recommendation was made under s150I(2), 150AH(1) or 150AR(1) of the <i>Local Government Act 2009</i> , a description of the unsuitable meeting conduct, inappropriate conduct or misconduct engaged in by each Councillor, and a summary of the decision, order or recommendation made for each Councillor	Nil
The number of complaints referred to the assessor under s150P(2)(a) of the <i>Local Government Act 2009</i> by local government entities for the local government	Nil
The number of matters, mentioned in section 150P(3) of the <i>Local Government Act 2009</i> , notified to the Crime and Corruption Commission	Nil
The number of notices given under s150R(2) of the <i>Local Government Act 2009</i>	Nil



Type of Complaint	Number Received
The number of notices given under s150S(2)(a) of the <i>Local Government Act 2009</i>	Nil
The number of decisions made under s150W(1)(a), (b) and (e) of the <i>Local Government Act 2009</i>	Nil
The number of referral notices accompanied by a recommendation mentioned in s150AC(3) (a) of the <i>Local Government Act 2009</i>	Nil
The number of occasions information was given under s150AF(4)(a) of the <i>Local Government Act 2009</i>	Nil
The number of occasions the local government asked another entity to investigate, under chapter 5A, part 3, division 5 of the <i>Local Government Act 2009</i> for the local government, the suspected inappropriate conduct of a Councillor	Nil
The number of applications heard by the conduct tribunal under chapter 5A, part 3, division 6 of the <i>Local Government Act 2009</i> about the alleged misconduct or inappropriate conduct of a Councillor	Nil

## Overseas Travel

No international travel was made in an official capacity during 2022–23 by any employee, Councillor, or the Mayor.

## Expenditure on Community Organisations: Grants, Rebates and In-Kind Donations

Total expenditure for 2022–23 on grants to community organisations was \$320,734.58.

The total amount budgeted for Councillor's Discretionary Funds for 2022–23 was \$14,000.00, which was allocated for community purposes. The prescribed amount is \$15,030.27.

Councillors' Discretionary Funds allocations for the period 1 July 2022 to 30 June 2023 are set out below. Each amount was allocated in accordance with s202(1)(b) and being to a community organisation for a community purpose and exclude GST where applicable:

### Mayor FC Beveridge:

Date	Organisation	Purpose	Donation Amount	Balance
2022–23 Allocation				\$2,000.00
19/08/2022	Richmond Hill State School	Charters Towers Language Speaking Competition	\$35.74	\$1,964.26
22/08/2022	Rad School Association Inc	Donation to Legacy	\$28.58	\$1,935.68
06/09/2022	Zonta Club of Charters Towers	16 Days of Advocacy – lighting up City Hall	\$57.16	\$1,878.52
16/10/2022	Friends of the Theatre	Volunteers Christmas Party	\$28.58	\$1,849.94
20/02/2023	QCWA Charters Towers Branch	Centenary Celebrations	\$57.16	\$1,792.78
07/03/2023	Gold City Campdraft Assn Inc.	Generator Hire	\$285.74	\$1507.04
03/04/2023	Greenvale Campdraft Assn Inc.	Donation towards ambulance attendance at 2023 event	\$285.74	\$1,221.30
04/05/2023	Charters Towers PCYC	Donation towards fixing potholes in the carpark	\$214.32	\$1,006.98
01/05/2023	QAS Legacy Scheme Inc.	Charters Towers Ambulance Service Triathlon Team	\$142.90	\$864.08
09/05/2023	Dalrymple Trade Training Centre	Donation towards 2023 Careers Expo	\$71.42	\$792.66
15/05/2023	Bravehearts	Claude the Mower Man	\$71.42	\$721.24
25/05/2023	Horse of the North	Generator Hire	\$285.74	\$435.50

**Deputy Mayor GJ Lohmann:**

Date	Organisation	Purpose	Donation Amount	Balance
2022-23 Allocation				\$2,000.00
19/08/2022	Richmond Hill State School	Charters Towers Language Speaking Competition	\$35.71	\$1,964.29
22/08/2022	Rad School Association Inc	Donation to Legacy	\$28.57	\$1,935.72
06/09/2022	Zonta Club of Charters Towers	16 Days of Advocacy – lighting up City Hall	\$57.14	\$1,878.58
16/10/2022	Friends of the Theatre	Volunteers Christmas Party	\$28.57	\$1,850.01
20/02/2023	QCWA Charters Towers Branch	Centenary Celebrations	\$57.16	\$1,792.85
07/03/2023	Gold City Campdraft Assn Inc.	Generator Hire	\$285.71	\$1507.14
03/04/2023	Greenvale Campdraft Assn Inc.	Donation towards ambulance attendance at 2023 event	\$285.71	\$1,221.43
04/05/2023	Charters Towers PCYC	Donation towards fixing potholes in the carpark	\$214.28	\$1,007.15
01/05/2023	QAS Legacy Scheme Inc.	Charters Towers Ambulance Service Triathlon	\$142.85	\$864.30
09/05/2023	Dalrymple Trade Training Centre	Donation towards 2023 Careers Expo	\$71.43	\$792.87
15/05/2023	Bravehearts	Claude the Mower Man	\$71.43	\$721.44
25/05/2023	Horse of the North	Generator Hire	\$285.71	\$435.73

**Councillor AP Barr:**

Date	Organisation	Purpose	Donation Amount	Balance
2022-23 Allocation				\$2,000.00
19/08/2022	Richmond Hill State School	Charters Towers Language Speaking Competition	\$35.71	\$1,964.29
22/08/2022	Rad School Association Inc	Donation to Legacy	\$28.57	\$1,935.72
06/09/2022	Zonta Club of Charters Towers	16 Days of Advocacy – lighting up City Hall	\$57.14	\$1,878.58
16/10/2022	Friends of the Theatre	Volunteers Christmas Party	\$28.57	\$1,850.01
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09/05/2023	Dalrymple Trade Training Centre	Donation towards 2023 Careers Expo	\$71.43	\$792.87
15/05/2023	Bravehearts	Claude the Mower Man	\$71.43	\$721.44
25/05/2023	Horse of the North	Generator Hire	\$285.71	\$435.73



**Councillor S Bennetto:**

Date	Organisation	Purpose	Donation Amount	Balance
2022-23 Allocation				\$2,000.00
19/08/2022	Richmond Hill State School	Charters Towers Language Speaking Competition	\$35.71	\$1,964.29
22/08/2022	Rad School Association Inc	Donation to Legacy	\$28.57	\$1,935.72
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15/05/2023	Bravehearts	Claude the Mower Man	\$71.43	\$721.44
25/05/2023	Horse of the North	Generator Hire	\$285.71	\$435.73

**Councillor KF Hastie**

Date	Organisation	Purpose	Donation Amount	Balance
2022-23 Allocation				\$2,000.00
19/08/2022	Richmond Hill State School	Charters Towers Language Speaking Competition	\$35.71	\$1,964.29
22/08/2022	Rad School Association Inc	Donation to Legacy	\$28.57	\$1,935.72
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15/05/2023	Bravehearts	Claude the Mower Man	\$71.43	\$721.44
25/05/2023	Horse of the North	Generator Hire	\$285.71	\$435.73

**Councillor JD Mathews:**

Date	Organisation	Purpose	Donation Amount	Balance
2022-23 Allocation				\$2,000.00
19/08/2022	Richmond Hill State School	Charters Towers Language Speaking Competition	\$35.71	\$1,964.29
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15/05/2023	Bravehearts	Claude the Mower Man	\$71.43	\$721.44
25/05/2023	Horse of the North	Generator Hire	\$285.71	\$435.73

**Councillor BP Robertson:**

Date	Organisation	Purpose	Donation Amount	Balance
2022-23 Allocation				\$2,000.00
19/08/2022	Richmond Hill State School	Charters Towers Language Speaking Competition	\$35.71	\$1,964.29
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04/05/2023	Charters Towers PCYC	Donation towards fixing potholes in the carpark	\$214.28	\$1,007.15
01/05/2023	QAS Legacy Scheme Inc.	Charters Towers Ambulance Service Triathlon	\$142.85	\$864.30
09/05/2023	Dalrymple Trade Training Centre	Donation towards 2023 Careers Expo	\$71.43	\$792.87
15/05/2023	Bravehearts	Claude the Mower Man	\$71.43	\$721.44
25/05/2023	Horse of the North	Generator Hire	\$285.71	\$435.73



## Attendance at Statutory Meetings

Council held a total of 14 Meetings during 2022–23.

Councillor	General Meetings	Special Meetings	Statutory Budget Meetings	Total Meetings Attended
Mayor FC Beveridge	11	1	1	13
Deputy Mayor GJ Lohmann	12	1	1	14
Cr AP Barr	12	1	1	14
Cr KF Hastie	12	1	1	14
Cr S Bennetto	12	1	1	14
Cr JD Mathews	11	1	1	13
Cr BP Robertson	11	1	1	13

## Councillor Remuneration

Councillor	Total Remuneration	Superannuation
Mayor FC Beveridge	\$123,531.30	\$13,235.50
Deputy Mayor GJ Lohmann	\$71,267.90	\$7,635.94
Cr AP Barr	\$61,764.52	\$6,617.63
Cr S Bennetto	\$61,764.52	\$6,617.63
Cr BP Robertson	\$61,764.52	\$6,617.63
Cr KF Hastie	\$61,764.52	\$6,617.63
Cr JD Mathews	\$61,764.52	\$6,617.63

## Councillor Expenses

Councillor	Conference & Seminars	Travel & Accommodation	Hospitality	Uniforms	Total Expenses
Mayor FC Beveridge	\$1,201.82	\$5,390.99	\$1,378.64	\$116.44	\$8,087.89
Deputy Mayor GJ Lohmann	\$697.33	\$552.20			\$1,249.53
Cr AP Barr	\$380.28			\$92.55	\$472.83
Cr S Bennetto	\$213.63		\$22.00		\$235.63
Cr BP Robertson	\$1,723.74			\$35.67	\$1,759.41
Cr KF Hastie	\$2,039.26				\$2,039.26
Cr JD Mathews	\$2,124.08	\$1,248.77	\$69.41		\$3,442.26
TOTAL	\$8,380.14	\$7,191.96	\$1,470.05	\$244.66	\$17,286.81

## Remuneration of Senior Management

Employee	Remuneration
Three senior contract employees with a total remuneration package in the range of:	\$50,000 – \$150,000
Two senior contract employees with a total remuneration package in the range of:	\$200,000 – \$300,000
Total of all remuneration packages payable:	\$977,063.52

## Public Sector Ethics

The Charters Towers Regional Council (Council) Employee Code of Conduct prescribes the standards and behaviours for all persons working on behalf of Council and details the expectations of Council to contribute towards a positive workplace culture that focuses on the best interests of its workers and the general public.

The Code of Conduct incorporates the responsibilities and obligations of local government employees under the *Local Government Act 2009* as well the Public Sector Ethics Act 1994.

The document is accessible via Council's website, corporate intranet, and in hard copy upon request. Furthermore, all new employees are supplied with a copy of the document as part of their employment offer prior to commencing.

Council provides relevant training and education to all new employees through a mandatory corporate induction process and delivers compulsory refresher training every two (2) years, at the same time of the document review/readoption by Council which explains the ethics principles and values as well as relevant legislative obligations as detailed by the Code of Conduct. All employees completed refresher training between May and June 2021.

The Code of Conduct was last adopted on 16 June 2021 by Council with it to be reviewed upon changes to relevant legislation, or every two years if no changes are enacted.

## Particular Resolutions

Reportable resolutions under the *Local Government Regulation 2012* for the period:

Section 185(a) and (b) <i>Local Government Regulation 2012</i>	Resolution adopted
Under s250(1) – Expenses Reimbursement Policy	Nil
Under s206(2) – Valuation of non-current physical assets	Nil

## Registers Open for Inspection

The List of Registers as required by the *Local Government Regulation 2012*, s190, maintained by Council and open for inspection, is as follows:

- Register of Interests of the CEO and related parties
- Councillor's Register of Interests
- Register of Interests of Senior Management and their related parties
- Local Government Worker and Authorised Persons
- Register of Delegations – Council to the CEO
- Register of Delegations – CEO to Employee or Contractor
- Register of Fees and Charges
- Map and Register of Roads
- Impounded Animals
- Cat and Dog Register
- Regulated Dog Register
- Environmentally Relevant Activities – Development Approvals
- Environmental Authorities
- Environmental Development Approvals and Registrations
- Register of Local and Subordinate Local Laws
- Register of Business Activities to which competitive neutrality applies
- Councillor conduct
- Register of Gifts and Benefits
- Strategic Risk Register
- Council Policy Register
- Burial Register
- Register of Backflow Prevention Devices
- Register of Pre-qualified suppliers – Vendorpanel
- Register of Development Applications
- Register of Declared Conflicts of Interests (Employees)
- Legal Documents Register
- Register of Council Resolutions



## Tenders, Quotes and Expressions of Interest

The following tenders, quotes and expressions of interest, as well as invitations to change under Section 228(7) of the *Local Government Regulation 2012*, were advertised during the 2022–23 financial year.

Request Name	Buyer Reference	Request Type	Request Created	Open Date	Close Date	Days Advertised	Changes to Tenders
T035/23 Sale of Building for Removal – Defiance Mill Park	T035/23	Tender	14/06/2023	14/06/2023	11/07/2023	27	
T033/23 Sale of 7 Eucalyptus Court, Greenvale	T033/23	Tender	14/06/2023	14/06/2023	11/07/2023	27	
PSA013/23 Cleaning of Council Facilities	PSA013/23	Tender	24/05/2023	2/06/2023	4/07/2023	32	Additional information clarifying questions asked at site briefing
T029/23 Management of Showgrounds Tourist Overflow Facility	T029/23	Advertised Quotation	21/04/2023	21/04/2023	8/05/2023	16	
PSA024/23 Building Assessment/ Certification Services	PSA024/23	Tender	12/04/2023	12/04/2023	4/05/2023	22	
Q009/23 Supply & Installation of Exclusion Fencing – C.T Airport	Q009/23	Advertised Quotation	3/03/2023	3/03/2023	17/03/2023	14	
PQS014/23 Trade Services (Building and Facilities)	PQS014/23	Tender	2/03/2023	6/03/2023	28/03/2023	22	Information clarifying that the tender briefing was not mandatory
PSA006/23 Operational Management of Kennedy Regiment Memorial Pool Complex and Water Park	PSA006/23	Tender	3/02/2023	7/02/2023	28/02/2023	21	Additional information clarifying questions asked at site briefing
Q068/22 Sale of House for Removal or Demolition	Q068/22	Tender	24/11/2022	24/11/2022	15/12/2022	21	
PQS065/22 Road and Civil Construction Pre-Qualified Supplier Arrangement	PQS065/22	Tender	15/11/2022	16/11/2022	13/12/2022	27	Administrative correction for contract term from 3 years to 5 years.

Request Name	Buyer Reference	Request Type	Request Created	Open Date	Close Date	Days Advertised	Changes to Tenders
T048/22 Charters Towers Aerodrome Fence Upgrade	T048/22	Tender	12/09/2022	12/09/2022	1/11/2022	50	This tender was not awarded. (1) Additional information clarifying questions asked at site briefing. (2) Notification of a second site briefing. (3) An additional 3rd site briefing notification. (4) Additional information clarifying questions asked at the 3rd site briefing (5) Additional information with gravel estimates.
T051/22 Construction of Local Disaster Coordination Centre	T051/22	Tender	1/09/2022	9/09/2022	11/10/2022	32	(1) Additional information regarding IT and electrical (2) Additional information regarding handrail design. (3) Additional information in the form of detailed survey attachments.
PQS009/22 Prequalified Suppliers of Wet and Dry Hire of Plant & Equipment	PQS009/22	Tender	10/08/2022	15/08/2022	13/09/2022	29	
T037/22 Supply & Installation of Solar Power Systems	T037/22	Tender	27/06/2022	27/06/2022	26/07/2022	29	Additional information added to assist tenderers
T035/22 Supply & Delivery of Two (2) Chassis Mounted Water Tankers	T035/22	Tender	17/06/2022	17/06/2022	19/07/2022	32	Closing date extended by 1 week



## Internal Audit

Council's internal audit function is outsourced to an expert service provider who provides an independent and objective assessment and evaluation of control measures to manage Council's operational risks. For each financial year, Council is required to prepare an Internal Audit Plan and this is implemented and reported on to senior management and the Audit and Risk Committee.

For 2022-23 three (3) internal audits were undertaken. These included the following:

- Public Safety
- Long Term Water Planning
- Asset Management

Management and internal audit continue to work collaboratively together to ensure business effectiveness is assessed and continuous improvement is achieved.

## Audit and Risk Committee

The Audit and Risk Committee is an advisory committee of Council and is required by the *Local Government Act 2009*. The Audit and Risk Committee operates under a Charter outlining its role, responsibilities, composition, and operating guidelines, in accordance with the Financial and Performance Management Standard 2019.

The Audit and Risk Committee has oversight across many areas of Council, including, though not limited to:

- Corporate Governance
- Internal control systems
- Enterprise-wide risk management
- Internal and external audit functions
- Statutory compliance
- Financial reporting

In 2022-23, Council's Audit and Risk Committee comprised three members, one independent member and two Councillors. The independent member was Carolyn Eagle (Chair) who holds extensive auditing and financial qualifications and experience. The two Council members were Mayor Frank Beveridge and Councillor Kate Hastie. The Audit and Risk Committee meets three (3) to four (4) times a year.

During 2022-23, the Audit and Risk Committee met on the following dates:

- 11 August 2022
- 23 February 2023
- 27 June 2023

The Audit and Risk Committee adopted an Annual Work Plan in October 2022. The Annual Work Plan details the specifics on what is to be reported, reviewed, and monitored across the calendar year by the Audit and Risk Committee, and is the overarching accountability mechanism.



## **COMMUNITY FINANCIAL REPORT**

For the year ended 30 June 2023

Appendix 1





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## 1. Statement of Comprehensive Income (Profit and Loss)

The Statement of Comprehensive Income details where Council received its money and how it spent this money in delivering services to the Region. The difference is Council's profit or loss, also known as the Net Result.

### Financial Summary 2022/23

#### Summary Statement of Comprehensive Income (\$'000's)

Profit and Loss	2022/23	2021/22	2020/21	2019/20
Recurrent revenue	88,573	60,322	77,393	71,295
Less: Recurrent expenditure	85,385	57,255	81,447	72,235
<b>Operating surplus / (deficit)</b>	<b>3,188</b>	<b>3,067</b>	<b>(4,054)</b>	<b>(940)</b>
Capital revenue	6,307	17,831	7,491	6,804
Less: Capital expense	1,252	1,511	4,213	2,047
<b>Net Result</b>	<b>8,243</b>	<b>19,387</b>	<b>(776)</b>	<b>3,817</b>

The Operating surplus or deficit is the outcome which results from deducting the day-to-day costs, including depreciation of Council's property plant and equipment, from the day-to-day revenues.

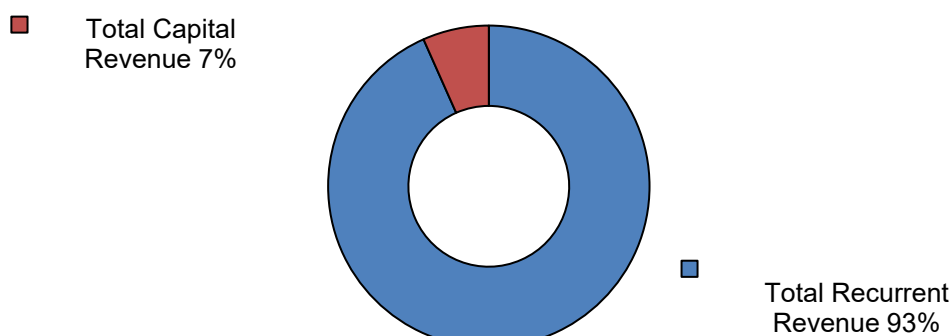
The Net Result is arrived at by adding the Capital revenue and Capital expenses to the Operating surplus.

The increase in Recurrent revenue and Recurrent expenditure in 2022/23 is due to increased works across Council's roads network undertaken under Disaster Recovery Funding Arrangements. Disaster recovery funding recurrent revenue was \$35.5 million and Disaster recovery works recurrent expenditure was \$35.5 million.

### 1.1. Revenue – Where does the money come from?

This year Council received \$94.9 million in revenue for the financial year, which consisted of \$88.6 million in recurrent revenue and \$6.3 million in capital revenue.

#### Revenue Categories 2022/23



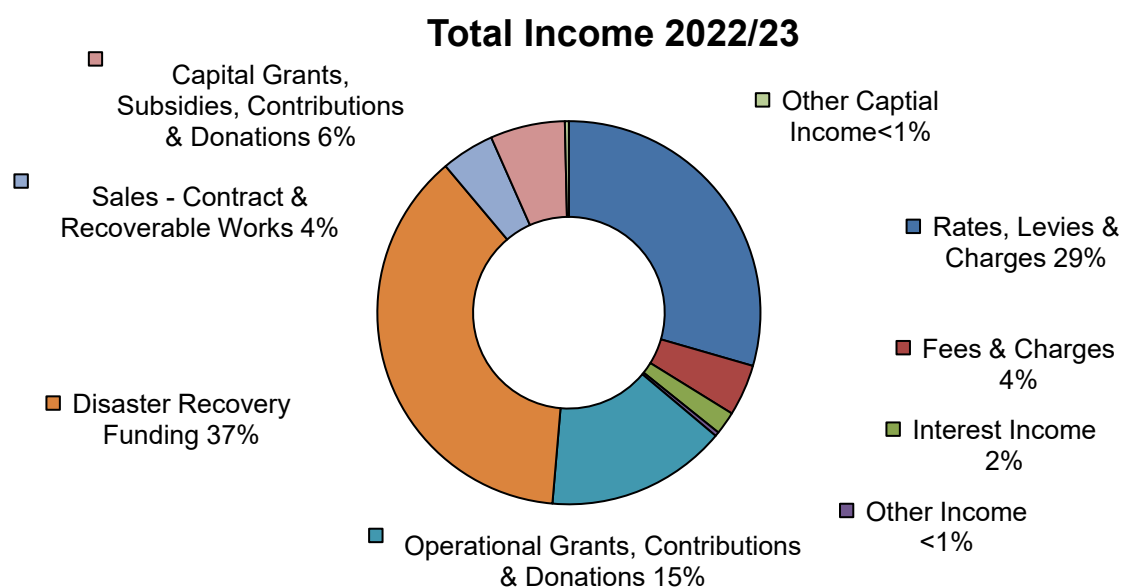


**Recurrent Revenue (\$'000's)**

Recurrent Revenue	2022/23	2021/22
Rates, levies and charges	27,976	25,804
Fees and charges	4,105	5,304
Grants, subsidies, contributions and donations		
• Operational grants	14,489	9,853
• Disaster recovery funding	35,568	14,389
Contract and recoverable works (including Main Roads)	4,257	4,178
Interest income	1,842	300
Other income	336	494
<b>Total Recurrent Income</b>	<b>88,573</b>	<b>60,322</b>

Council received Capital revenue totalling \$5.9 million from the State and Federal Government for the purpose of constructing Council assets. This included:

- Local Roads and Community Infrastructure Program, \$0.99 million
- Big Rocks Weir Project, \$0.94 million
- Roads to Recovery Program, \$0.86 million
- Transport Infrastructure Development Scheme (TIDS), \$0.81 million
- Queensland Reconstruction Authority, \$0.78 million
- Works for Queensland Program, \$0.73 million
- Building Our Regions – Round 6, \$0.35 million
- Regional Airports Program, \$0.31 million



## 1.2. Expenses – Where was the money spent?

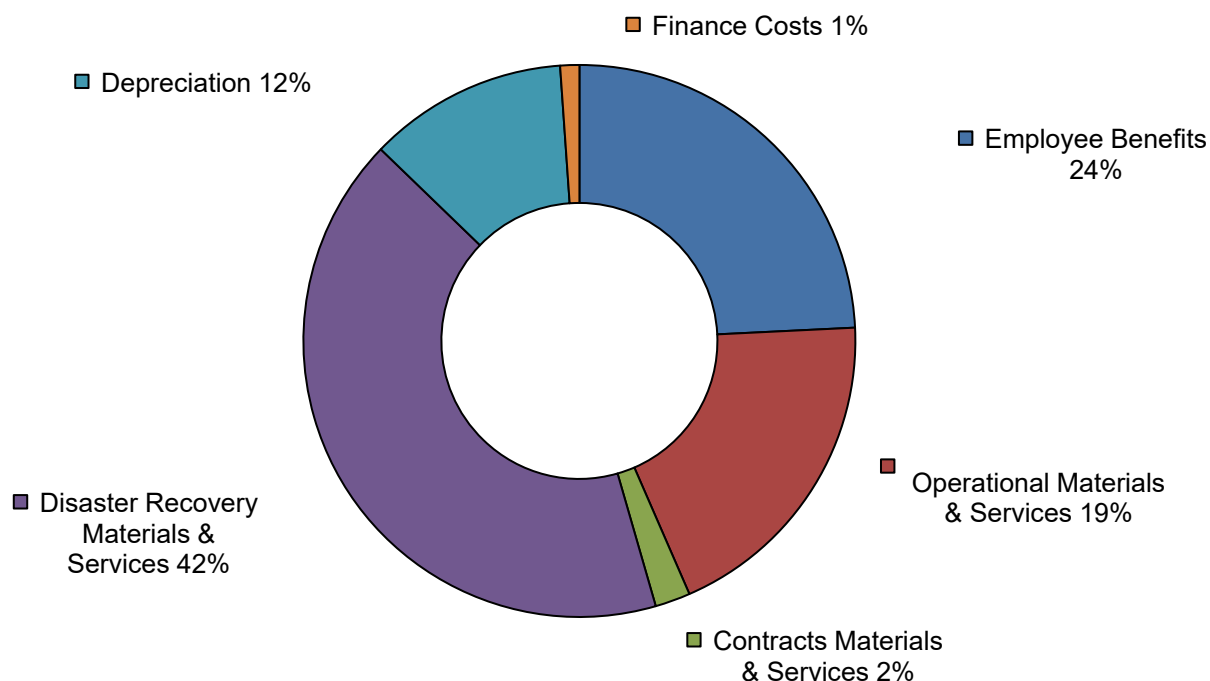
Council incurs both Recurrent (operating) and Capital expenditure in delivering services to the community.

Significant expenditure items for 2022/23 year are highlighted below.

### Recurrent Expenses (\$'000's)

Recurrent Expenses	2022/23	2021/22
Salaries and wages and entitlements	21,244	20,982
(less) Capitalised employee costs	(551)	(597)
Total employee benefits	20,693	20,385
Materials and services		
• Operational (day to day expenses)	17,283	11,387
• Disaster recovery works	35,592	14,182
• Contracts and recoverable works	1,754	1,941
Asset depreciation	9,965	9,293
Finance costs	98	67
<b>Total Recurrent Expenses</b>	<b>85,385</b>	<b>57,255</b>

### Recurrent Expense 2022/23







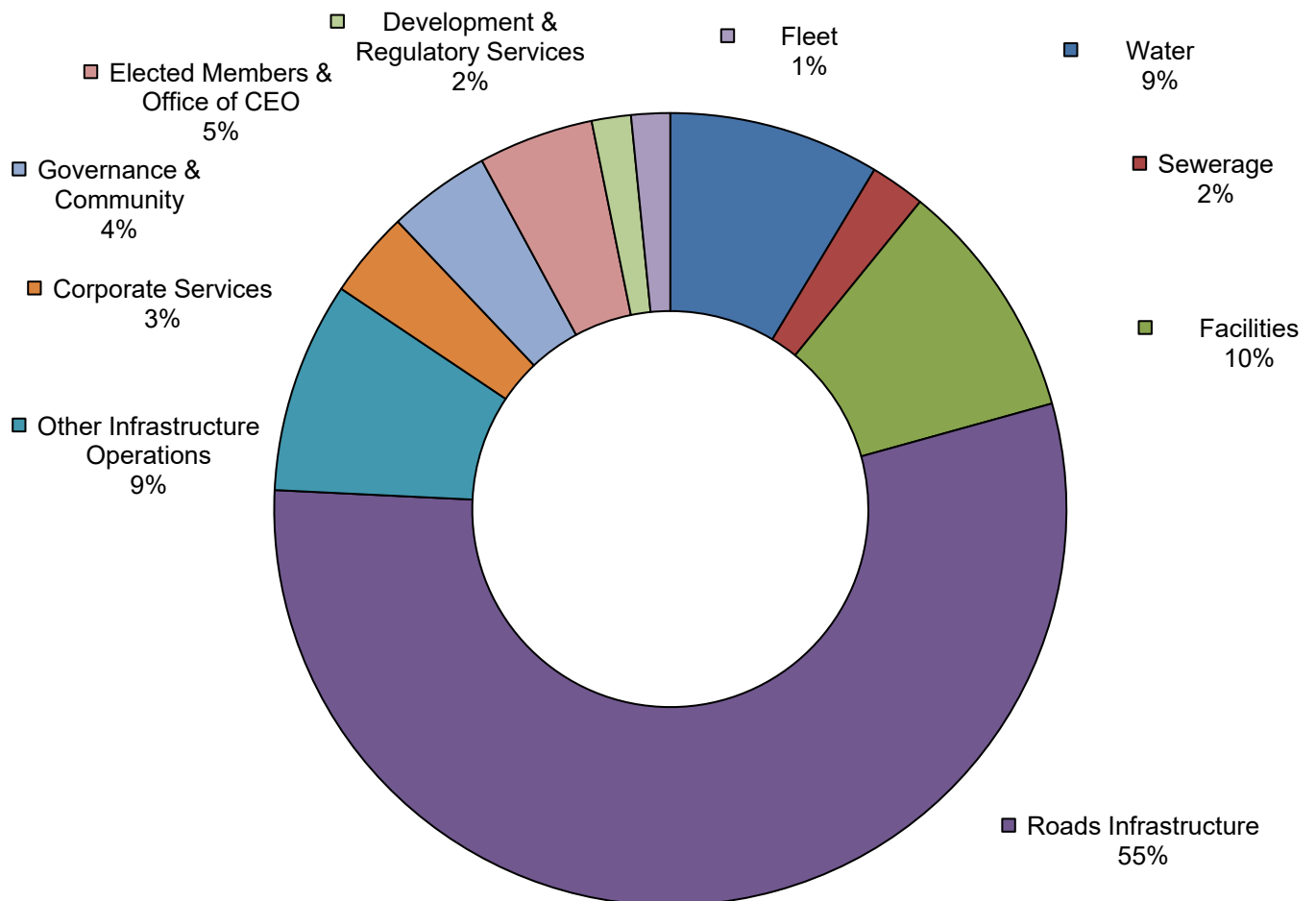
## Expenditure by function

Funds raised through Recurrent revenue are used to provide services to the community. These include:

- Roads and Other Infrastructure Operations
- Water and Sewerage
- Facilities Management
- Governance and Community Services
- Development and Regulatory Services
- Corporate Services (including WHS)
- Elected Members and Office of CEO

In the reported financial year, these funds were consumed across the functions in the proportions shown. Non-Capital expenditure on Council roads infrastructure works was 55% of Council's total Recurrent expenses, which amounted to \$47 million of the total \$85 million.

## Expenditure by Function 2022/23



## 2. Statement of Financial Position (Balance Sheet)

The Statement of Financial Position measures what Council owns (assets) and what Council owes (liabilities), resulting in net worth at the end of the financial year.

This statement is often referred to as the Balance Sheet and summarises the financial position of the Council at the end of the financial year.

### 2.1. Assets: What does Council own?

Council's 2022/23 total Assets amount to \$586 million (2021/22 \$555 million). These are classified as either Current or Non-current assets in the annual financial statements.

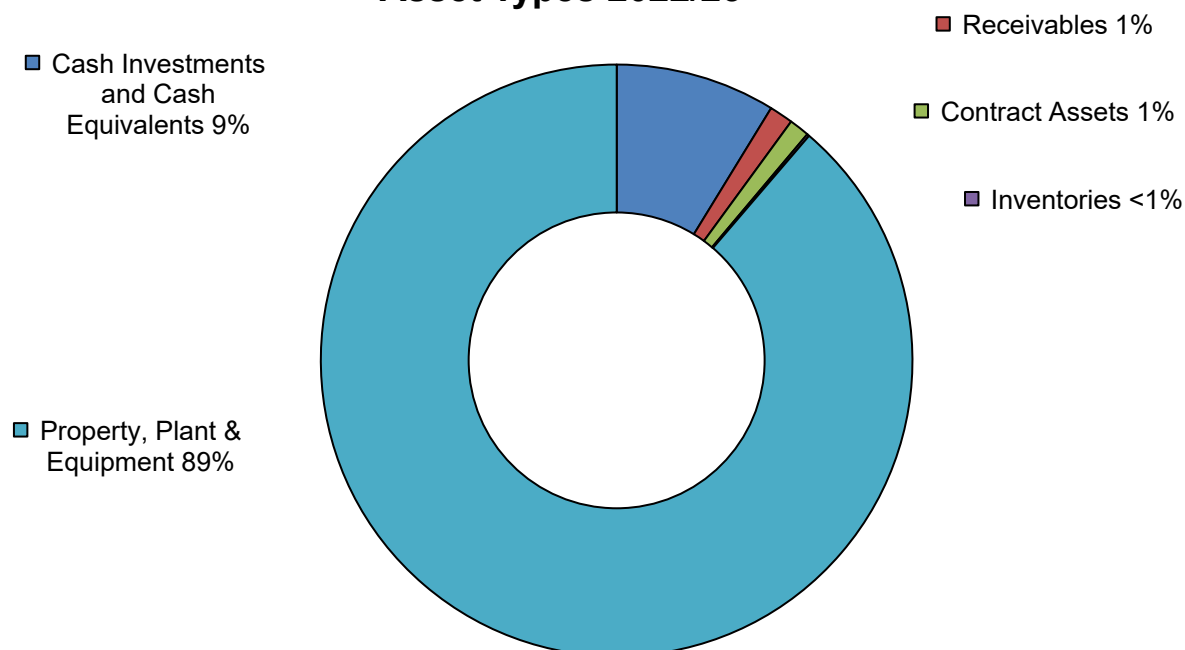
#### Total Assets (\$'000's)

Total Assets	2022/23	% of	2021/22
Current assets	66,147	11%	72,093
Non-current assets	520,398	89%	483,459
<b>Total Assets</b>	<b>586,545</b>	<b>100%</b>	<b>555,552</b>

Current assets include cash and other assets that are expected to be converted to cash within the year ahead, such as trade receivables, inventory and contract assets.

Non-current assets include long-term fixed asset investments that are used to provide infrastructure and services to the community. In the Balance Sheet these assets are called Property, plant and equipment and this captures the regions roads and drainage, water and sewerage assets, property (land and buildings), fleet, plant and equipment.

### Asset Types 2022/23







2022/23 Current assets of \$66.1 million is a decrease of \$6 million from the 2021/22 Current assets value of \$72.1 million. Current assets are presented in the table below.

#### Current Assets (\$'000's)

Current Assets	2022/23	2021/22
Cash (Bank transactions and QTC cash at call)	41,335	43,532
Investments (Short term deposits)	10,000	19,000
Receivables – Rates and utilities debtors	3,669	1,514
Receivables - Trade debtors	2,727	4,248
Prepayments	1,200	572
Inventories (Works Depot stores)	726	711
Inventories held for sale (VIC & World Theatre)	29	35
Contract assets	6,461	2,481
<b>Total Current Assets</b>	<b>66,147</b>	<b>72,093</b>

Significant movement in Current assets from last year include:

- a decrease in Cash of \$11 million due to works completed against grant monies received in the prior year
- an increase in Contract assets of \$3.9 million reflects grants owing for works completed in 2022/23
- Rates and utilities debtors has increased by \$2.2 million to \$3.7 million in 2022/23 and reflects both current and prior year unpaid rate levies
- Trade receivables has decreased by \$1.5 million in 2022/23 to \$2.7 million

Non-current assets are presented in the table below.

#### Non-Current Assets (\$'000's)

Non-Current Assets	2022/23	2021/22
Property, plant and equipment (written down value)	520,398	483,459
<b>Total Non-Current Assets</b>	<b>520,398</b>	<b>483,459</b>

2022/23 Property, plant and equipment of \$520 million (2021/22 \$483 million) is presented at the assets written down value. The written down value is the difference between the gross value and the accumulated depreciation of an asset.

The table below provides key information from the annual financial statements contained in Note 13 Property, plant and equipment.

The table presents:

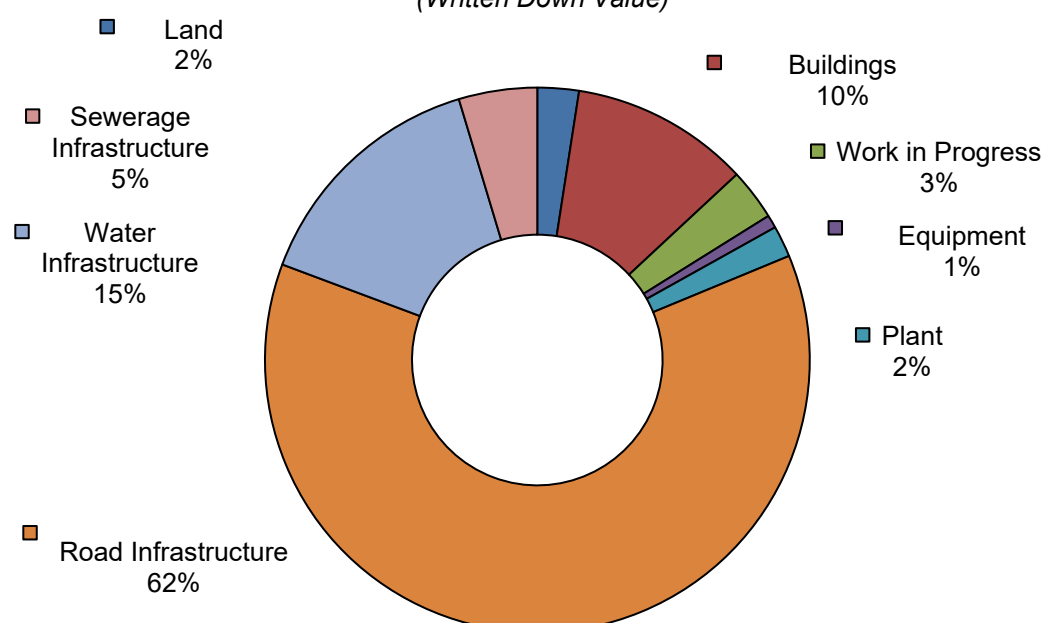
- written down value of \$520 million at 30 June 2023 (\$483 million at 30 June 2022)
- the allocation in 2022/23 of \$9.9 million in annual depreciation charges across the asset classes
- the allocation of 2022/23 \$14.6 million capital works across renewal works of \$6.9 million and new works of \$7.7 million

#### Property, Plant & Equipment (\$'000's)

Property, Plant & Equipment	Value 2022/23	Annual Depreciation	Renewal	New	Value 2021/22
Land	12,781	-	-	37	12,087
Buildings and structures	55,243	2,552	72	2,267	47,309
Plant	9,717	1,043	1,669	-	9,366
Equipment	4,002	350	19	815	2,133
Roads	322,349	3,362	259	138	300,884
Water	76,195	1,975	-	-	71,147
Sewerage	24,200	683	-	-	22,916
Work in progress	15,911	-	4,903	4,476	17,617
<b>Total</b>	<b>520,398</b>	<b>9,965</b>	<b>6,922</b>	<b>7,733</b>	<b>483,459</b>

#### Property, Plant & Equipment 2022/23

(Written Down Value)







## 2.2. Liabilities: What does Council owe?

Council's 2022/23 total Liabilities were \$17.5 million (2021/22 \$29.1 million). These are classified as either Current or Non-current liabilities in the annual financial statements.

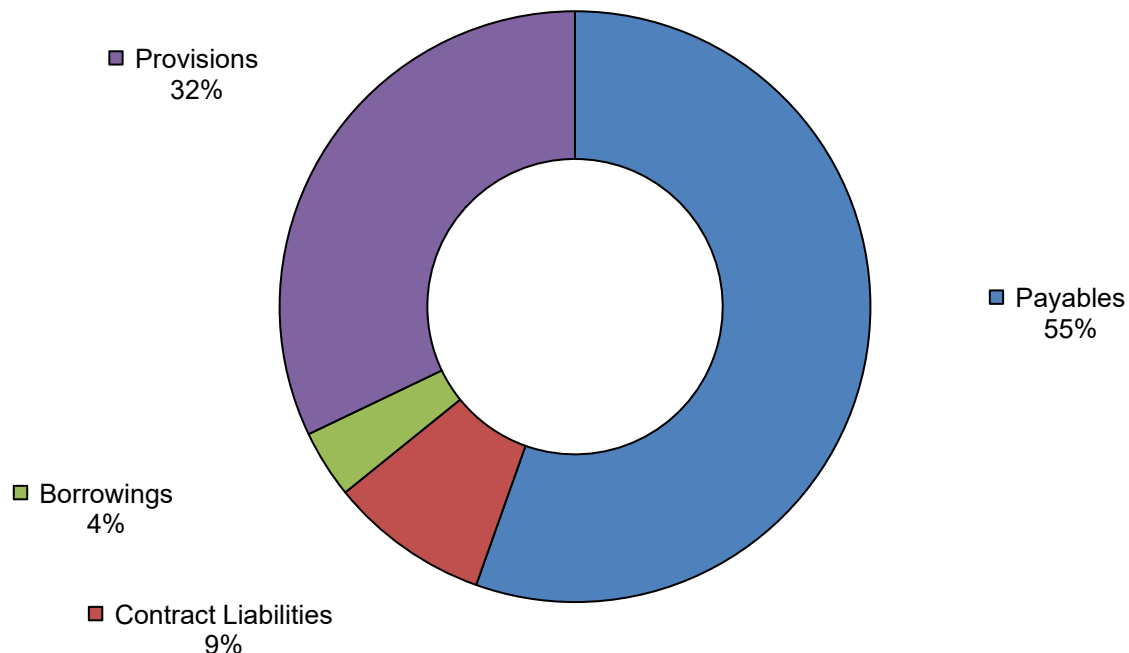
### Total Liabilities (\$'000's)

Total Liabilities	2022/23	% of	2021/22
Current liabilities	14,241	81%	25,674
Non-current liabilities	3,262	19%	3,409
<b>Total Liabilities</b>	<b>17,503</b>	<b>100%</b>	<b>29,083</b>

Current liabilities include trade payables, contract liabilities and the portion of borrowings and provisions that are expected to be paid within the year ahead.

Non-current liabilities include long-term borrowings, long-term payables and provisions that have been applied to the region's infrastructure.

### Liabilities 2022/23



2022/23 Current liabilities of \$14.2 million is a decrease of \$11.5 million from 2021/22. Current liabilities are presented in the table below.

**Current Liabilities (\$'000's)**

Current Liabilities	2022/23	2021/22
Contract liabilities	1,531	13,455
Trade creditors and contract retentions	6,863	6,898
Prepaid rates and charges	1,741	1,633
Employee benefits (Annual leave, RDO, TIL)	2,126	2,036
Borrowings from QTC payable in next 12 months	156	153
Provisions – Employee long service leave	1,823	1,499
<b>Total Current Liabilities</b>	<b>14,240</b>	<b>25,674</b>

Significant Current liabilities include:

- Contract liabilities decreased by \$11.9 million in 2022/23 to \$1.5 million, due to works completed against grants funds previously received
- Prepaid rates and charges of \$1.7 million as at 30 June 2023 will remain on the balance sheet until the 2023/24 rates are due

Non-current liabilities are presented in the table below.

**Non-Current Liabilities (\$'000's)**

Non-Current Liabilities	2022/23	2021/22
Borrowings from QTC (final repayment June 2027)	494	650
Trade creditors	1,098	1,122
Provisions – Employee long service leave	406	396
Provisions – Landfill rehabilitation	1,264	1,241
<b>Total Non-Current liabilities</b>	<b>3,262</b>	<b>3,409</b>





### 3. Statement of Changes in Equity: Net Worth

The Statement of Changes in Equity measures the changes in Council's Net worth and shows the movements in Retained surplus, Council capital and Asset revaluation surplus.

The 2022/23 net worth was \$569 million (2021/22: \$526 million) which comprises total Assets of \$586 million and total Liabilities of \$17 million.

Community equity is presented in the table below.

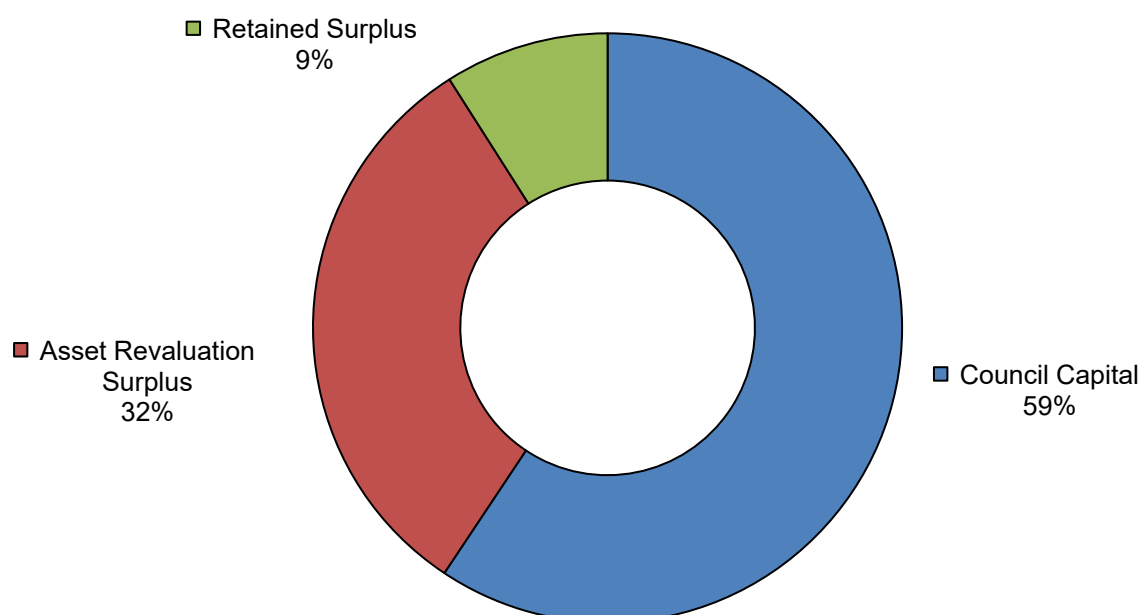
#### Community Equity (\$'000's)

Community Equity	2022/23	2021/22
Retained surplus	51,328	62,526
Council capital	337,740	318,299
Asset revaluation surplus	179,974	145,644
<b>Total Community Equity</b>	<b>569,042</b>	<b>526,469</b>

Significant movements in community equity include:

- Retained surplus has decreased \$11 million in 2022/23 and includes the Net result of \$8.2 million and a transfer out to Council capital of \$19.4 million to match available cash reserves
- Council capital has increased by \$19.4 million in 2022/23
- Asset revaluation surplus increased by \$34.3 million in 2022/23 million due to the asset index revaluation adjustments undertaken

#### Equity 2022/23



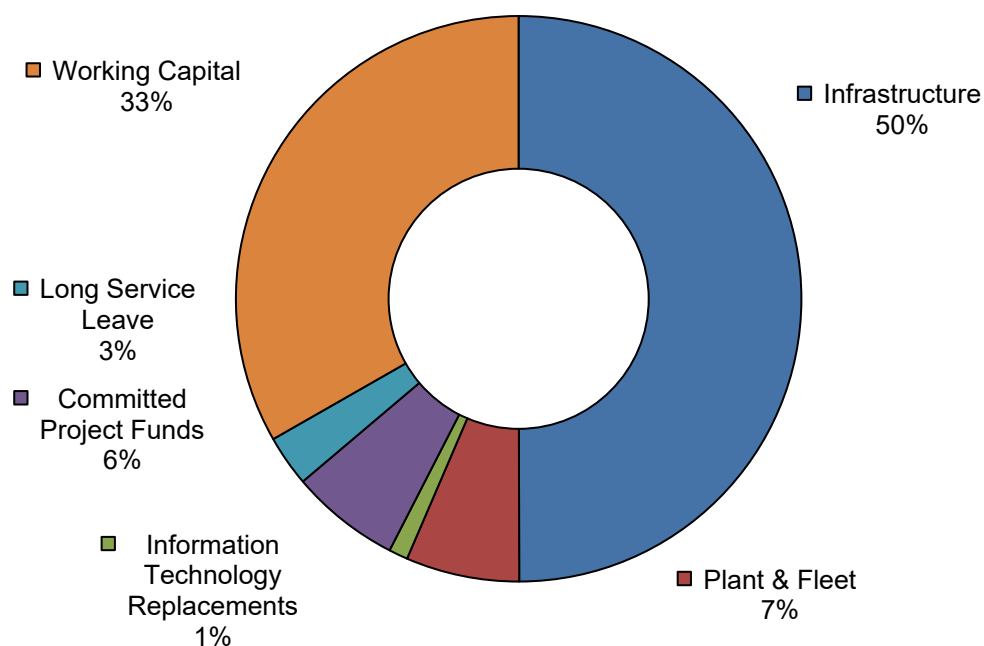
### 3.1. Retained Surplus (Reserves)

Retained surplus is made up of reserve funds as resolved by Council at its annual Budget Meeting. Council reserves are allocated for future replacement and renewal of council infrastructure and future operational requirements.

#### Retained Surplus & Reserves (\$'000's)

Retained Surplus & Reserves	2022/23	2021/22
Infrastructure	25,647	34,034
Plant and fleet	3,333	2,592
Information technology infrastructure	558	470
Asset replacement reserve	29,538	37,096
Committed project funds	3,218	4,327
Long service leave	1,500	1,500
Total restricted reserves	34,256	42,923
Working capital (available funds for operations and projects)	17,072	19,609
Total cash and investments reserves	51,334	62,532
(less) Cash floats required across council	(6)	(6)
<b>Total Retained Surplus</b>	<b>51,328</b>	<b>62,526</b>

#### Closing Cash Reserves 2022/23





#### 4. Statement of Cash Flows

The Statement of Cash Flows shows all the activities Council undertake during the year that impact the cash balances.

##### Statement of Cash Flows (\$'000's)

Statement of Cash Flows	2022/23	2021/22
Net cash inflow/(outflow) from operating activities	(2,785)	35,338
Net cash inflow/(outflow) from investing activities	(8,260)	(5,176)
Net cash inflow/(outflow) from financing activities	(152)	(148)
Net increase/(decrease) in cash held	(11,197)	30,014
Cash and cash equivalents at beginning of year	43,532	31,518
<b>Cash and Cash Equivalents at End of Year</b>	<b>32,335</b>	<b>61,532</b>
Net transfers from/(to) cash investments	9,000	(18,000)
<b>Cash and Cash Equivalents as per Statement of Cash Flows</b>	<b>41,335</b>	<b>43,532</b>

The cash balances decreased by \$11 million during the year. The decrease in cash balance includes the following significant movements:

- Operating activities decreased cash by \$2.8 million and includes the net of receipts from customers and payments to suppliers
- Investing activities decreased cash by \$8.3 million and includes \$14.6 million spent in capital works, offset by \$5.9 million in grants and subsidies and almost \$400k in non-current asset sales
- Financing activities relate to the repayment of QTC borrowings during the year.



## 5. Financial Sustainability Measures: How strong is Council financially?

A local government is considered financially sustainable if it is able to maintain its financial capital (equity and net worth) and its infrastructure over the long-term. In forming a view of a local government's financial sustainability, a number of ratios are used.

Council's performance at 30 June 2023 against these key financial ratios is listed below.

### Measures of Financial Sustainability

Ratio	Target	2022/23	2021/22	2020/21
Operating surplus ratio	0% to 10%	4%	5%	(4%)
Asset sustainability ratio	> 90%	60%	68%	80%
Net financial liabilities ratio	< 60%	(55%)	(71%)	(46%)

The above table indicates that Council is operating on a financially sustainable basis and can adequately deliver the range of services it provides to the region.

### Overview of financial sustainability ratios

1. Operating surplus ratio	The ratio in 2022/23 is 4% which falls within the target ratio. The ratio indicates revenue is currently at a level to help fund past deficits, offset operating costs and fund debt repayments.
2. Asset sustainability ratio	Council is still achieving sustainable renewal of most assets across the infrastructure classes of assets. Future renewal programs undertaken by Council do however require close management to ensure alignment with the target ratio.
3. Net financial liabilities ratio	The fact that the ratio is a large negative number reflects that total liabilities are relatively low compared with current assets. CTRC has a low and immaterial debt level, which contributes to this extremely low ratio.

### How the measure is calculated

1. Operating surplus ratio	Net result (excl capital items) ÷ total operating revenue (excl capital)
2. Asset sustainability ratio	Capital expenditure on asset replacement ÷ depreciation expense
3. Net financial liabilities ratio	Total liabilities less current assets ÷ total operating revenue (excl capital items)

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## **FINANCIAL STATEMENTS**

For the year ended 30 June 2023

Appendix 2





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## Statement of Comprehensive Income For the year ended 30 June 2023

### Statement of Comprehensive Income

	Note	2023	2022
<b>Income</b>			
<b>Recurrent revenue</b>			
Rates, levies and charges	3 a	27,976,320	25,803,898
Fees and charges	3 b	4,104,657	5,303,711
Sales - contract and recoverable works	3 c	4,256,756	4,178,275
Grants, subsidies, contributions and donations	3 d (i)	50,057,451	24,242,461
Interest received	3 e	1,842,244	300,228
Other income		335,660	493,732
<b>Total recurrent revenue</b>		<b>88,573,088</b>	<b>60,322,305</b>
<b>Capital revenue</b>			
Grants, subsidies, contributions and donations	3 d (ii)	5,993,646	14,275,692
Gain on sale of non-current assets	4 a	115,498	177,859
Non-current asset revaluation increment	4 b	181,331	3,270,650
Other capital income	4 b	16,131	106,598
<b>Total capital revenue</b>		<b>6,306,606</b>	<b>17,830,799</b>
<b>Total income</b>		<b>94,879,694</b>	<b>78,153,104</b>
<b>Expenses</b>			
<b>Recurrent expenses</b>			
Employee benefits	5	(20,693,381)	(20,384,858)
Materials and services	6	(54,627,947)	(27,510,080)
Finance costs	7	(98,352)	(67,054)
Depreciation	13	(9,965,433)	(9,293,138)
<b>Total recurrent expenses</b>		<b>(85,385,113)</b>	<b>(57,255,130)</b>
<b>Capital expenses</b>			
Loss on sale of non-current assets	8	(7,646)	(7,192)
Non-current assets write-offs	8	(1,244,008)	(1,503,446)
<b>Total capital expenses</b>		<b>(1,251,654)</b>	<b>(1,510,638)</b>
<b>Total expenses</b>		<b>(86,636,767)</b>	<b>(58,765,768)</b>
<b>Net result</b>		<b>8,242,927</b>	<b>19,387,336</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to net result</b>			
Increase/(decrease) in asset revaluation surplus	19	34,330,810	21,281,809
<b>Total other comprehensive income for the year</b>		<b>34,330,810</b>	<b>21,281,809</b>
<b>Total comprehensive income for the year</b>		<b>42,573,737</b>	<b>40,669,145</b>

The above statement should be read in conjunction with the accompanying notes and Significant Accounting Policies



## Statement of Financial Position As at 30 June 2023

### Statement of Financial Position

	Note	2023	2022
<b>Current assets</b>			
Cash and cash equivalents	9	41,334,503	43,531,848
Investments	10	10,000,000	19,000,000
Receivables	11	7,596,202	6,334,442
Inventories	12	755,494	745,538
Contract assets	14	6,461,063	2,481,213
<b>Total current assets</b>		<b>66,147,262</b>	<b>72,093,041</b>
<b>Non-current assets</b>			
Property, plant and equipment	13	520,397,985	483,459,139
<b>Total non-current assets</b>		<b>520,397,985</b>	<b>483,459,139</b>
<b>Total assets</b>		<b>586,545,247</b>	<b>555,552,180</b>
<b>Current liabilities</b>			
Contract liabilities	14	1,530,827	13,455,531
Payables	16a	8,604,472	8,530,365
Borrowings	17	156,619	152,524
Provisions	18	3,948,509	3,535,396
<b>Total current liabilities</b>		<b>14,240,427</b>	<b>25,673,816</b>
<b>Non-current liabilities</b>			
Payables	16b	1,097,692	1,121,785
Borrowings	17	494,460	650,341
Provisions	18	1,670,102	1,637,409
<b>Total non-current liabilities</b>		<b>3,262,254</b>	<b>3,409,535</b>
<b>Total liabilities</b>		<b>17,502,681</b>	<b>29,083,351</b>
<b>Net community assets</b>		<b>569,042,566</b>	<b>526,468,829</b>
<b>Community equity</b>			
Asset revaluation surplus	19	179,974,405	145,643,595
Council capital		337,739,559	318,299,485
Retained surplus		51,328,602	62,525,749
<b>Total community equity</b>		<b>569,042,566</b>	<b>526,468,829</b>

*The above statement should be read in conjunction with the accompanying notes and Significant Accounting Policies*



## Statement of Changes in Equity For the year ended 30 June 2023

### Statement of Changes in Equity

	Retained surplus	Council capital	Asset revaluation surplus	Total
<b>Balance as at 1 July 2022</b>	62,525,749	318,299,485	145,643,595	526,468,829
Net result	8,242,927	-	-	8,242,927
Increase/(decrease) in asset revaluation surplus	-	-	34,330,810	34,330,810
<b>Total comprehensive income for the year</b>	8,242,927	-	34,330,810	42,573,737
Transfers to/(from) council capital	(19,440,074)	19,440,074	-	-
<b>Balance as at 30 June 2023</b>	<b>51,328,602</b>	<b>337,739,559</b>	<b>179,974,405</b>	<b>569,042,566</b>
<b>Balance as at 1 July 2021</b>	32,511,963	328,925,935	124,361,786	485,799,684
Net Result	19,387,336	-	-	19,387,336
Increase in asset revaluation surplus	-	-	21,281,809	21,281,809
<b>Total comprehensive income for the year</b>	19,387,336	-	21,281,809	40,669,145
Transfers to/(from) council capital	10,626,450	(10,626,450)	-	-
<b>Balance as at 30 June 2022</b>	<b>62,525,749</b>	<b>318,299,485</b>	<b>145,643,595</b>	<b>526,468,829</b>

*The above statement should be read in conjunction with the accompanying notes and Significant Accounting Policies*



## Statement of Cash Flows

### For the year ended 30 June 2023

#### Statement of Cash Flows

	Note	2023	2022
<b>Cash flows from operating activities</b>			
Receipts from customers		31,233,163	46,824,067
Payments to suppliers and employees		(85,897,360)	(36,003,918)
		(54,664,197)	10,820,149
Interest received		1,842,244	300,137
Non-capital grants and contributions		50,057,451	24,242,461
Borrowing costs	7	(20,588)	(24,743)
<b>Net cash inflow (outflow) from operating activities</b>	23	<b>(2,785,089)</b>	<b>35,338,004</b>
<b>Cash flow from investing activities</b>			
Payments for property, plant and equipment		(14,655,672)	(19,870,415)
Receivables-community loans		-	1,899
Proceeds from sale of property, plant and equipment	4	385,425	309,638
Capital grants, subsidies, contributions and donations		5,993,646	14,275,692
Other capital income		16,131	106,598
Net transfer to cash investments	10	9,000,000	(18,000,000)
<b>Net cash inflow (outflow) from investing activities</b>		<b>739,530</b>	<b>(23,176,588)</b>
<b>Cash flow from financing activities</b>			
Repayment of loan borrowings		(151,786)	(147,631)
<b>Net cash inflow (outflow) from financing activities</b>		<b>(151,786)</b>	<b>(147,631)</b>
<b>Net increase (decrease) in cash held</b>		<b>(2,197,345)</b>	<b>12,013,785</b>
<b>Cash and cash equivalents at beginning of the financial year</b>	9	<b>43,531,848</b>	<b>31,518,063</b>
<b>Cash and cash equivalents at end of the financial year</b>	9	<b>41,334,503</b>	<b>43,531,848</b>

*The above statement should be read in conjunction with the accompanying notes and Significant Accounting Policies*

## Notes to the Financial Statements For the year ended 30 June 2023

### 1. Information about these financial statements

#### a. Basis of preparation

The Charters Towers Regional Council is constituted under the Queensland *Local Government Act 2009* and is domiciled in Australia.

These general purpose financial statements are for the period 1 July 2022 to 30 June 2023 and have been prepared in accordance with the requirements of the *Local Government Act 2009* and the *Local Government Regulation 2012*.

Council is a not-for-profit entity for financial reporting purposes and these financial statements comply with Australian Accounting Standards and Interpretations as applicable to not-for-profit entities.

These financial statements have been prepared under the historical cost convention except where stated.

#### b. New and revised Accounting Standards adopted during the year

Charters Towers Regional Council adopted all standards which became mandatorily effective for annual reporting periods beginning on the 1 July 2022, none of these standards has a material impact on reported position, performance and cash flows.

#### c. Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective as 30 June 2023, these standards have not been adopted by Council and will be included in the financial statements on their effective date. None of these standards has a material impact on reported position, performance and cash flows.

#### d. Estimates and judgements

Council makes a number of judgements, estimates and assumptions in preparing these financial statements. These are based on the best information available to Council at the time, however due to the passage of time, these assumptions may change and therefore the recorded balances may not reflect the final outcomes. The significant judgements, estimates and assumptions relate to the following items and specific information is provided in the relevant note:

Revenue recognition – Note 3

Valuation and depreciation of property, plant and equipment – Note 13

Provisions – Note 18

Contingent liabilities – Note 21

Financial instruments – Note 25

#### e. Rounding and comparatives

The financial statements are in Australian dollars and have been rounded to the nearest dollar, unless otherwise stated.





## Notes to the Financial Statements For the year ended 30 June 2023

**f. Volunteer services**

Council accesses a minor number of volunteer services that if not donated would not be purchased. These services cannot be reliably measured and are therefore not recognised in the Statement of Comprehensive Income.

**g. Taxation**

Council is exempt from income tax, however council is subject to Fringe Benefits Tax, Goods and Services Tax ('GST') and payroll tax on certain activities. When applicable, the net amount of GST recoverable from the ATO or payable to the ATO is shown as an asset or liability respectively.

## Notes to the Financial Statements For the year ended 30 June 2023

### 2. Analysis of results by function

#### a. Components of council functions:

The activities relating to the council's components reported on in Note 2(b) are as follows:

##### Office of the CEO (OCEO)

The objective of this directorate is to set and achieve council wide goals, strategies and operating plans, plus ensure an effective governance structure.

Office of the CEO - Corporate and Business Planning, Internal Audit, Organisation Performance, Corporate Branding, Communications, Agenda and Minutes, Disaster Management and State Emergency Coordination.

Project Management Office - Facilitate a consistent project management approach across directorates.

Elected Members - Community Consultation, Official Functions, Delegations, Media Relations and Elections.

##### Human Resources (HR)

The objective of this directorate is to hold overall responsibility for recruitment, payroll, industrial relations and staff learning and development.

##### Infrastructure services (IS)

The objective of this directorate is to ensure sustainable management of the regions infrastructure networks by providing services and facilities that are safe, reliant, efficient and customer driven.

Roads - Road Construction and Maintenance, Contract Works, Survey Design and Flood Restorations Works.

Infrastructure Operations - Environmental Services, Waste Management, Land and Pest Management, and Open Spaces Maintenance.

Fleet Services Function - Facilitate Council's fleet maintenance and replacement programs.

Water and Sewerage - Supply, Treatment and Reticulation.

Facilities - Saleyard Facilities, Community and Council Facilities Maintenance and Airport Operations.

##### Organisational Services (OS)

The objective of this directorate is to consolidate council-wide activities such as administration, safety and risk management systems, financial decisions and reporting, project management and IT services.

Corporate Services - Rating, Financial Services, Procurement, Business and Procedures and Information Technology Infrastructure Support.

WHS and Risk - Secure the health and safety of the workforce and enterprise risk management.

##### Community Building (CB)

The objective of this directorate is to benefit and grow the community and region through cultural and tourism activities. Additionally, CB facilitate regulatory processes.

Community Services - Customer Service, Records Management, Library Services, Tourism Promotion, Visitor Information Centre, Youth Related Activities, Galleries and Exhibitions, Theatre Entertainment Services, Events Management, Community Development and Regional Arts Development.

Development and Regulatory Services - Land Use Planning, Heritage Management, Planning Act, Building and Plumbing Compliance, Local Laws and Animal Related Customer Requests.



## Notes to the Financial Statements For the year ended 30 June 2023

b. Income and expenses defined between recurring, and capital are attributed to the following functions:

FUNCTIONS	Year ended 30 June 2023 (000's)				Year ended 30 June 2022 (000's)				Year ended 30 June 2021 (000's)			
	Recurring 2023	Grants	Other	Gross program income	Recurring 2022	Grants	Other	Gross program income	Recurring 2021	Grants	Other	Gross program income
Office of CEO / Elected Members / HR	248	-	-	1,751	248	-	-	1,751	248	-	-	1,751
Roads & Infrastructure Operations	35,523	-	-	1,741	35,523	-	-	1,741	35,523	-	-	1,741
Fleet	-	-	-	113	-	-	-	113	-	-	-	113
Water	-	-	-	398	-	-	-	398	-	-	-	398
Sewerage	137	-	-	-	137	-	-	-	137	-	-	-
Facilities	40	-	-	2,007	40	-	-	2,007	40	-	-	2,007
Development / Regulatory Services	-	-	-	97	-	-	-	97	-	-	-	97
Community Building	193	-	-	-	193	-	-	-	193	-	-	-
Organisational Services / WHS	13,916	-	-	-	13,916	-	-	-	13,916	-	-	-
Human Resources	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Council</b>	<b>50,057</b>	<b>38,516</b>	<b>5,994</b>	<b>313</b>	<b>50,057</b>	<b>38,516</b>	<b>5,994</b>	<b>313</b>	<b>50,057</b>	<b>38,516</b>	<b>5,994</b>	<b>313</b>

FUNCTIONS	Year ended 30 June 2022 (000's)				Year ended 30 June 2021 (000's)				Year ended 30 June 2020 (000's)			
	Recurring 2022	Grants	Other	Gross program income	Recurring 2021	Grants	Other	Gross program income	Recurring 2020	Grants	Other	Gross program income
Office of CEO / Elected Members / HR	261	-	-	4,169	261	-	-	4,169	261	-	-	4,169
Roads & Infrastructure Operations	14,756	-	-	4,139	14,756	-	-	4,139	14,756	-	-	4,139
Fleet	-	-	-	18	-	-	-	18	-	-	-	18
Water	-	-	-	34	-	-	-	34	-	-	-	34
Sewerage	-	-	-	-	-	-	-	-	-	-	-	-
Facilities	76	-	-	5,807	76	-	-	5,807	76	-	-	5,807
Development / Regulatory Services	11	-	-	127	11	-	-	127	11	-	-	127
Community Building	108	-	-	-	108	-	-	-	108	-	-	-
Organisational Services / WHS	9,030	-	-	-	9,030	-	-	-	9,030	-	-	-
<b>Total Council</b>	<b>24,242</b>	<b>36,080</b>	<b>14,276</b>	<b>3,555</b>	<b>24,242</b>	<b>36,080</b>	<b>14,276</b>	<b>3,555</b>	<b>24,242</b>	<b>36,080</b>	<b>14,276</b>	<b>3,555</b>



## Notes to the Financial Statements For the year ended 30 June 2023

### 3. Revenue

#### a. Rates, levies and charges

Rates and annual charges are recognised as revenue at the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.

	2023	2022
General rates	16,571,647	15,030,267
Cleansing / refuse	1,503,008	1,434,081
Water services	6,989,691	6,840,048
Water – excess allocation	511,949	314,795
Sewerage	4,129,180	3,863,551
<b>Total rates, levies and charges revenue</b>	<b>29,705,475</b>	<b>27,482,742</b>
Less: Discounts	(1,409,753)	(1,370,961)
Pensioner remissions	(319,402)	(307,883)
<b>Net rates, levies and charges</b>	<b>27,976,320</b>	<b>25,803,898</b>

#### b. Fees and charges

Revenue arising from fees and charges are recognised at the point in time when the performance obligation is completed and the customer receives the benefit of the goods/ services being provided.

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases, the customer is required to pay on arrival. There is no material obligation for council in relation to refunds or returns.

Licences granted by council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than the term of the licence.

Revenue from infringements is recognised on issue of infringement notice.

	2023	2022
Animal control fees and charges	128,963	131,402
Cemetery fees and charges	92,420	86,809
Landfill fees and charges	585,976	561,317
Regulatory fees and charges	316,455	390,441
Rental/hire fee and charges	120,302	161,557
Reserve rental	46,006	65,864
Saleyards fees and charges	2,580,660	3,532,215
Search fees	70,863	97,104
Water and sewerage services	35,144	107,494
World Theatre fees and charges	88,382	119,886
Other fees and charges	39,486	49,622
<b>Total fees and charges</b>	<b>4,104,657</b>	<b>5,303,711</b>



## Notes to the Financial Statements

### For the year ended 30 June 2023

#### c. Sales revenue – Contract and recoverable works

Sale of goods revenue is recognised at the point in time that the customer obtains control of the goods, generally at delivery. Revenue from services is recognised when the service is rendered.

Revenue from contracts and recoverable works generally comprises a recoupment of material costs together with an hourly charge for use of equipment and employees. This revenue and the associated costs are recognised by reference to the stage of completion of the contract activity based on costs incurred at the reporting date. Where consideration is received for the service in advance it is included in other liabilities and is recognised as revenue in the period when the service is performed. There are no contracts in progress at the year end. The contract work carried out is not subject to retentions.

Contract and recoverable works	2023	2022
Private works	227,245	34,611
Department of Transport and Main Roads contracts	3,781,295	3,765,136
Other	248,216	378,528
<b>Total sales revenue</b>	<b>4,256,756</b>	<b>4,178,275</b>

#### d. Grants, subsidies, contributions and donations

##### Grant income under AASB 15

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligation is satisfied.

Performance obligations vary in each agreement and include performance milestones and review and sign off from contract parties. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract. Where control is transferred over time, revenue is recognised using either costs or time incurred.

##### Grant income under AASB 1058

Where Council receives an asset for significantly below fair value, the asset is recognised at fair value, related liability (or equity items) are recorded and income then is recognised for any remaining asset value at the time that the asset is received

##### Capital grants

Where council receives funding under an enforceable contract to acquire or construct a specified item of property, plant and equipment which will be under Council's control on completion, revenue is recognised as and when the obligation to construct or purchase is completed. For construction projects, this is generally as the construction progresses in accordance with costs incurred.

## Notes to the Financial Statements For the year ended 30 June 2023

### Donations and contributions

Where assets are donated or purchased for significantly below fair value, the revenue is recognised when the asset is acquired and controlled by the council. Donations and contributions are generally recognised on receipt of the asset since there are no enforceable performance obligations.

Physical assets contributed to council by developers in the form of road works, stormwater, water and wastewater infrastructure and park equipment are recognised as revenue when Council obtains control of the asset and there is sufficient data in the form of drawings and plans to determine the approximate specifications and values of such assets. Non-cash contributions with a value in excess of the recognition thresholds are recognised as non-current assets. Those below the thresholds are recorded as expenses.



## Notes to the Financial Statements

### For the year ended 30 June 2023



#### i) Operating

	2023	2022
General Purpose Grants	1	
Grants and Subsidies	30,221,129	10,000,000
Contributions	-	274,273
	<b>50,057,451</b>	<b>24,242,461</b>

#### ii) Capital

Capital Revenue includes grants and subsidies received which are tied to specific projects for the replacement or upgrade of existing non-current and/or investment in new assets. It also includes non-cash contributions which are usually infrastructure assets received from developers.

	2023	2022
Grants and Subsidies	5,896,333	12,855,578
Contributed Assets	-	1,293,354
Contributions	97,313	126,760
	<b>5,993,646</b>	<b>14,275,692</b>

#### iii) Timing of revenue recognition for grants, subsidies, contributions and donations

	2023		2022	
	Revenue Recognised at a point in time	Revenue Recognised over time	Revenue Recognised at a point in time	Revenue Recognised over time
Grants and Subsidies	14,412,269	41,541,515	9,578,429	27,245,337
Contributed Assets	-	-	1,293,354	-
Contributions	97,313	-	401,033	-
	<b>14,509,582</b>	<b>41,541,515</b>	<b>11,272,816</b>	<b>27,245,337</b>

#### e. Interest received

Interest received from QTC investment accounts and bank term deposits is accrued over the term of the investment.

	2023	2022
Interest received from QTC investment accounts	949,908	204,134
Interest received from bank term deposits	735,707	6,092
Interest received on overdue rates and charges	156,629	89,912
Interest received on community loans	-	90
	<b>1,842,244</b>	<b>300,228</b>

# Notes to the Financial Statements

## For the year ended 30 June 2023



### 4. Capital income

#### a. Gain on sale of non-current assets

	Note	2023	2022
Proceeds from sale of assets	13	369,071	296,830
Less: Written down value of sold assets	13	(253,573)	(118,971)
		<b>115,498</b>	<b>177,859</b>

#### b. Non-current asset revaluation increment

	2023	2022
Buildings & structures	181,331	3,270,650
	<b>181,331</b>	<b>3,270,650</b>

#### Landfill rehabilitation

	2023	2022
Decrease in restoration provision for future costs, due to change in discount rate	18	34,374
revision of estimate and	18	169,016
due to change in inflation	18	(187,259)
	<b>16,131</b>	<b>106,598</b>

### 5. Employee benefits

Employee benefit expenses are recorded when the service has been provided by the employee.

	Note	2023	2022
Staff salaries and wages		14,441,583	14,121,178
Staff leave entitlements		3,678,545	3,622,173
Superannuation	22	1,954,987	1,879,131
Termination benefits		134,280	355,710
Councillors' remuneration		449,662	440,850
		<b>20,659,057</b>	<b>20,419,042</b>
Other employee related expenses		585,626	562,480
		<b>21,244,683</b>	<b>20,981,522</b>
Less: Capitalised employee expenses		(551,302)	(596,664)
		<b>20,693,381</b>	<b>20,384,858</b>

Councillor remuneration represents salary and other allowances paid in respect of carrying out duties.

Total number of Council employees as the reporting date:

	2023	2022
Elected members	7	7
Permanent staff	196	200
Casual staff	18	13
	<b>221</b>	<b>220</b>

The total full time equivalents (FTE) as at 30 June 2023 is 196 and includes permanent and casual staff and excludes vacancies and councillors.

## Notes to the Financial Statements

### For the year ended 30 June 2023



#### 6. Materials and services

	2023	2022
Administration supplies and consumables	235,758	185,846
Advertising and marketing	711,563	419,600
Auditor-General of Queensland – audit of financial statements *	98,488	66,003
Audit fees – internal	103,279	59,406
Communications and IT	1,369,712	1,258,042
Consultants	1,373,238	505,829
Contractors	1,150,684	1,217,286
Donations paid	87,962	155,267
Disaster recovery funded materials and services	35,591,230	14,185,320
Repairs and maintenance and other materials	8,385,031	4,302,066
Main Roads Performance Contract materials and	1,753,521	1,941,385
Sewerage operations and repairs and maintenance	672,673	418,496
Subscriptions and registrations	275,496	274,060
Water operations and repairs and maintenance	2,819,312	2,521,474
	<b>54,627,947</b>	<b>27,510,080</b>

Total audit fees quoted by the Queensland Audit Office relating to the 2022-23 financial statements are \$79,000 (2021-22: \$70,000).

#### 7. Finance costs

	2023	2022
Finance costs charged by QTC	20,588	24,743
Finance costs - other	42	48
Bank charges	38,788	35,426
Unwinding of discount on provisions	38,934	6,838
	<b>98,352</b>	<b>67,055</b>

#### 8. Capital expenses

	Note	2023	2022
<b>Loss on disposal of non-current assets</b>			
Proceeds from sale of assets	13	16,354	12,808
Less: Carrying value of assets	13	(24,000)	(20,000)
		<b>7,646</b>	<b>7,192</b>
<b>Non-current assets write-offs</b>			
Gross value of write-offs	13	2,934,669	2,050,080
Less: Accumulated depreciation of write-offs	13	(1,690,661)	(546,634)
		<b>1,244,008</b>	<b>1,503,446</b>



# Notes to the Financial Statements

## For the year ended 30 June 2023



### 9. Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows includes cash on hand, all cash and cheques receipted but not banked at the year end, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

	2023	2022
Cash at bank	429,791	260,845
Deposits at call	40,898,812	43,264,903
	41,328,603	43,525,748
Working capital floats	5,900	6,100
Balance as per Statement of Cash Flows	<b>41,334,503</b>	<b>43,531,848</b>

Cash at bank is held with the Commonwealth Bank in a normal business account with a short-term credit rating of A-1+ and a long-term rating of AA-. Deposits at call are held with Queensland Treasury Corporation Cash Fund.

Council's cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include:

#### i) Externally imposed expenditure restrictions at the reporting date:

Grants and contributions recognised as revenue during the reporting period that are subject to externally imposed restrictions were:

	2023	2022
Unspent grants for expenditure on infrastructure:		
Disaster Recovery Funding Arrangements	-	188,557
Local Roads & Community Infrastructure Funding	716,250	-
Local Government Grants & Subsidies Program	26,391	-
Building Our Regions Round 6 Funding	89,895	-
Regional Airport Program	-	69,339
Water Infrastructure - special	-	112,171
Works for Queensland grants	-	655,681
	<b>832,536</b>	<b>1,025,748</b>

#### ii) Internal allocations of cash

Internal allocations of cash and investments, may be lifted with a Council resolution.

	2023	2022
Infrastructure	25,646,655	34,033,608
Plant	3,333,526	2,591,790
Information technology	558,158	469,842
Asset replacement reserve	29,538,339	37,095,240
Long service leave	1,500,000	1,500,000
Committed project funds	3,218,256	4,327,480
Available for working capital and	17,072,008	19,603,028
Floats	5,900	6,100
	<b>51,334,503</b>	<b>62,531,848</b>

## Notes to the Financial Statements

### For the year ended 30 June 2023



#### Trust funds held for outside parties

	2023	2022
Sundries	15,551	7,570
Animal trap deposits	442	210
Relocation of buildings	24,564	29,564
Subdivision – roadworks	4,302	4,302
Subdivision – water connections	36,099	36,099
Subdivision – sewerage connections	15,000	15,000
Facility hire security deposits	7,122	7,375
Cemetery/monument works	913	913
	<b>103,993</b>	<b>101,033</b>

In accordance with the *Local Government Act 2009* and *Local Government Regulation 2012*, a separate trust bank account and separate accounting records are maintained for funds held on behalf of outside parties. Funds held in the trust account include security deposits lodged for venue hire, fees for subdivision works yet to be performed and cash contributions for future works. The Council performs only a custodian role in respect of these monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements since Council has no control over the assets.

#### 10. Investments

Term deposits of three months or more are reported as investments, with deposits at call and term deposits with a short maturity of three months or less treated as cash equivalents. At 30 June 2023, Council held one term deposits with the Commonwealth Bank.

	2023	2022
Term deposits	10,000,000	19,000,000

#### 11. Receivables

Receivables are amounts owed to Council at year end. They are recognised at the amount due at the time of sale or service delivery. Settlement of receivables is required within 30 days from invoice date.

Receivables are measured at amortised cost which approximates fair value at reporting date. Trade debtors are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase/contract price.

Settlement of these amounts is required within 30 days from invoice date.

Debts are regularly assessed for collectability and allowance is made, where appropriate, for impairment. All known bad debts were written-off at 30 June. If an amount is recovered in a subsequent period it is recognised as revenue.

The impairment loss is recognised in finance costs. The amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated cash flows discounted at the effective interest rate.

## Notes to the Financial Statements For the year ended 30 June 2023



### Current

	2023	2022
Rateable revenue and utility charges	3,668,821	1,514,056
Prepayments	1,200,134	571,957
Accrued revenue	967,890	2,892,736
Other debtors	1,759,357	1,355,693
	<b>7,596,202</b>	<b>6,334,442</b>

Interest is charged on outstanding rates at a rate of 8.17% per annum. No interest is charged on other debtors. There is no concentration of credit risk for rates and utility charges and fees.

Council applies normal business credit protection procedures prior to providing goods or services to minimise credit risk.

The Council does not require collateral in respect of trade and other receivables.

When Council has no reasonable expectation of recovering an amount owed by a debtor, and has ceased enforcement activity, the debt is written-off by directly reducing the receivable against the loss allowance. If the amount of debt written off exceeds the loss allowance, the excess is recognised as an impairment loss.

Accounting for impairment losses is dependent upon the individual group of receivables subject to impairment. The loss allowance for grouped receivables reflects lifetime expected credit losses and incorporates reasonable and supportable forward-looking information. Economic changes impacting debtors, and relevant industry data form part of the impairment assessment.

Council has identified 4 distinctive groupings of its receivables: Rates & Charges, Statutory Charges, Grants, Other Debtors.

**Rates and Charges:** Council is empowered under the provisions of the *Local Government Act 2009* to sell an owner's property to recover outstanding rate debts and therefore the expected credit loss is immaterial. Impairment of rates and charges will occur only if arrears are deemed to be greater than the proceeds Council would receive from the sale of the respective property.



## Notes to the Financial Statements

### For the year ended 30 June 2023



**Statutory charges:** In some limited circumstances Council may write off impaired statutory charges, on this basis Council calculates an expected credit loss (ECL) for statutory charges (non-rates & utility charges). Although not material, disclosure is being made for the purposes of public interest and transparency.

**Grants:** Payable by State and Commonwealth governments and their agencies. A credit enhancement exists as these payments are effectively government guaranteed and both the State and Commonwealth governments have high credit ratings, accordingly Council determines the level of credit risk exposure to be immaterial and therefore does not record an ECL for these counterparties.

**Other Debtors:** Council identifies other debtors as receivables which are not rates and charges; statutory charges; or grants. Other debtors includes amounts owing by the State Government (Department of Transport and Main Roads) for roadworks contracted services, similar to State Government grants, a credit enhancement exists and the level of credit risk is immaterial and no ECL record is required.

#### 12. Inventories

Inventories are valued at the lower of cost and net realisable value. Costs are assigned on the basis of weighted average costs.

Inventories held for distribution are:

- Goods to be supplied at nil, or nominal charge, and
- Goods to be used for the provision of services at nil, or nominal, charge.

These goods are valued at cost, adjusted, when applicable, for any loss of service potential.

	2023	2022
<b>Inventories held for sale</b>		
World Theatre candy bar	8,695	7,813
Visitor Information gift shop	20,749	27,214
<b>Inventories held for distribution</b>		
Works depot stores	726,050	710,511
<b>Total inventories</b>	<b>755,494</b>	<b>745,538</b>

# Notes to the Financial Statements For the year ended 30 June 2023



## 13. Property, plant and equipment

30-Jun-23	Note	Land	Buildings & structures	Plant	Equipment	Road infrastructure	Water infrastructure	Sewerage infrastructure	Sub-total	Work in progress	Total
Opening gross value as at 1-Jul-22		12,087,416	97,282,291	20,861,383	5,838,688	417,101,330	128,688,115	49,484,687	731,283,810	17,616,589	748,900,399
Additions at cost											
• Renewals			71,946	1,669,383	19,439	250,022			2,019,790	4,903,137	6,922,927
• Other additions		36,528	2,266,659	-	815,358	138,594	-	-	3,257,139	4,475,607	7,732,746
• WIP take-ons gross		-	5,194,004	236	1,387,486	3,233,298	527,654	-	10,342,678	-10,342,678	-
• WIP transfers to expense		-	-	-	-	-	-	-	-	-741,953	-741,953
Contributed assets at valuation		-	-	-	-	-	-	-	-	-	-
Disposals gross value	4a	-2,180	-	-866,903	-	-	-	-	-869,083	-	-869,083
Write-offs Gross Value	8	62,400	360,044	-	-105,336	1,885,005	-518,884	-	2,934,669	-	2,934,669
Revaluation adjustments to asset revaluation surplus	19	721,370	6,612,417	-	36,569,339	-	12,511,466	5,056,675	61,471,267	-	61,471,267
Revaluation adjustments to income		-	181,331	-	-	-	-	-	181,331	-	181,331
Closing gross value as at 30-Jun-23		12,780,734	111,228,604	21,544,099	7,955,635	455,413,578	141,188,351	54,521,262	804,632,263	15,910,702	820,542,965
Accumulated depreciation											
Opening balance as at 1-Jul-22		-	-	-	-	-	-	-	-	-	-
Contributed assets at valuation		-	-	-	-	-	-	-	-	-	-
Depreciation on disposals	4a	-	-	-711,510	-	-	-	-	-711,510	-	-711,510
Write-offs	8	-	-180,862	-	-102,136	-1,041,635	-366,028	-	-1,690,661	-	-1,690,661
Revaluation adjustments to revaluation surplus	19	-	3,662,166	-	-	14,525,689	5,863,622	3,088,960	27,140,457	-	27,140,457
Revaluation adjustments to income		-	-	-	-	-	-	-	-	-	-
Annual depreciation		-	2,551,760	1,042,861	350,354	3,362,496	1,974,964	682,998	9,965,433	-	9,965,433
Accumulated depreciation at 30-Jun-23		-	55,985,982	11,827,096	3,953,589	133,064,124	64,993,624	30,320,564	300,144,979	-	300,144,979
Written down value as at 30-Jun-23		12,780,734	55,242,622	9,717,003	4,002,046	322,349,454	76,194,727	24,200,698	504,487,284	15,910,702	520,397,986
Residual value				4,225,464					4,225,464		4,225,464
Basis of measurement		Fair value	Fair value	Cost	Cost	Fair value	Fair value	Fair value		Cost	
Fair value category		Level 2 & 3	Level 2 & 3	Level 3	Level 3	Level 3	Level 3	Level 3			
Range of estimated useful life in years		Not depreciated	40 to 100	2 to 20	4 to 50	15 to 300	20 to 60	20 to 40			



# Notes to the Financial Statements For the year ended 30 June 2023

30-Jun-22	Note	Land	Buildings & structures	Plant	Equipment	Road infrastructure	Water infrastructure	Sewerage infrastructure	Sub-total	Work in progress	Total
Opening gross value as at 1-Jul-21		11,517,857	90,178,921	19,753,867	5,603,596	399,383,766	121,027,725	41,940,363	689,416,095	5,683,929	695,100,024
Additions at cost											
• Renewals		-	178,210	1,874,010	49,545	996,922	-	-	3,058,687	4,294,363	7,353,050
• Other additions		120,524	180,427	111,128	59,719	-	-	-	471,798	10,752,210	11,224,008
• WIP take-ons gross		-	-	-	-	-	-	-	-	-	-
• WIP transfers to expense		-	235,418	-	126,828	2,328,582	-	-	2,689,828	-2,689,828	-
Contributed assets at valuation		-	-	-	-	-	-	-	-	-424,085	-424,085
Disposals gross value	4a	-	-	-775,248	-	-	-	-	-775,248	-	-775,248
Write-offs Gross Value	8	-	-304,281	-102,374	-	-1,643,424	-	-	-2,050,079	-	-2,050,079
Revaluation adjustments to asset revaluation surplus	19	449,035	-	-	-	14,769,030	7,640,390	7,524,224	30,382,679	-	30,382,679
Revaluation adjustments to income		-	6,793,596	-	-	-	-	-	6,793,596	-	6,793,596
Grossing gross value as at 30-Jun-22		12,087,416	97,262,291	20,861,383	5,838,688	417,101,330	128,668,115	49,464,587	731,283,810	17,616,589	748,900,399
Accumulated depreciation											
Opening balance as at 1-Jul-21		-	44,280,559	11,209,696	3,373,979	108,808,213	55,187,389	21,844,282	244,704,118	-	244,704,118
Contributed assets at valuation		-	-	-	-	3100	-	-	3,100	-	3,100
Depreciation on disposals	4a	-	-	-636,278	-	-	-	-	-636,278	-	-636,278
Write-offs	8	-	-102,487	-82,374	-	-361,772	-	-	-946,633	-	-946,633
Revaluation adjustments to revaluation surplus	19	-	-	-	-	4,500,097	492,106	4,108,666	9,100,869	-	9,100,869
Revaluation adjustments to income		-	3,522,946	-	-	-	-	-	3,522,946	-	3,522,946
Annual depreciation		-	2,251,900	1,004,701	331,382	3,267,936	1,841,571	595,638	9,293,138	-	9,293,138
Accumulated depreciation at 30-Jun-22		-	49,952,918	11,495,745	3,705,371	116,217,874	57,521,066	26,548,586	265,441,260	-	265,441,260
Written down value as at 30-Jun-22		12,087,416	47,309,373	9,365,638	2,133,317	300,883,756	71,147,049	22,916,001	465,842,550	0	483,459,139
Residual value		-	-	4,316,814	-	-	-	-	4,316,814	-	4,316,814
Basis of measurement		Fair value	Fair value	Cost	Cost	Fair value	Fair value	Fair value	Fair value	Cost	
Fair value category		Level 2 & 3	Level 2 & 3	2 to 20	4 to 50	Level 3	Level 3	Level 3	Level 3		
Range of estimated useful life in years		Not depreciated	40 to 100			15 to 300	20 to 60	20 to 40			

# Notes to the Financial Statements

## For the year ended 30 June 2023



### a. Recognition

Purchases of property, plant and equipment are recognised as assets unless they are below the asset recognition threshold or maintenance expenditure.

Individual assets valued below the asset recognition threshold are recognised as an asset if connected to a larger network, for example the components of parks.

Land under roads and reserve land under the *Land Act 1994* or *Land Title Act 1994* is controlled by Queensland State Government and not recognised in the Council financial statements.

Expenditure incurred for the acquisition or construction of assets is treated as capital expenditure, as is expenditure that relates to replacement of a major component of an asset to maintain its service potential. Routine operating maintenance, repair costs and minor renewals to maintain the operational capacity of the non-current asset is expensed as incurred.

Expenditure incurred in accordance with Disaster Recovery Funding Arrangements on road assets is analysed to determine whether the expenditure is capital in nature. The analysis of the expenditure requires Council engineers to review the nature and extent of expenditure on a given asset. For example, expenditure that patches a road is generally maintenance in nature, whereas a kerb to kerb rebuild is treated as capital. Material expenditure that extends the useful life or renews the service potential of the asset is capitalised.

### b. Measurement

Property, plant and equipment assets are initially recorded at cost. Subsequently, each class of property, plant and equipment is stated at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment loss.

Cost is determined as the fair value of consideration plus costs incidental to the acquisition. Direct labour, materials and an appropriate portion of overheads incurred in the acquisition or construction of assets are also included as capital costs.

Property, plant and equipment received in the form of contributions, for significantly less than fair value or as offsets to infrastructure charges are recognised as assets and revenue at fair value.

When Council raises a provision for the restoration of a Council-controlled site, the provision is initially recognised against property, plant and equipment. Subsequent changes in the provision relating to the discount rate or the estimated amount or timing of restoration costs are recognised against asset revaluation surplus.



## Notes to the Financial Statements For the year ended 30 June 2023



### c. Depreciation

Assets are depreciated from the date of acquisition or when an asset is ready for use.

Land, work in progress, certain cultural and heritage assets with heritage listing and road formation works are not depreciated.

Depreciation, where applicable, is calculated on a straight-line basis such that the cost of the asset less its residual value is recognised progressively over its estimated useful life to Council. Management believe that the straight-line basis appropriately reflects the pattern of consumption of all Council assets.

Where assets have separately identifiable components, these components have separately assigned useful lives.

Depreciation methods, estimated useful lives and residual values are reviewed at the end of each reporting period and adjusted where necessary to reflect any changes in the pattern of consumption, physical wear and tear, technical or commercial obsolescence, or management intentions.

### d. Impairment

Property, plant and equipment held at cost is assessed for indicators of impairment annually. If an indicator of possible impairment exists, the Council determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

### e. Valuation

#### i) Valuation

Council considers the carrying amount of its property, plant and equipment on an annual basis compared to fair value and makes adjustment where these are materially different. At least once every five years, Council performs a full comprehensive revaluation by engaging an external professionally qualified valuer.

In the intervening years, Council undertakes a "desktop" valuation which involves management providing updated information to the valuer regarding additions, deletions and changes in assumptions such as useful life, residual value and condition rating. The valuer then determines suitable indices which are applied to each of these asset classes.

Revaluation increases are recognised in the asset revaluation surplus unless they are reversing a previous decrease which was taken through the income statement, in that case the increase is taken to the income statement to the extent of the previous decrease.

Revaluation decreases are recognised in the asset revaluation surplus, where there is sufficient amount available in the asset revaluation surplus relating to that asset class. Where there isn't a sufficient amount available in the surplus, the decrease is recognised in the statement of comprehensive income.

Where the class of asset has previously decreased in value and this reduction was recognised as an expense, an increase in the value of the class is recognised in the statement of comprehensive income.

On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining useful life.

Fair values are classified into three levels as follows:

- Level 1 - Fair value based on quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Fair value based on inputs that are directly or indirectly observable, such as prices for similar assets, for the asset or liability.
- Level 3 - Fair value based on unobservable inputs for the asset and liability.

There were no transfers between levels during the year.

## Notes to the Financial Statements For the year ended 30 June 2023

1) Valuation techniques used to derive fair value

Asset class & fair value hierarchy	Valuation approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates	Index applied
<b>Land</b> (Level 2) 2023: \$4.04m 2022: \$3.84m	Market value	30/06/2019 (desktop valuation 30/06/2023)	AVR Consulting	The 30 June 2023 desktop valuation included a reconciliation and update of the land, asset register. Level 2 as an active market can be established and there are not unreasonable restrictions to use and/or sale of land. Sale of land in the locality. Direct comparison method for each individual parcel. Adjustment made for differences in key attributes such as property size, zoning, location, topography and exposure characteristics.	6% applied for the period 17/2022 to 30/6/2023
	Fair value	30/06/2019 (desktop valuation 30/06/2023)	AVR Consulting	Level 3 as predominantly specialised nature of local government land. Sale of land in the locality. Direct comparison method for each individual parcel. Adjustment made for differences in key attributes such as property size, zoning, location, topography and exposure characteristics.	
	Market value	30/06/2019 (desktop valuation 30/06/2023)	AVR Consulting	The 30 June 2023 desktop valuation included a reconciliation and update of the buildings & other structures asset registers and the distribution of 2023 capital expenditure to specific assets. Level 2 for the 4 council owned residences. The direct market approach has been taken. The properties have been compared to recent market sales transactions and adjustments based on land size, shape, topography, building size, condition, construction materials, with an apportionment between land and building values.	
<b>Buildings &amp; structures</b> (Level 2) 2023: \$4.04m 2022: \$5.14m	Market value	30/06/2019 (desktop valuation 30/06/2023)	AVR Consulting	Level 3 Current Replacement Cost (CRC) as predominantly specialised nature of local government building & structures. Determining replacement cost. Making an assessment on condition, age and remaining life of the asset. Where there is no market, the net current value of an asset is the gross current value less accumulated depreciation to reflect the consumed service potential of an asset. Published cost guides are used to determine the estimated replacement cost (gross value) of the asset, including allowances for preliminaries and professional fees. A condition assessment is applied which is based on factors such as age of the asset, overall condition upon inspection, economic and/or functional obsolescence. The condition assessment directly translates to the level of depreciation applied. In determining the value of accumulated depreciation major assets are disaggregated into significant components that exhibit different patterns of consumption (useful lives). While the current replacement cost of the assets could be supported by the market supplied evidence (level 2), the other observable inputs (such as estimates of useful life and asset condition) were also required (level 3).	8% applied for the period 17/2022 to 30/6/23
<b>Buildings &amp; structures</b> (Level 3) 2023: \$4.58m 2022: \$46.77m	Fair value (written down current replacement cost)	30/06/2019 (desktop valuation 30/06/2023)	AVR Consulting	The valuation approach estimated the current replacement cost (CRC) for each asset by compensating the assets into significant parts within different useful lives and taking into account a range of factors. CRC was measured by reference to the lowest cost at which gross future economic benefits of the asset could currently be obtained in the normal course of business. Where existing assets were over designed, had excess capacity, or where structural impairment was made to that the existing valuation reflected the cost of replacing the existing economic benefits based on an alternative of medium equivalent assets to achieve the required level of service output within the council's planning horizon. While the unit rates based on square metres or similar capacity could be supported from market evidence (level 2) other inputs (such as estimates of useful life, asset condition and pattern of consumption including the split between short-life and long-life parts of each component) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using level 3 valuation inputs. During the year there were a number of new projects completed where the actual cost was recorded and the impact of depreciation at year end was negligible. Where there could be no project cost data available, the replacement cost was estimated using the cost of the asset and the depreciation rate was applied to that value to arrive at level 3. The accumulated depreciation of the assets has been calculated by applying the assessed condition of the assets as a remaining useful life.	
	Fair value (written down current replacement cost)	30/06/2019 (desktop valuation 30/06/2023)	APV Valuers & Asset Management	The valuation approach estimated the current replacement cost (CRC) for each asset by compensating the assets into significant parts within different useful lives and taking into account a range of factors. CRC was measured by reference to the lowest cost at which gross future economic benefits of the asset could currently be obtained in the normal course of business. Where existing assets were over designed, had excess capacity, or where structural impairment was made to that the existing valuation reflected the cost of replacing the existing economic benefits based on an alternative of medium equivalent assets to achieve the required level of service output within the council's planning horizon. While the unit rates based on square metres or similar capacity could be supported from market evidence (level 2) other inputs (such as estimates of useful life, asset condition and pattern of consumption including the split between short-life and long-life parts of each component) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using level 3 valuation inputs. During the year there were a number of new projects completed where the actual cost was recorded and the impact of depreciation at year end was negligible. Where there could be no project cost data available, the replacement cost was estimated using the cost of the asset and the depreciation rate was applied to that value to arrive at level 3. The accumulated depreciation of the assets has been calculated by applying the assessed condition of the assets as a remaining useful life.	
<b>Roads &amp; Stormwater Infrastructure</b> (Level 3)	Fair value (written down current replacement cost)	30/06/2019 (desktop valuation 30/06/2023)	APV Valuers & Asset Management	The valuation approach estimated the current replacement cost (CRC) for each asset by compensating the assets into significant parts within different useful lives and taking into account a range of factors. CRC was measured by reference to the lowest cost at which gross future economic benefits of the asset could currently be obtained in the normal course of business. Where existing assets were over designed, had excess capacity, or where structural impairment was made to that the existing valuation reflected the cost of replacing the existing economic benefits based on an alternative of medium equivalent assets to achieve the required level of service output within the council's planning horizon. While the unit rates based on square metres or similar capacity could be supported from market evidence (level 2) other inputs (such as estimates of useful life, asset condition and pattern of consumption including the split between short-life and long-life parts of each component) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using level 3 valuation inputs. During the year there were a number of new projects completed where the actual cost was recorded and the impact of depreciation at year end was negligible. Where there could be no project cost data available, the replacement cost was estimated using the cost of the asset and the depreciation rate was applied to that value to arrive at level 3. The accumulated depreciation of the assets has been calculated by applying the assessed condition of the assets as a remaining useful life.	9.41% for Road Assets and 8.48% for Stormwater Assets for the period 17/2022 to 30/6/2023
<b>Water &amp; Sewerage Infrastructure</b> (Level 3)	Fair value (written down current replacement cost)	30/06/2019 (desktop valuation 30/06/2023)	Marsh (Asset Val)	The valuation approach estimated the current replacement cost (CRC) for each asset by compensating the assets into significant parts within different useful lives and taking into account a range of factors. CRC was measured by reference to the lowest cost at which gross future economic benefits of the asset could currently be obtained in the normal course of business. Where existing assets were over designed, had excess capacity, or where structural impairment was made to that the existing valuation reflected the cost of replacing the existing economic benefits based on an alternative of medium equivalent assets to achieve the required level of service output within the council's planning horizon. While the unit rates based on square metres or similar capacity could be supported from market evidence (level 2) other inputs (such as estimates of useful life, asset condition and pattern of consumption including the split between short-life and long-life parts of each component) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using level 3 valuation inputs. During the year there were a number of new projects completed where the actual cost was recorded and the impact of depreciation at year end was negligible. Where there could be no project cost data available, the replacement cost was estimated using the cost of the asset and the depreciation rate was applied to that value to arrive at level 3. The accumulated depreciation of the assets has been calculated by applying the assessed condition of the assets as a remaining useful life.	10.8% applied for the period 17/2022 to 30/6/2023



## Notes to the Financial Statements

### For the year ended 30 June 2023

#### 14. Contract balances

Contract assets represents the excess of costs incurred in relation to a contract with the customer or construction of an asset over the amounts that Council has invoiced the customer or grantor. Where Council has invoiced the customer or the grantor amounts in excess of what it has incurred in relation to a contract or in constructing an asset, this gives rise to a contract liability.

##### a. Contract assets

	2023	2022
Contract assets	6,461,063	2,481,213

##### b. Contract liabilities

	2023	2022
Funds received upfront to construct Council controlled assets	1,530,827	13,455,531

Contract liabilities relate to funds received from the Australian Government under the Local Roads and Community Infrastructure Program (LRCI) and from the Queensland Reconstruction Authority under the Disaster Recovery Funding Arrangements.

Revenue recognised that was included in the contract liability at the beginning of the year.

	2023	2022
Funds received upfront to construct Council controlled assets	13,015,243	2,580,598

##### Satisfaction of contract liabilities

The contract liabilities in relation to capital grants relate to funding received prior to the work being performed since revenue is recognised as Council constructs the assets. Council expects to recognise the contract liability as income in the next year.

##### c. Significant Changes in Contract Balances

The significant changes in the contract assets balance that has increased by \$3.98 million include:

- Timing of works completed under the DRFA 2021 restoration event and the funds owed by the QRA .
- State and Federal Government grant funds received for infrastructure works completed in the prior year.

The significant change in the contract liabilities balance that has decreased by \$11.92 million include:

- DRFA 2021 restoration event works undertaken during 2022/23 sees the unwinding of those QRA funds received in advance.

#### 15. Leases

##### Council as a lessee

Council does not have any leases in place.

##### Council as lessor

When Council is a lessor, the lease is classified as either an operating or finance lease at inception date, based on whether substantially all of the risks and rewards incidental to ownership of the asset have been transferred to the lessee. If the risks and rewards have been transferred then the lease is classified as a finance lease, otherwise it is an operating lease.

If the lease contains lease and non-lease components, then the non-lease components are accounted for in accordance with AASB 15 Revenue from Contracts with Customers.

## Notes to the Financial Statements For the year ended 30 June 2023



### 16. Payables

Creditors are recognised when goods or services are received, at the amount owed. Amounts owing are unsecured and are generally settled on 30 day terms.

#### a. Current

	2023	2022
Creditors, including contract retentions	6,502,695	6,544,605
Prepaid waste levy	360,715	353,088
Prepaid rates	1,741,062	1,632,672
	<b>8,604,472</b>	<b>8,530,365</b>

#### b. Non-Current

	2023	2022
Prepaid waste levy	1,097,692	1,121,785

### 17. Borrowings

Borrowings are initially recognised at fair value plus any directly attributable transaction costs. Thereafter, they are measured at amortised cost. Principal and interest repayments are made quarterly in arrears.

All borrowings are in \$A denominated amounts and interest is expensed as it is accrued. No interest has been capitalised during the current or comparative reporting period. Expected final repayment date is 15 June 2027.

Council adopts an annual debt policy that sets out council's planned borrowing for the next nine years. Council's current policy is to only borrow for capital projects and for a term no longer than the expected life of the asset. Council also aims to comply with the Queensland Treasury Corporation (QTC) borrowing guidelines and ensure that sustainability indicators remain within acceptable levels at all times.

	2023	2022
<b>Current</b>		
Loans - QTC	156,619	152,524
	<b>156,619</b>	<b>152,524</b>
<b>Non-current</b>		
Loans - QTC	494,460	650,341
	<b>494,460</b>	<b>650,341</b>

The QTC loan market value at the reporting date was \$627,791. This represents the value of the debt if the Council repaid it at that date. As it is the intention of Council to hold the debt for its term, no provision is required to be made in these accounts. Council's loan borrowings are entirely represented by loans from Queensland Treasury Corporation (QTC).



## Notes to the Financial Statements

### For the year ended 30 June 2023



#### 18. Provisions

Liabilities are recognised for employee benefits such as annual and long service leave in respect of services provided by the employees up to the reporting date. Short-term benefits which are expected to be wholly settled within 12 months are calculated on wage and salary levels which are expected to be paid and includes related employee on-costs. Amounts not expected to be wholly settled within 12 months are calculated on projected future wage and salary levels and related employee on-costs and are discounted to present values.

##### a. Employee benefits provisions

The employee benefits provisions include annual leave, RDOs, TIL and long service leave. These provisions represent the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The liability is calculated using current pay rates and projected future increases in those rates and includes related employee on-costs.

##### Annual leave, RDOs & TIL

The provision for annual leave, rostered days off and time in lieu is recognised as a current liability as Council does not have an unconditional right to defer this liability beyond 12 months.

##### Long service leave

The long service leave estimates are adjusted for the probability of the employee remaining in the council's employment or other associated employment which would result in the Council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value. The provision is discounted using the Commonwealth Bond yield rates published on the Department of State Development, Infrastructure, Local Government and Planning website.

Where employees have met the prerequisite length of service and council does not have an unconditional right to defer this liability beyond 12 months long service leave is classified as a current liability. Otherwise, it is classified as non-current.

##### b. Landfill rehabilitation

A provision is made for the cost of restoring Council's landfill site where it is probable council will be liable to do this when the use of the site is complete.

The provision represents the present value of the anticipated future costs associated with the closure and rehabilitation of the landfill site. The calculation of this provision requires assumptions such as environmental legislation, site closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from amounts currently provided. The provisions are reviewed at least annually and updated based on the facts and circumstances available at the time.

Refuse restoration provision represents the present value of anticipated future costs associated with the closure of the dump sites, decontamination and monitoring of historical residues and leaching on these site. As refuse dumps are on state reserves which the Council does not control, the provision for restoration is treated as an expense in the year the provision is first recognised. Changes in the provision are treated as an expense or income.

	Current		Non-current	
	2023	2022	2023	2022
Annual leave	2,088,835	2,002,025	-	-
RDO's & TIL	36,640	34,209	-	-
Long-service leave	1,823,034	1,499,162	406,274	396,384
Landfill rehabilitation	-	-	1,263,828	1,241,025
	<b>3,948,509</b>	<b>3,535,396</b>	<b>1,670,102</b>	<b>1,637,409</b>

## Notes to the Financial Statements For the year ended 30 June 2023



### Movement in non-employee benefit provisions

<b>Landfill rehabilitation</b>	<b>Note</b>	<b>2023</b>	<b>2022</b>
Balance at beginning of financial year		1,241,025	1,340,785
Unwinding of discount on provision	7	38,934	6,838
Decrease due to change in discount rate	4b	(34,374)	(259,899)
Decrease due to revised estimate	4b	(169,016)	(27,561)
Increase due to change in inflation	4b	187,259	180,862
Balance at end of financial year		<b>1,263,828</b>	<b>1,241,025</b>

This is the present value of the estimated cost of restoring the landfill site to a useable state at the end of its useful life. The Present Value of future costs is \$1,263,828 and this cost is expected to be incurred in four stages between 31 March 2024 and 31 December 2032.

### 19. Asset revaluation surplus

The asset revaluation surplus comprises revaluation movements on property, plant and equipment. Increases and decreases on the revaluation are offset within a class of assets.

<b>Asset revaluation surplus</b>	<b>2023</b>	<b>2022</b>
Water infrastructure	38,334,140	31,686,296
Sewerage infrastructure	15,739,119	13,771,424
Road infrastructure	120,956,600	98,912,950
Buildings & structures	2,950,251	-
Land	1,994,295	1,272,925
	<b>179,974,405</b>	<b>145,643,595</b>

## Notes to the Financial Statements

### For the year ended 30 June 2023



#### 20. Commitments for expenditure

	2023	2022
<b>Capital commitments</b>		
Commitments for construction of the assets contracted for at reporting date but not recognised as liabilities:		
Airport infrastructure	61,219	20,735
Building infrastructure	4,119,580	3,390,545
Flood warning infrastructure	-	125,311
Information technology	30,881	4,540
Plant	690,223	601,039
Roads	25,212	9,537
Water infrastructure	3,587,697	1,422,355
	<b>8,514,812</b>	<b>5,574,062</b>
These expenditures are payable as follows:		
Within one year	8,514,812	5,574,062
	<b>8,514,812</b>	<b>5,574,062</b>

#### 21. Contingent liabilities

Details and estimates of maximum amounts of contingent liabilities are as follows:

##### Local Government Mutual

Council is a member of the local government mutual liability self-insurance pool, LGM Queensland. In the event of the pool being wound up or it is unable to meet its debts as they fall due, the trust deed and rules provide that any accumulated deficit will be met by the individual pool members in the same proportion as their contribution is to the total pool contributions in respect to any year that a deficit arises.

As at 30 June 2022, the LGM financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

##### Local Government Workcare

Council is a member of the Queensland local government worker's compensation self-insurance scheme, Local Government Workcare. Under this scheme the Council has provided an indemnity towards a bank guarantee to cover any bad debts which may remain should the self-insurance licence be cancelled, or insufficient funds be available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise. The Council's maximum exposure to the bank guarantee is \$731,433 (2022: \$678,120).

# Notes to the Financial Statements

## For the year ended 30 June 2023



### 22. Superannuation – Regional defined benefit fund

Council contributes to the LGIASuper Regional Defined Benefits Fund (the scheme), at the rate of 12% for each permanent employee who is a defined benefit member. This rate is set in accordance with the LGIASuper trust deed and may be varied on the advice of an actuary. The Regional Defined Benefits Fund is a complying superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation and is also governed by the *Local Government Act 2009*. The scheme is managed by the LGIASuper trustee for LGIASuper trading as Brighter Super.

The scheme is a pooled defined benefit plan and it is not in accordance with the deed to allocate obligations, plan assets and costs at the council level.

Any amount by which the scheme is over or under funded may affect future contribution rate obligations but has not been recognised as an asset or liability of the council.

Council may be liable to the scheme for a portion of another local governments' obligations should that local government be unable to meet them, However the risk of this occurring is extremely low and in accordance with the LGIASuper trust deed changes to Council's obligations will only be made on the advice of an actuary.

The last completed actuarial assessment of the scheme as required under Superannuation Prudential Standard 160 was undertaken as at 1 July 2021. The actuary indicated that "At the valuation date of 1 July 2021, the net assets of the scheme exceeded the vested benefits, and the scheme was in a satisfactory financial position as at the valuation date." The measure of vested benefits represents the value of benefit entitlements should all participating employees voluntarily exit the scheme. The Council is not aware of anything that has happened since that time that indicates the assets of the scheme are not sufficient to meet the vested benefits, as at the reporting date.

No changes have been made to prescribed employer contributions which remain at 12% of employee salary or wages and there are no known requirements to change the rate of contributions.

The next triennial actuarial review is not due until 1 July 2024.

The most significant risks that may result in LGIASuper increasing the contribution rate, on the advice of the actuary, are:

Investment risk – The risk that the scheme's investment returns will be lower than assumed and additional contributions are needed to fund the shortfall.

Salary growth risk – The risk that wages or salaries will rise more rapidly than assumed, increasing vested benefits to be funded.

	Note	2023	2022
Superannuation contributions made to the Regional Defined Benefits Fund		65,789	76,100
Other superannuation contributions for employees		1,889,198	1,803,031
<b>Total superannuation contributions paid by Council for employees</b>	<b>5</b>	<b>1,954,987</b>	<b>1,879,131</b>



## Notes to the Financial Statements

### For the year ended 30 June 2023



#### 23. Reconciliations

##### a. Reconciliation of net result for the year to the net cash inflow (outflow) from operating activities

	2023	2022
Net result	8,242,927	19,387,336
Non-cash operating items:		
Depreciation	9,965,433	9,293,138
Write-offs of property, plant and equipment	1,244,008	1,503,446
Opening WIP moved to expense	741,953	424,085
Community loan interest charged	-	(90)
	11,951,394	11,220,579
Investing and development activities:		
Net (profit) loss on disposal of non-current assets	(107,852)	(170,667)
Revaluation (increment) decrement of non-current assets	(181,331)	(3,270,650)
Capital grants, subsidies, contributions and donations	(5,993,646)	(14,275,692)
Other capital income	(16,131)	(106,598)
	(6,298,960)	(17,823,607)
Changes in operating assets and liabilities		
(Increase) decrease in receivables	(1,261,760)	(2,067,105)
(Increase) decrease in inventories	(9,956)	(70,823)
(Increase) decrease in contract assets	(3,979,850)	9,378,707
Increase (decrease) in payables	50,014	5,309,715
Increase (decrease) in contract liabilities	(11,924,704)	10,246,088
Increase (decrease) in provisions	445,806	(242,886)
	(16,680,450)	22,553,696
<b>Net cash inflow (outflows) from operating activities</b>	<b>(2,785,089)</b>	<b>35,338,004</b>

##### b. Reconciliation of liabilities arising from finance activities

2023	As at 30 June 2022	Cash flows	Non-cash changes	As at 30 June 2023
Borrowings	802,865	(151,786)	-	651,079
2022	As at 30 June 2021	Cash flows	Non-cash changes	As at 30 June 2022
Borrowings	950,496	(147,631)	-	802,865

#### 24. Events after the reporting period

There were no material adjusting events after the balance date.

## Notes to the Financial Statements For the year ended 30 June 2023

### 25. Financial instruments and financial risk management

Council has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

#### Risk management framework

Council is responsible for the establishment and oversight of the risk management framework, together with developing and monitoring risk management policies.

Council's Audit and Risk Committee (ARC) approves policies for overall risk management as well as specifically for managing credit, liquidity and market risk.

The Council's risk management policies are established to identify and analyse the risks faced, to set appropriate limits and controls and to monitor these risks and adherence against limits. The Council aims to manage volatility to minimise potential adverse effects on the financial performance of the Council.

The Council's ARC oversees how management monitors compliance with the Council's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Council. The Council ARC is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the ARC.

Council does not enter into derivatives.

#### Credit risk

Credit risk is the risk of financial loss if a counterparty to a financial instrument fails to meet its contractual obligations. These obligations arise principally from the Council's investments and receivables.

Exposure to credit risk is managed through regular analysis of credit counterparty ability to meet payment obligations.

Investments in financial instruments are required to be made with Queensland Treasury Corporation (QTC) or similar state/ commonwealth bodies or financial institutions in Australia, in line with the requirements of the Statutory Bodies Financial Arrangements Act 1982.

No collateral is held as security relating to the financial assets held by Council.

The carrying amount of financial assets at the end of the reporting period represent the maximum exposure to credit risk.



## Notes to the Financial Statements

### For the year ended 30 June 2023

#### Liquidity risk

Liquidity risk is the risk that the Council will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Council's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Council's reputation.

#### Exposure to liquidity risk

Council is exposed to liquidity risk through its normal course of business and through its borrowings with QTC.

The Council manages its exposure to liquidity risk by maintaining sufficient cash deposits, both short and long term, to cater for unexpected volatility in cash flows.

The following table sets out the liquidity risk in relation to financial liabilities held by the Council. It represents the remaining contractual cashflows (principal and interest) of financial liabilities at the end of the reporting period, excluding the impact of netting agreements:

Financial liabilities	0 to 1 year	1 to 5 Years	Over 5 Years	Total contractual cash flows	Carrying amount
<b>2023</b>					
Payables	6,863,410	-	-	6,863,410	6,863,410
Loans – QTC	172,374	517,122	-	689,496	627,791
	<u>7,035,784</u>	<u>517,122</u>	<u>-</u>	<u>7,552,906</u>	<u>7,491,201</u>
<b>2022</b>					
Payables	6,567,552	-	-	6,567,552	6,567,552
Loans – QTC	172,374	689,496	-	861,870	802,865
	<u>6,739,926</u>	<u>689,496</u>	<u>-</u>	<u>7,429,422</u>	<u>7,370,417</u>

The outflows in the above table are not expected to occur significantly earlier or for significantly different amounts than indicated in the table.

# Notes to the Financial Statements

## For the year ended 30 June 2023



### Market risk

Market risk is the risk that changes in market indices, such as interest rates, will affect the Council's income or the value of its holdings of financial instruments.

### Interest rate risk

Council is exposed to interest rate risk through investments held with QTC and other financial institutions.

### Sensitivity

Sensitivity to interest rate movements is shown for variable financial assets and liabilities based on the carrying amount at reporting date.

### Interest rate sensitivity analysis

The following interest rate sensitivity analysis depicts what effect a reasonably possible change in interest rates (assumed to be 1%) would have on the profit and equity, based on the carrying values at the end of the reporting period. The calculation assumes that the change in interest rates would be held constant over the period.

	Net carrying amount	Effect on net result		Effect on equity	
		1% increase	1% decrease	1% increase	1% decrease
<b>2023</b>					
Financial Assets	51,334,503	513,345	(513,345)	513,345	(513,345)
	51,334,503	513,345	(513,345)	513,345	(513,345)
<b>2022</b>					
Financial assets	62,531,848	625,318	(625,318)	625,318	(625,318)
<b>Net total</b>	62,531,848	625,318	(625,318)	625,318	(625,318)

In relation to the QTC loan held by Council, the following has been applied:

QTC Fixed Rate Loan – financial instruments with fixed interest rates which are carried at amortised cost are not subject to interest rate sensitivity.



## Notes to the Financial Statements

### For the year ended 30 June 2023



#### 26. Transactions with related parties

##### a. Transactions with Key Management Personnel (KMP)

KMP include the Mayor, Councillors, Council's Chief Executive Officer and executive management.

The compensation paid to KMP comprises:

	2023	2022
Short-term employee benefits	1,394,089	1,045,473
Post-employment benefits	163,672	147,773
Long-term benefits	82,375	29,392
Termination benefits	-	265,069
	<b>1,640,136</b>	<b>1,487,707</b>

Detailed remuneration disclosures are provided in the annual report.

##### b. Transactions with other related parties

Other related parties include the close family members of KMP and any entities controlled or jointly controlled by KMP or their close family members. Close family members include a spouse/ domestic partner and child or dependent of a KMP or their spouse/domestic partner.

Details of transactions between Council and other related parties are below:

	Note	2023	2022
Fees and charges charged to entities controlled by KMP	26 b i)	24,753	63,045
Employee expenses for close family members of KMP	26 b ii)	150,767	144,900
Purchase of materials and services from entities controlled by KMP	26 b iii)	30,936	52,571
		<b>206,456</b>	<b>260,516</b>

- i) The fees and charges charged to entities controlled by KMP were on an arm's length basis in accordance with the schedule of fees and charges adopted by Council. The total disclosed includes the following:

Fees and charges charged to entities controlled by KMP	Details of related party	Amount
Regulatory Business charges	Various other related parties	738
Building Applications	Various other related parties	13,914
Other fees & Charges	Various other related parties	10,101
Total		<b>24,753</b>

- ii) All close family members of KMP were employed through an arm's length process. They are paid in accordance with the Award for the job they perform.

The council employs 215 permanent and 18 casual staff of which only 6 are close family members of key management personnel at the end of the reporting period. Of these, 5 were employed before KMP were employed.

- iii) There were \$30,936.28 purchases of materials and services from entities that are controlled by members of KMP during the reporting period. Purchases were on an arm's length basis.

## Notes to the Financial Statements For the year ended 30 June 2023



**c. Outstanding balances**

There are \$43,945.48 balances outstanding to Council at the end of the reporting period in relation to transactions with related parties.

**d. Transactions with related parties that have not been disclosed**

Most of the entities and people that are related parties of council live and operate within the Charters Towers region. Therefore, on a regular basis ordinary citizen transactions occur between Council and its related parties. Some examples include:

- Payment of rates
- Use of the Kennedy Regiment Memorial Pool
- A patron at the World Theatre
- Animal registration
- Borrowing books from council library

Council has not included these types of transactions in its disclosure, where they are made under the same circumstances available to any other ordinary citizen.




## Notes to the Financial Statements For the year ended 30 June 2023

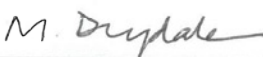
### Management Certificate

These general purpose financial statements have been prepared pursuant to Sections 176 and 177 of the *Local Government Regulation 2012* (the Regulation) and other prescribed requirements.

In accordance with Section 212(5) of the Regulation we certify that:

- i. the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulation 2012* for the establishment and keeping of accounts have been complied with in all material respects; and
- ii. the general purpose financial statements, as set out on pages 1 to 36, present a true and fair view, in accordance with Australian Accounting Standards, of the Council's transactions for the financial year and financial position at the end of the year.

  
\_\_\_\_\_  
Mayor  
Frank Beveridge  
20.10.2023  
\_\_\_\_\_  
Date:

  
\_\_\_\_\_  
Chief Executive Officer  
Martin Drydale  
20.10.2023  
\_\_\_\_\_  
Date:

## INDEPENDENT AUDITOR'S REPORT

To the councillors of Charters Towers Regional Council

### Report on the audit of the financial report

#### Opinion

I have audited the financial report of Charters Towers Regional Council.

In my opinion, the financial report:

- a) gives a true and fair view of the council's financial position as at 30 June 2023, and of its financial performance and cash flows for the year then ended
- b) complies with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including significant accounting policies and other explanatory information, and the certificate given by the Mayor and Chief Executive Officer.

#### Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of my report.

I am independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

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

#### Other information

Other information comprises financial and non-financial information (other than the audited financial report) in an entity's annual report.

At the date of this auditor's report, the available other information in Charter Tower Regional Council's annual report for the year ended 30 June 2023 was the current year financial sustainability statement and long-term financial sustainability statement.

The councillors are responsible for the other information.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the Local Government Regulation 2012, I have expressed a separate opinion on the current year financial sustainability statement.





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

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

### **Responsibilities of the councillors for the financial report**

The councillors are responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards, and for such internal control as the councillors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The councillors are also responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the council or to otherwise cease operations of the council.

### **Auditor's responsibilities for the audit of the financial report**

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council.
- Conclude on the appropriateness of the council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am

required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

### **Report on other legal and regulatory requirements**

In accordance with s. 40 of the *Auditor-General Act 2009*, for the year ended 30 June 2023:

- a) I received all the information and explanations I required
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

### **Prescribed requirements scope**

The prescribed requirements for the establishment and keeping of accounts are contained in the *Local Government Act 2009*, and the Local Government Regulation 2012. The applicable requirements include those for keeping financial records that correctly record and explain the council's transactions and account balances to enable the preparation of a true and fair financial report.



David Adams  
as delegate of the Auditor-General

30 October 2023

Queensland Audit Office  
Brisbane



## Notes to the Financial Statements For the year ended 30 June 2023

### Financial Sustainability Statement

#### Current-year Financial Sustainability For the year ended 30 June 2023

#### Measures of Financial Sustainability

How the measure is calculated

Act

Council's performance at 30 June 2023  
against key financial ratios and targets:

Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	4%	Between 0% and 10%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	60%	Greater than 90%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	-(55)%	Not greater than 60%

#### Note 1 - Basis of Preparation

The current year financial sustainability statement is a special purpose statement prepared in accordance with the requirements of the *Local Government Regulation 2012* and the *Financial Management (Sustainability) Guideline 2013*.

The amounts used to calculate the three reported measures are prepared on an accrual basis and are drawn from the Council's audited general purpose financial statements for the year ended 30 June 2023.

#### Certificate of Accuracy

For the year ended 30 June 2023

This current-year financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the regulation).

In accordance with Section 212(5) of the Regulation we certify that this current-year financial sustainability statement has been accurately calculated.

Mayor

Frank Beveridge

Date: 20/10/2023

Chief Executive Officer

Martin Drydale

Date: 20/10/2023

## INDEPENDENT AUDITOR'S RI

To the councillors of Charters Towers Regional Council

### Report on the Current-Year Financial Sustainability Statement

#### Opinion

I have audited the accompanying current year financial sustainability statement of Charters Towers Regional Council for the year ended 30 June 2023, comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with s.212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current year financial sustainability statement of Charters Towers Regional Council for the year ended 30 June 2023 has been accurately calculated.

#### Basis of opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the current year financial sustainability statement* section of my report.

I am independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the statement in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

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

#### Emphasis of matter – basis of accounting

I draw attention to Note 1 which describes the basis of accounting. The current year financial sustainability statement has been prepared in accordance with the Financial Management (Sustainability) Guideline 2013 for the purpose of fulfilling the council's reporting responsibilities under the Local Government Regulation 2012. As a result, the statement may not be suitable for another purpose. My opinion is not modified in respect of this matter.

#### Other Information

Other information comprises financial and non-financial information (other than the audited financial report) in an entity's annual report.

At the date of this auditor's report, the available other information in Charters Towers Regional Council's annual report for the year ended 30 June 2023 was the general purpose financial statements and long-term financial sustainability statement.

The councillors are responsible for the other information.

My opinion on the current year financial sustainability statement does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.





However, as required by the Local Government Regulation 2012, I have formed a separate opinion on the general purpose financial report.

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

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

#### **Responsibilities of the councillors for the current year financial sustainability statement**

The councillors are responsible for the preparation and fair presentation of the current year financial sustainability statement in accordance with the Local Government Regulation 2012. The councillors responsibility also includes such internal control as the councillors determine is necessary to enable the preparation and fair presentation of the statement that is accurately calculated and is free from material misstatement, whether due to fraud or error.

#### **Auditor's responsibilities for the audit of the current year financial sustainability statement**

My objectives are to obtain reasonable assurance about whether the current year financial sustainability statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this statement.

My responsibility does not extend to forming an opinion on the appropriateness or relevance of the reported ratios, nor on the council's future sustainability.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control.
- Evaluate the appropriateness of material accounting policy information used and the reasonableness of accounting estimates and related disclosures made by the council.

- Evaluate the overall presentation, structure and content of the statement, including the disclosures, and whether the statement represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



David Adams  
as delegate of the Auditor-General

30 October 2023

Queensland Audit Office  
Brisbane

## Unaudited Long-Term Financial Sustainability Statement

Measures of Financial Sustainability	How the measure is calculated	Target	Actuals at 30 June 2023	30-Jun-24	30-Jun-25	30-Jun-26	30-Jun-27	30-Jun-28	30-Jun-29	30-Jun-30	30-Jun-31	30-Jun-32
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	Between 0% and 10%	4%	(-1)%	(0)%	(0)%	(0)%	(0)%	(0)%	(0)%	(0)%	(0)%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense	greater than 90%	60%	184%	149%	135%	238%	193%	96%	179%	191%	58%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	not greater than 60%	(-55)%	(-38)%	(-68)%	(-69)%	(-60)%	(-55)%	(-61)%	(-59)%	(-55)%	(-65)%

Council measures revenue and expenditure trends over time as a guide to future requirements and to make decisions about the efficient allocation of resources to ensure the most effective provision of services. Council ensures that its financial management strategy is prudent and that its long-term financial forecast shows a sound financial position whilst also being able to meet the community's current and future needs.

For the long-term financial sustainability statement prepared as at 30 June 2023

In accordance with Section 212(5) of the Regulation we certify that this long-term financial sustainability statement has been accurately calculated.

Date: 20/10/2023

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