



Etheridge Shire Council

NOTICE OF MEETING

- Meeting:** General Meeting
- Date:** Wednesday, 13th December 2023
- Location:** Council Chambers,
Georgetown
- Commencing:** 9.00am
- Councillors:** Cr Hughes
Cr Royes
Cr Haase
Cr Gallagher
Cr Barns

Agenda Attached

Ken Timms PSM
CHIEF EXECUTIVE OFFICER

Local Government Act 2009

The principles (s4(2)) of the Act are:

- Transparent and effective processes, and decision-making in the public interest
- Sustainable development and management of assets and infrastructure, and delivery of effective services
- Democratic representation, social inclusion and meaningful community engagement
- Good governance of, and by, local government
- Ethical and legal behavior of councillors and local government employees

S.275 – Local Government Regulation 2012

275 Closed meetings

- (1) A local government or committee may resolve that a meeting be closed to the public if its councillors or members consider it necessary to close the meeting to discuss –
 - Appointment, dismissal or discipline of a CEO or a BCC senior executive employee
 - Legal advice obtained by the Council or legal proceedings involving the Council
 - Matters that may directly affect the health and safety of an individual or group
 - Negotiations relating to a commercial matter involving the Council
 - Negotiations relating to the taking of land by the Council under the *Acquisition of Land Act 1967*
 - A matter required to be kept confidential under a law of, or formal arrangement with, the Commonwealth or a State
 - Industrial matters affecting employees
 - The Council budget
 - Rating concessions
- (2) A resolution that a meeting be closed must state the nature of the matters to be considered while the meeting is closed.
- (3) A local government or committee must not make a resolution (other than a procedural resolution) in a closed meeting.

Conflict of Interest Obligations

Reference is made to Section 150EL of the Local Government Act 2009. Specifically, the obligation of Councillors when they first become aware they have a conflict of interest to make the Chief Executive Officer aware in writing or if in a meeting, ensure they declare immediately.

AGENDA

1. OPENING OF THE MEETING AND SIGNING OF THE ATTENDANCE BOOK
2. ACKNOWLEDGEMENT TO COUNTRY
3. PRAYER
4. APOLOGIES, CONDOLENCES AND CONGRATULATIONS
5. CONFIRMATION OF GENERAL MEETING MINUTES
6. CONSIDERATION OF BUSINESS ARISING FROM GENERAL MEETING MINUTES
7. CONSIDERATION OF DCS OPEN SESSION REPORTS
8. CONSIDERATION OF DES OPEN SESSION REPORTS
9. CONSIDERATION OF CEO OPEN SESSION REPORTS
10. CONSIDERATION OF OPEN ADDENDUM REPORTS
11. CONSIDERATION OF GENERAL BUSINESS
12. CONCLUSION

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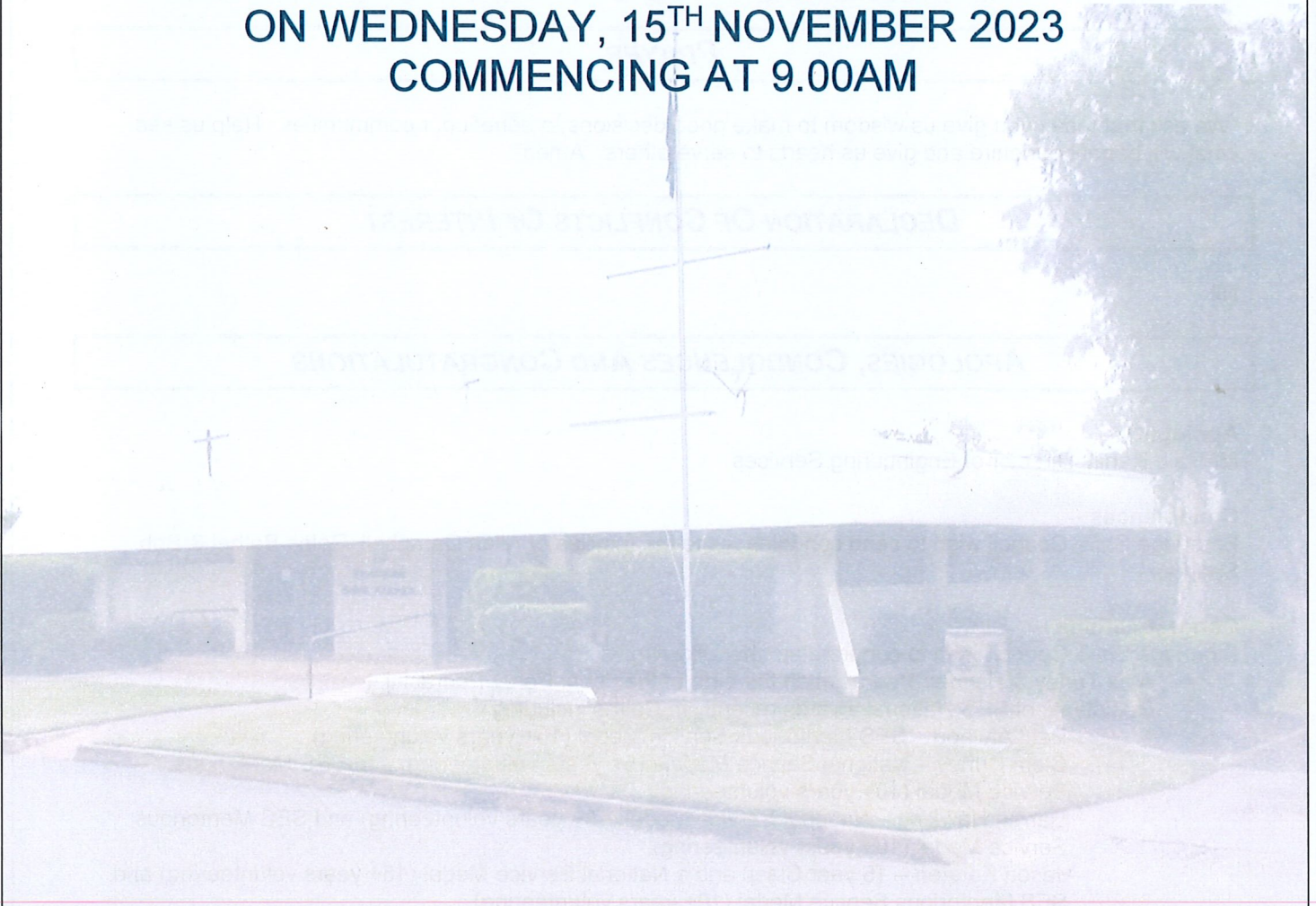
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Etheridge Shire Council

UNCONFIRMED MINUTES

GENERAL MEETING OF
ETHERIDGE SHIRE COUNCIL
HELD AT COUNCIL CHAMBERS, GEORGETOWN
ON WEDNESDAY, 15TH NOVEMBER 2023
COMMENCING AT 9.00AM



**ETHERIDGE SHIRE COUNCIL
MINUTES OF THE GENERAL MEETING
HELD AT COUNCIL CHAMBERS, GEORGETOWN
ON WEDNESDAY 15TH NOVEMBER 2023
COMMENCING AT 9.00AM**

ATTENDANCE

Cr. Barry Hughes
Cr. Laurell Royes
Cr. Joe Haase
Cr. Tony Gallagher
Cr. Cameron Barns

OFFICERS PRESENT

Mr. Ken Timms, Chief Executive Officer
Mr. Andrew McKenzie, Director Corporate Services
Mrs. Renee Bester, Executive Assistant

The Chair declared the meeting open at 9.01 am and welcomed all in attendance.

ACKNOWLEDGEMENT TO COUNTRY

"We would like to acknowledge the traditional owners of this land and pay our respects to the Elders past, present and future for they hold the history, cultural practice, and traditions, of their people."

PRAYER

"We ask that today you give us wisdom to make good decisions to benefit our communities. Help us see what will benefit our shire and give us hearts to serve others. Amen".

DECLARATION OF CONFLICTS OF INTEREST

Nil

APOLOGIES, CONDOLENCES AND CONGRATULATIONS

Apologies –

Mr Raju Ranjit, Director of Engineering Services

Condolences –

Etheridge Shire Council wish to send condolences to the families of Allan Campbell, Ralph Bethel & Bob Sparkes.

Congratulations –

Etheridge Shire Council wish to congratulate the following:

- Alex Turley & Hayden Pedracini on the birth of their son, Percy Pedracini.
- Recipients of SES National awards recently in Cairns including
 - o Paul Atwood – SES Meritorious Service Medal (10+ years volunteering)
 - o Cleta Curley – National Service Medal (15+ years volunteering) and SES Meritorious Service Medal (10+ years volunteering)
 - o Darren Hawking – National Service Medal (15+ years volunteering) and SES Meritorious Service Medal (10+ years volunteering)
 - o Jason Karsten – 15 year Clasp and a National Service Medal (15+ years volunteering) and SES Meritorious Service Medal (10+ years volunteering)

CONSIDERATION OF MINUTES

General Meeting Minutes – Wednesday 11th October 2023

Corrections:

- Nil

RESOLUTION:

That the Minutes of the General Council Meeting held at Georgetown on Wednesday 11th October 2023 be confirmed.

MOVED: Cr. Royes

SECONDED: Cr. Gallagher

CARRIED
RESOLUTION #23.11.01
5/0

Special General Meeting Minutes – Wednesday 23rd October 2023

Corrections:

- Nil

RESOLUTION:

That the Minutes of the Special General Council Meeting held at Georgetown on Wednesday 23rd October 2023 be confirmed.

MOVED: Cr. Royes

SECONDED: Cr. Haase

CARRIED
RESOLUTION #23.11.02
5/0

BUSINESS ARISING FROM GENERAL MINUTES

Cr Haase

#23.08.12 – Mt Surprise, update on status of notifications to residents.

#23.05.04 & 23.05.05 – Aged Care buildings – are the quotes/tenders still current. DCS advised a revised price was sought for application. A further revised price will be sought before signing of contract. Tenderer remains Oly Homes

#22.01.09 – Transfer Station, Forsyth – Update on progress including funding

Cr Royes

#23.08.13 – Snap Send Solve – MagiQ training deferred to February

#23.07.21 – Land negotiation – CEO has been in contact but has no update

CONSIDERATION OF OPEN SESSION REPORTS

Director Corporate Services

1. Briefing Report

RESOLUTION

That Council acknowledges and receives the Director of Corporate Services' Briefing Report.

MOVED: Cr. Gallagher

SECONDED: Cr. Barnes

CARRIED
RESOLUTION #23.11.03DCS
5/0

RESOLUTION

That Council go into closed session at 9.52am to discuss (g) negotiations relating to a commercial matter involving the local government for which a public discussion would likely to prejudice the interests of the local government under section 254J of the Local Government Regulation 2012 which states that:

- (1) A local government may resolve that all or part of a meeting of the local government be closed to the public.
- (2) A committee of a local government may resolve that all or part of a meeting of the committee be closed to the public.
- (3) However, a local government or a committee of a local government may make a resolution about a local government meeting under subsection (1) or (2) only if its Councillors or members consider it necessary to close the meeting to discuss the sale of land.

MOVED: Cr. Barnes

SECONDED: Cr. Royes

CARRIED
RESOLUTION #23.11.04
5/0

RESOLUTION

Council resolve to come out of closed session at 10.04am.

MOVED: Cr. Royes

SECONDED: Cr. Hughes

CARRIED
RESOLUTION #23.11.05
5/0

RESOLUTION

Council resolve to continue with their process of Land Use compliance.

MOVED: Cr. Royes

SECONDED: Cr. Gallagher

CARRIED
RESOLUTION #23.11.06DCS
5/0

CONSIDERATION OF OPEN SESSION ADDENDUM REPORTS

Director of Corporate & Community Services

2. Financial Performance (Actual vs. Budget) for the period 1 July 2022 to 31st October 2023

EXECUTIVE SUMMARY

Section 204 of the Local Government Regulation 2012 requires the Chief Executive Officer to present a Financial Report of its accounts to the Local Government at least monthly.

RESOLUTION

That Council pursuant Section 204 of the *Local Government Regulation 2012*, resolve to adopt the monthly Financial Report the period ending 31st October 2023, as presented.

MOVED: Cr. Haase

SECONDED: Cr. Royes

CARRIED
RESOLUTION #23.11.07DCS
5/0

ATTENDANCE

Cr Barns left the meeting at 10.28am and returned at 10.31am.

ADJOURNMENT

Council adjourned the meeting for Morning Tea at 10.46am.

RESUMPTION

Council resumed the meeting at 11.11am.

ATTENDANCE

Jack Parry entered the meeting at 11.12am.

CONSIDERATION OF OPEN SESSION REPORTS

Director Of Engineering Services

3. Proposed location of long-distance coach bus stop in Mt Surprise

EXECUTIVE SUMMARY

Trans Link Infrastructure has approached Council regarding the possibility to have a long-distance coach bus stop in Mount Surprise. Following the Conversation, the site has been investigated and prepared a proposed site to construct a bus stop (Ref. – Site map and view)

RESOLUTION

That Council agrees to apply an application of 50/50 funding partnership between TMR and Council to build a bus shelter and associated works in line with Councils budget.

MOVED: Cr. Gallagher

SECONDED: Cr. Barns

CARRIED
RESOLUTION #23.11.08DES
5/0

CONSIDERATION OF CLOSED SESSION REPORTS

Director Of Engineering Services

RESOLUTION

That Council go into closed session at 11.20am to discuss (g) negotiations relating to a commercial matter involving the local government for which a public discussion would likely to prejudice the interests of the local government under section 254J of the Local Government Regulation 2012 which states that:

- (1) A local government may resolve that all or part of a meeting of the local government be closed to the public.

(2) A committee of a local government may resolve that all or part of a meeting of the committee be closed to the public.

(3) However, a local government or a committee of a local government may make a resolution about a local government meeting under subsection (1) or (2) only if its Councillors or members consider it necessary to close the meeting to discuss the sale of land.

MOVED: Cr. Barnes

SECONDED: Cr. Hughes

CARRIED
RESOLUTION #23.11.09
5/0

RESOLUTION

Council resolve to come out of closed session at 12.28pm.

MOVED: Cr. Haase

SECONDED: Cr. Royes

CARRIED
RESOLUTION #23.11.10
5/0

ATTENDANCE

Jack Parry left the meeting at 12.29pm.

4. Register of Preferred Suppliers for Wet Hire of Plant & Equipment

EXECUTIVE SUMMARY

Tenders were invited for the Register of Preferred Suppliers for Wet Hire of Plant and Equipment from January 2024 and expiring on December 2025 (24 Calendar months). This will allow tenders to run for the construction season and not align with the financial year as has been the case which had caused issues with rate changes mid construction season thus having to shift tenderers around due to rate increases especially on TMR contract works.

At the close of tenders on Wednesday 29th September 2023, forty eight (48) submissions were received.

Assessment of the Tenders has been within the guidelines of the Council Procurement Policy and Legislation, namely: Local Government Act Qld 2009 Section 104 (3) in respect of sound contracting principles with a register of preferred suppliers to be maintained by Council in accordance with the Local Government Regulation 2012 sections 233.

The Assessment panel consisted of Infrastructure Services Operations Manager Allan Parry, Works Supervisors Dan Alexanderson, Josh Sinapius, Wade Jenkins, Regan Kendall, Greg Masters and Dave Atu. The assessment took a total of 9hrs to complete this equates to 63 staff hours to complete an in depth assessment of all submissions.

Council were compliant with its obligations under the Local Government Act and Regulation; specifically that the tender process was designed to ensure the tenders were assessed in accordance with Section 104 (3) of the Local Government Act

1. Value for Money; and
2. Open and effective communication; and
3. The development of competitive local business and industry; and
4. Environmental protection; and
5. Ethical behavior and fair dealing.

Tenders were assessed on the following criteria:

1. Local Content 10%
2. Price 35%
3. Plant Specifications, Condition and Operator Performance 35%
4. Work Place Health and Safety Compliance 20%

RESOLUTION

That Council resolves to accept Preferred Supplier Registers as presented for the Wet Hire of Plant and Equipment established from the tenders received for ESC2023-003.

MOVED: Cr. Haase

SECONDED: Cr. Barnes

CARRIED
RESOLUTION #23.11.11DES
5/0

5. Drainage Works – First Street, Forsayth & Einasleigh

EXECUTIVE SUMMARY

NCH Constructions have worked with Etheridge Shire Council for several years and have provided a good service during this time.

Tenders were assessed and ranked by price and meeting the criteria in the tender and being able to meet Councils deadline of completing all these works by December 22nd 2023.

RESOLUTION

That Council resolves to accept the tender provided by NCH Construction for the construction of both Forsayth First Street and Einasleigh Drainage Works to the value of \$430,409.50 Excl GST

MOVED: Cr. Hughes

SECONDED: Cr. Haase

CARRIED
RESOLUTION #23.11.12DES
3/2

VOTE

Cr Royes record their vote against this motion.

ADJOURNMENT

Council adjourned the meeting for Lunch at 12.36pm.

RESUMPTION

Council resumed the meeting at 1.02pm.

CONSIDERATION OF OPEN SESSION REPORTS

Director of Corporate Services

6. Aged Care Advisory Committee Meeting Minutes

EXECUTIVE SUMMARY

The Aged Care Advisory Committee met on the 12th October 2023. A copy of the Meeting Minutes is presented for Council's information.

RESOLUTION

That Council receive the minutes of the Aged Care Advisory Committee meeting held 12th October 2023 and note the contents therein.

MOVED: Cr. Barns

SECONDED: Cr. Gallagher

CARRIED
RESOLUTION #23.11.13DCS
5/0

7. Walking Network Plans – Offer of Grant Funding

EXECUTIVE SUMMARY

Late 2022, Council resubmitted its applications for funding under the DTMR Walking Local Government Grant Program (Round 2) to fund the development of Walking Network Plans for Mt Surprise, Forsayth and Einasleigh. This follows the successful completion of a Walking Network Plan for Georgetown, funded under round one of the grant program.

In recent communication from the Department of Transport and Main Roads, Council has been notified that its applications under Round 2 have been successful.

RESOLUTION

That Council formally accept the Department of Transport & Main Roads' offer of funding to develop Walking Network Plans for Mt Surprise, Einasleigh and Forsayth, and allocate its co-contribution (\$90,000) during its next budget review.

MOVED: Cr. Royes

SECONDED: Cr. Hughes

CARRIED
RESOLUTION #23.11.14DCS
5/0

8. Biosecurity Planning Advisory Committee Meeting Minutes

EXECUTIVE SUMMARY

A meeting of the Etheridge Shire Biosecurity Planning Advisory Committee was called for 9am on the 1st November 2023. Unfortunately, a quorum could not be formed, so the meeting continued as an information sharing forum. The minutes of the meeting are tabled for Council's information.

RESOLUTION

That Council receive the minutes of the Biosecurity Planning Advisory Committee meeting held 1st November 2023.

MOVED: Cr. Royes

SECONDED: Cr. Haase

CARRIED
RESOLUTION #23.11.15DCS
5/0

ATTENDANCE

Andrew McKenzie left the meeting at 1.22pm.

CONSIDERATION OF OPEN SESSION REPORTS

Director of Engineering Services

9. Director of Engineering Services Briefing Report

RESOLUTION

That Council acknowledges and receives the Director of Engineering Services' Briefing Report.

MOVED: Cr. Gallagher

SECONDED: Cr. Barnes

CARRIED
RESOLUTION #23.11.16DES
5/0

CONSIDERATION OF OPEN SESSION ADDENDUM REPORTS

Chief Executive Officer

10. Public Notice of General Meetings for 2024

EXECUTIVE SUMMARY

At least once in each year, Council must publish a notice of the days and times when its ordinary meetings will be held and furthermore Council must publish this notice on the local government's website, and in other ways the local government considers appropriate in accordance with Section 254B of the Local Government Regulation 2012.

RESOLUTION

That Council:

Adopts the following meeting dates as presented for 2024 pursuant to and in accordance with Section 254B of the Local Government Regulation 2012 and furthermore Council will publish the notice of meeting dates on Council's website, in the inform newsletter and on display in the Council office.

<u>Month</u>	<u>Date</u>	<u>Venue</u>	<u>Time</u>
January	Wednesday, 24 th January 2024	Georgetown	9:00am
February	Wednesday, 21 st February 2024	Georgetown	9:00am
March	Wednesday, 13 th March 2024	Georgetown	9:00am
April	Wednesday, 17 th April 2024	Georgetown	9:00am
May	Wednesday, 15 th May 2024	Georgetown	9:00am
June	Wednesday, 19 th June 2024	Georgetown	9:00am
July	Wednesday, 17 th July 2024	Georgetown	9:00am
August	Wednesday, 21 st August 2024	Georgetown	9:00am
September	Wednesday, 18 th September 2024	Georgetown	9:00am
October	Wednesday, 9 th October 2023	Georgetown	9:00am
November	Wednesday, 20 th November 2023	Georgetown	9:00am
December	Wednesday, 11 th December 2023	Georgetown	9:00am

MOVED: Cr. Gallagher

SECONDED: Cr. Haase

CARRIED
RESOLUTION #23.11.17CEO
5/0

11. Naming of roads within Etheridge Shire

EXECUTIVE SUMMARY

Council resolved to complete a community survey seeking feedback for the renaming of the following roads at the August General Meeting (Resolution #23.08.21):

- Georgetown Forsyth Road be renamed John Smith Way
- Cemetery Road/Charleston Dam Road, Forsyth be renamed Noelene Ikin Way

The survey was conducted from 23rd August 2023 to 22nd September 2023 from which 75 responses were received. Results from the survey are shown below:

	Should the Georgetown-Forsayth Road be formally named 'John Smith Way'?	Should the Forsayth Cemetery/Charleston Dam Road be formally named 'Noelene Ikin Way'?
YES	15%	23%
NO	84%	76%

RESOLUTION

That Council resolve to acknowledge the feedback received and furthermore, that Council decide to go no further with this proposal.

MOVED: Cr. Hughes

SECONDED: Cr. Gallagher

CARRIED
RESOLUTION #23.11.18CEO
5/0

12. Amendments to the model meeting procedures (MMP) and best practice standing orders

EXECUTIVE SUMMARY

The *Local Government Act 2009* prescribes that all Councils must adopt the model meeting procedures (MMP) or incorporate them into existing standing orders for meeting procedures. Council has been advised by the Department that the MMP and Best Practice – Standing Orders were amended in June 2023. Amendments are of minor nature, designed to ensure better consistency with the LGA.

RESOLUTION

That Council resolve to adopt the following documents:

- Amended Model Meeting Procedures – June 2023
- Best Practice Standing Orders – June 2023

MOVED: Cr. Royes

SECONDED: Cr. Haase

CARRIED
RESOLUTION #23.11.19CEO
5/0

13. Chief Executive Officer Briefing Report

RESOLUTION

That Council acknowledges and receives the Chief Executive Officers Briefing Report.

MOVED: Cr. Royes

SECONDED: Cr. Hughes

CARRIED
RESOLUTION #23.11.20CEO
5/0

RESOLUTION

Due to broader community safety concerns, Council is prepared to undertake a maintenance grade of the road between Cobbold Gorge turn off through to the Agate Creek Mine turn off and the cost will be borne by Savannah Goldfields. Furthermore, that the CEO of Savannah Goldfields be requested to have a meeting with Etheridge Shire Council in Georgetown.

MOVED: Cr. Hughes

SECONDED: Cr. Haase

CARRIED
RESOLUTION #23.11.21CEO
5/0

ATTENDANCE

Cr Royes left the meeting at 2.43pm and returned to the meeting at 2.48pm
 Cr Barns left the meeting at 2.45pm and returned to the meeting at 2.46pm
 Cr Hughes left the meeting at 2.47pm and returned to the meeting at 2.50pm

GENERAL BUSINESS

Cr Gallagher - Old unused Tennis Court. Could we call for an expression of interest for its pulling down and removal as it is an eyesore?

Cr Gallagher - Request for two man gates eastern Etheridge River side of Georgetown Cemetery. Very noticable at last funeral everyone had to park at end entrance of Cemetery and had to walk 100 or more metres and some with disability walkers

Cr Gallagher - Request for water to be put on Georgetown Cemetery. People like to keep headstones clean. Could also then water the avenue of trees.

Cr Gallagher - Remarks from some residents that Council workplaces such as hostel and private residences owned by Council and rented to workers front entrances are a bit shabby. It doesn't take much to turn on sprinkler and have a few plants.

Cr Haase - Follow up from Perryvale road visit, can we get a report about possible options

Cr Haase – Letter from Lydia Wilde regarding request to have land put to tender

Cr Royes - Kidston Playground - report on ownership and maintenance arrangements of the facility

Cr Royes - Discuss the issue of Council crews inadvertently filling cattle grids. Ensuring the grids are washed out on these occasions (good etiquette/policy)

Cr Royes - Discuss the issue of Charleston Dam access (locked gates)
 - Is the dam 100% fenced to a stockproof standard?
 - Turn-style gate access to enable pedestrian access to alternate parts of the dam other than recreation area (dog walking)

Cr Royes - Gravel stockpiles - consideration of public access to gates/ ramps/ roads etc
 - The Lynd Roadhouse Truckpad Ramp is still impeded by left over gravel
 - Can this be rectified?
 - Gravel for flood damage, similar issues

Cr Royes - Include a grant register in monthly finance report

Cr Royes - Include all current budget allocations for comparability within finance report, particularly capital projects.

Cr Royes - Council etiquette/policy regarding communication with property owners when entering homestead complexes and or property. Community and Council expectations.

Cr Royes - Investigate the application for a formal "water allocation" or similar formal arrangements to ensure a natural flow is maintained in the Copperfield River to ensure the Einasleigh Community has reliable access to water.

RESOLUTION

That Council resolve to consider water connection to the Georgetown Cemetery.

MOVED: Cr. Gallagher

SECONDED: Cr. Royes

CARRIED
RESOLUTION #23.11.22DES
5/0

ATTENDANCE

Cr Royes left the meeting at 3.57pm due to a conflict of interest with a general business item relating to correspondence received from Lydia Wilde.

RESOLUTION

That Council resolve to:

- Receive the correspondence received by Lydia Wilde on 10th November 2023
- Respond advising that putting it on the market is not a preferred option at this time and if it was to proceed to tender, Council will advertise as per Council’s tender process.

MOVED: Cr. Haase

SECONDED: Cr. Gallagher

CARRIED
RESOLUTION #23.11.23CEO
4/0

ATTENDANCE

Cr Haase left the meeting at 4.06pm and returned at 4.09pm.
Cr Royes returned to the meeting at 4.07pm.

RESOLUTION

That Council resolve to seek costings for the erection of a Columbarium Wall at Kidston Cemetery.

MOVED: Cr. Royes

SECONDED: Cr. Gallagher

CARRIED
RESOLUTION #23.11.24CEO
5/0

RESOLUTION

That Council resolve to urgently seek costings for the erection of perimeter fence and remedial work at the Lynd Medical Centre.

MOVED: Cr. Royes

SECONDED: Cr. Gallagher

CARRIED
RESOLUTION #23.11.25CEO
5/0

CONCLUSION

There being no further business the Mayor declared the meeting closed at 4.47pm. These minutes will be confirmed by Council at the General Meeting held on Wednesday 13th December 2023.

..... /..... /.....
MAYOR DATE

Business Arising				
#	Resolution	Officer	Action Taken	Progress
15th November 2023				
23.11.08	That Council agrees to apply an application of 50/50 funding partnership between TMR and Council to build a bus shelter and associated works in line with Councils budget.	DES	Lodged on Tuesday 21st November 2023	Complete
23.11.11	That Council resolves to accept Preferred Supplier Registers as presented for the Wet Hire of Plant and Equipment established from the tenders received for ESC2023-003.	DES	Council accepted the tender 2023-003 for the wet hire of Plant and Equipment from preferred suppliers.	Complete
23.11.12	That Council resolves to accept the tender provided by NCH Construction for the construction of both Forsayth First Street and Einasleigh Drainage Works to the value of \$430,409.50 Excl GST	DES	Council accepted the tender for the value of \$ 430,409.50 Ex. GST	Complete
23.11.13	That Council receive the minutes of the Aged Care Advisory Committee meeting held 12th October 2023 and note the contents therein.	DCS	Noted	Complete
23.11.14	That Council formally accept the Department of Transport & Main Roads' offer of funding to develop Walking Network Plans for Mt Surprise, Einasleigh and Forsayth, and allocate its co-contribution (\$90,000) during its next budget review.	DCS	Contract / grant signed	Complete
23.11.15	That Council receive the minutes of the Biosecurity Planning Advisory Committee meeting held 1 st November 2023.	DCS	Noted	Complete
23.11.17	That Council: Adopts the following meeting dates as presented for 2024 pursuant to and in accordance with Section 254B of the Local Government Regulation 2012 and furthermore Council will publish the notice of meeting dates on Council's website, in the inform newsletter and on display in the Council office.	CEO	Public notice prepared and published on website, inform, e-newsletter & front counter of admin building. Calendar invitations sent to current councillors and executive team. RB	Complete
23.11.18	That Council resolve to acknowledge the feedback received and furthermore, that Council decide to go no further with this proposal.	CEO	No further action required. RB	Complete
23.11.19	That Council resolve to adopt the following documents: -Amended Model Meeting Procedures – June 2023 -Best Practice Standing Orders – June 2023	CEO	Procedures uploaded into InfoXpert, Website and Policy Folder. RB	Complete
23.11.21	Due to broader community safety concerns, Council is prepared to undertake a maintenance grade of the road between Cobbold Gorge turn off through to the Agate Creek Mine turn off and the cost will be borne by Savannah Goldfields. Furthermore, that the CEO of Savannah Goldfields be requested to have a meeting with Etheridge Shire Council in Georgetown.	CEO/DES	Letter prepared and emailed on Friday 17th November advising same. RB	Complete
23.11.22	That Council resolve to consider water connection to the Georgetown Cemetery.	DES	Will be considered for 24/25 budget	In progress
23.11.23	That Council resolve to: -Receive the correspondence received by Lydia Wilde on 10th November 2023 -Respond advising that putting it on the market is not a preferred option at this time and if it was to proceed to tender, Council will advertise as per Council's tender process.	CEO	Letter prepared and emailed on Friday 17th November. RB	Complete
23.11.24	That Council resolve to seek costings for the erection of a Columbarium Wall at Kidston Cemetery.	CEO/DCS		No action taken
23.11.25	That Council resolve to urgently seek costings for the erection of perimeter fence and remedial work at the Lynd Medical Centre.	DCS		No action taken
Outstanding Business				
16th August 2023				
23.08.12	That Council receive Ms Taylor's Mt Surprise Land Use Survey Report, and adopt the following recommendations made therein, specifically: - 1.The recommendations for Category 1, Category 2, Category 3, Category 4, Category 5, Category 6 and Category 7, outlined in the report, where appropriate; and 2.Council make enquiries with the State government in relation to Lot 11 SP252513, area 3.58 hectares, Reserve for Township and Trucking with Council as Trustee, to determine if the Occupation Lease (352OL454) can be cancelled and the lot transferred to Council as freehold land, to facilitate future development opportunities afforded by the Industrial Precinct designation of the lot, which was supported by the State, when preparing the 2020 Planning Scheme for the Shire.	DCS	Referred to consulting Town Planner for action	In progress
23.08.13	That Council receive the report and note management's recommendation to retain Snap Send Solve as a reporting channel for customer requests and to improve the functionality of its existing corporate eDRMS (InfoXpert) to better manage customer service requests (regardless of the communication medium) and provide further training to staff in InfoXpert's use.	DCS	Retained MagiQ to provide system admin & end user training to improve functionality of InfoXpert	In progress
19th July 2023				
23.07.21	That Council resolve that the Chief Executive Officer and Director of Corporate Services be delegated to consult with stakeholders and further negotiate the sale of a block of Industrial Land.	CEO	Negotiations have ended and another solution is sought	In progress
5th May 2023 - Special Meeting				
23.05.04SP	That Council resolves to accept the following Tender from Bay Investments Pty Ltd trading as Oly Homes for Six (6) x 2 Bedroom Modular Homes, Mandatory Inclusions for the Independent Living Facility Stage 1. Lot 5 Racecourse Road. Oly homes to Build Deliver Install and Complete the Six homes by end of March 2024. Address Recommended Tender Purchase Price GST Excl Lot 5 Racecourse Road Bay Investments QLD P/L, T/A Oly Homes \$1,703,263.32	DCS	No action taken until confirmation of funding sources (grants / loans). Applications for both have been submitted and are under assessment by the funding bodies. Refer to DCS briefing report for latest update.	In progress
23.05.05SP	That Council resolves to accept the following Tender from Bay Investments Pty Ltd trading as Oly Homes for Six (6) x 2 Bedroom Modular Homes, Mandatory Inclusions for the Staff Housing Project at 8 Green Street. (Lot 105 on SP295139) Oly homes to Build Deliver Install and Complete the Six homes by end of March 2024. Address Recommended Tender Purchase Price GST Excl 8 Green Street Bay Investments QLD P/L, T/A Oly Homes \$1,556,077.32	DCS	No action taken until confirmation of funding sources (loans). Loan application has been submitted and is under assessment by the Department	In progress
19th January 2022				
22.01.9	That Council resolves to; 1. Construct a pilot waste transfer station at Forsayth to conform with EPA recommendation for the future of the Forsayth Landfill operation and furthermore modernise the site for sustainable environmental practices. 2. Furthermore that council advise the community of Forsayth of the proposed changes to the waste disposal to the township. 3. Nominate the Forsayth transfer station for funding under the Regional and Remote Recycling Modernisation Fund, with a proposed council contribution of \$100,000 or 20%. 4. Should the funding application be unsuccessful, Council allocate \$50,000 in the 2022/23 budget for the design of transfer station to be funded in a future budget.	DES	Specifications and design for proposed Transfer Station are being drawn up. Funding has been applied for. Waiting for notification if EOJ application has been successful. Grant unsuccessful. LRCI Phase 3 funding to fund project Planning and design to commenced	In progress



Etheridge Shire Council

DIRECTOR OF CORPORATE SERVICES

Briefing Report

1 Key Points of Interest

Summary of matters within the Department – presented 13th December 2023:

- Sale for Arrears of Rates: The next review of rate assessments eligible for sale for arrears will shortly be in the new year.
- MoU with QHealth: Since October's meeting, I have received a Deed of Access document CHHHS propose to use as the MoU. I have referred this to Preston Law to review the contents and advise on omissions (such as responsibility for consumables, cleaning, outgoings etc). Preliminary advice from Preston Law is that the document requires significant amendment to reflect Council's position.
- WCF & Loan Application: Mead Perry have updated our long-term financial model and cash flow forecast and have submitted to QTC for an initial credit review. Mead Perry and I met with QTC representatives at the LGFP's conference to discuss their initial comments. We have since made further changes to the financial forecast, leading QTC to sign-off on their credit review. The next step is completion of a long term cash flow (Mead Perry) and our formal loan application. It is expected both will be completed before the end of the calendar year.
- Mt Surprise Water: No further updates have been received from the Dept of Environment & Science. Their last advice was to the effect they have issued Statutory Notices to the respondent requiring further tests.
- Staffing: With recent resignations (CDEO, Finance Officer – Rates, Stores) together with annual leave over the Christmas / New Year period, the Department is suffering a decline in operational capability.
- Year in review: Calendar 2023 was an exceptionally busy year, starting with an early (and prolonged) LDMG activation, then affected by staff turnover and focus on major operational projects. Over 2023, and in addition to 'business as usual', the Corporate Services team have delivered:
 - An unqualified Audit Report and certified Annual Financial Statements 4-6 weeks prior to preceding years.
 - A review and streamlining of PCS's General Ledger;
 - Holistic overhaul Council's Stores Operations;
 - A successful Community Events calendar, RADF and Community Supports program;
 - Significant progress on the Georgetown Independent Living Facility for the Aged (including HIF Grant application and acquittal of the NWMP Grant);
 - Completion of the Georgetown Walking Network Plan;
 - Installation of keyless entry security system for Georgetown Multi-purpose Sports Centre;
 - Appointment of new managers at the Student Hostel contributing (in part) to the doubling of enrolments;
 - Submitted grant applications to: NWMP Stage 2 (\$120,000), QRRRF (\$1.2M), RADF (\$23,000), HIF (\$750,000), MSI (\$200,000) Hostel Capital Grants (\$50,000), WNP (\$90,000), Library grants (\$50,000)
 - Trialed Snap Send Solve
 - Responded to / facilitated State Govt Agency investigations into a water contamination issues in Mt Surprise

I would like to acknowledge my team's effort over 2023, and wish them a safe, merry Christmas and Happy New Year. Similarly, I would like to thank Councillors and fellow Executives for your support and assistance over the year.

- External Audit: I am pleased to advise that Council's 2023 Audit is now complete. This follows QAO's certification of our 2022/23 Annual Financial Statements on / around 16th November 2023. I am pleased to note that this is weeks to months better than the preceding 3 financial years.
- Internal Audit: I have engaged our Internal Auditors to visit Georgetown week commencing 5th February to commence our Internal Audit project (Contract Management).
- Audit Committee: An Audit Committee meeting was held on Friday 10th November to receive the final draft 2022/23 Annual Financial Statements. Please see the associated meeting report in the Agenda.
- NexGen implementation: Implementation continues. We are at the point of testing data upload & configuring system administration for Vendor Panel. The project management team meets weekly, every Friday. That said, the project will be on hold over Christmas / New Year holidays.

- Georgetown Independent Living Facility:
 - Legals: This element is complete.
 - Civil design: This element is complete.
 - Procurement:
 - Houses: Council accepted the Tender submission from Oly Homes at its Special Meeting held 5th May 2023. Orders have not yet been released, pending confirmation of funding.
 - Civil Works: We are currently preparing tender documents.
 - HIF Grant Application: Council's application was lodged on Thursday 26th October. Since lodgement, Council received a supplementary list of questions from the HIF Assessment Team. We have since submitted our response and are waiting for a decision (most likely in the new year).
 - NWMP Building Sustainable Communities Grant Round 1: final acquittal lodged.
- Biosecurity Plan: As reported to the October meeting, SGNRM have been successful in their grant and will be in a position to assist Council write its Local Biosecurity Plan. No further details have been provided by SGNRM.
- Town Common Policy: A direction was given to hold off on further implementation of the Town Common Policy until the matter is workshopped.
- Keyless Entry Project (MPSC & Pool): North Queensland Video Surveillance (NQVS) are well advanced in installing a key-less entry system. We remain on track to deliver this project within the required timeframe (31/12/2023). An implementation plan is under development.
- Land Use Compliance Reviews:
 - Georgetown: letters addressing identified non-compliances are being issued.
 - Mt Surprise: Council's consulting town planner has started corresponding with individual property owners.

Past Month:

- 15th November: Meeting with JLTA Risk Advisor and Insurance Specialist
- 20-24th November: LGFP Conference
- 27th November: Administration Trainee interview
- 28th November: Vendor Panel project steering committee
- 28th November: DRFA Project Management Meeting
- 1st December: Internal Audit teleconference
- 5th December: QHealth Food Safety Standard webinar update.

Next Month:

- 13th December: Council Meeting
- 18th December – 8th January: Annual Leave

- Walking Path Network studies for Forsayth, Einasleigh and Mt Surprise. Further to Council's November resolution, Council has signed the funding agreement and engaged Shepherd Solutions to prepare the plans. An initial project steering meeting was held Friday 1st December. The project will not functionally commence until early in the new year.
- Student Hostel Capital Grant: Council was successful in its application for \$50,000 (toward a project cost) of \$120,000 to refurbish parts of the Student Hostel (bathrooms & fire safety). Our contractor has taken possession of the site and will work over the Christmas / New Year period.
- NWMP Stage 2: Council has received the full \$120,000 advance payment under the North West Mineral Province Building Sustainable Communities Program to commence stage 1 of the development of the Riverwalk. To extend the project, Council submitted an application under the Sport & Rec Minor Infrastructure Grant Program. Applications closed mid-November – we don't expect to receive notification from the Dept until the new year.
- QRA have opened the DRRF Program and it is intended that we will re-submit our application for a multi-agency disaster management facility.

Andrew McKenzie
Director of Corporate Services



Etheridge Shire Council

General Meeting	14 th November 2022
Subject	Financial Performance (Actual v Budget) for the period 1 July 2022 to 30 th November 2023
Classification	Open
Author	Andrew McKenzie, Director Corporate Services

EXECUTIVE SUMMARY

Section 204 of the Local Government Regulation 2012 requires the Chief Executive Officer to present a Financial Report of its accounts to the Local Government at least monthly.

RECOMMENDATION

That Council pursuant Section 204 of the *Local Government Regulation 2012*, resolve to adopt the monthly Financial Report the period ending 30th November 2023, as presented.

BACKGROUND

The monthly financial report of Council provides a “Snapshot” of Council's financial performance, financial position and cash flows for the reporting period.

LINK TO CORPORATE PLAN

Corporate Aim No. 5: Best practice corporate governance and organizational excellence.

Strategy No. 5.3.1: Ensure transparency of Council's financial operations and performance and promote awareness within the community of Council's financial management and other strategies.

BUDGET & RESOURCE CONSIDERATIONS

There are no Budget or Resource Considerations contained within this report.

CONSULTATION

NIL

LEGAL CONSIDERATIONS

Section 204 of the *Local Government Regulation 2012* requires the Chief Executive Officer to present a financial report to Council's monthly meeting. The financial report is to be as close to the last day of the month of the reporting period as practicable.

POLICY IMPLICATIONS

NIL

RISK ASSESSMENT

CONSEQUENCE					
LIKELIHOOD*	Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
A (Almost certain)	H	H	E	E	E
B (Likely)	M	H	H	E	E
C (Possible)	L	M	H	E	E
D (Unlikely)	L	L	M	H	E
E (Rare)	L	L	M	H	H

Risk	Person affected/ location	Risk Rating	Risk Control Measures	By who when	Notes
Failure to maintain financially sustainable.....	Council / Community	C3 – High	Council has in place various controls to monitor Councils position on month to month basis.	DCS	Council is audited annually by the QAO and Council also conducts various Internal Audits on Council
	Council / Community / Management	C3 – High	Council has in place various controls and also provides monthly reporting to Council to discuss the financial position of Council. Management will raise any concerns with Council as and when they may arise.	DCS	Council is audited annually by the QAO and Council also conducts various Internal Audits on Council

Report Prepared By:

Andrew McKenzie, Director Corporate Services

Date: 1st December 2023

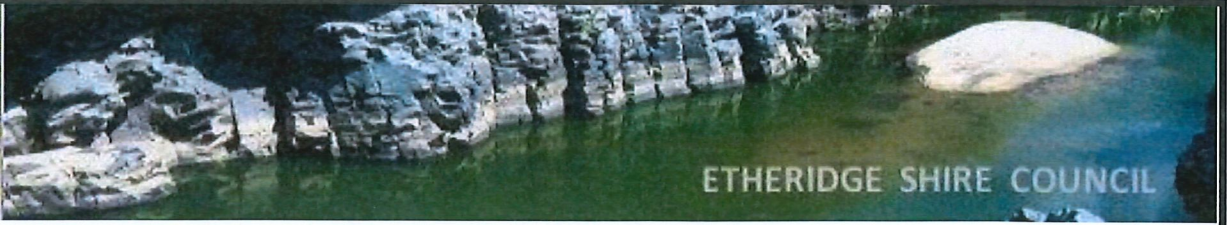
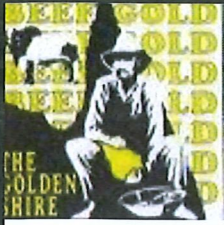
Report Authorised By:

Ken Timms, Chief Executive Officer

Date:

ATTACHMENTS:

Financial Report as at 30th November 2023



ETHERIDGE SHIRE COUNCIL

Etheridge Shire Council

*Financial Report
Council Meeting
13 December 2023*

Index of Attached Reports

- 1 Highlights
- 2 Cash Position
- 3 Monthly Cash Flow Estimate
- 4 Comparative Data
- 5 Capital Funding Budget Vs Actual
- 6 Road Works - Budget V's Actual

Standard reports

Capital Funding Detail- WIP report
Rates outstanding balance
Rates Control Totals
PCS Revenue and Expenditure Budget
PCS Balance Sheet Summary
PCS Statement of Financial Position
PCS Statement of Cash Flows

1 Highlights of this Month's Financial Report

Reporting Period:=-

30-November-2023

Revenue

Total revenue of \$ 18M. to 30-Nov-2023 representing 30 % of total budget of \$ 60.1 M.

These statements are for 5 months of the financial year and generally would represent 42 % of the overall budget.

The Recurrent revenue is \$17.7M reflecting \$8.8M of NDRRA flood operating grants coming in from previous year claims. Current year NDRRA flood expenditure is between 1-2M per month, currently \$8.9M. DTMR revenue is \$5.1M, slightly behind expenditures.

Expenditure

Total expenditure of \$17.3M for the same period represents -28 % of total budgeted expenditure of -\$61.5 M.

Expenditure on NDRRA Flood works totals -\$8.9M Year to Date

Expenditure on DTMR works totals -\$5.2M Year to Date

Surplu / Deficit

Thr resultant Surplus/Deficict is \$.744M

2 CASH POSITION

2023/2024	November	
CASH AT BANK		
	Operating Account	24,841
SHORT TERM INVESTMENTS		
	QTC Cash Fund	16,004,745
	Total	\$ 16,029,586
<p>The following items should be backed by cash and investments, plus any increases in the surplus of Debtors over Creditors.</p>		
	Cash backed Current Liabilities (AL,LSL,SL,RDO)	\$881,417
	Restricted cash - grants received not yet spent less grants receivable	9,348,605
		\$ 10,230,022
<p>Balance of estimated rates/other debtors - estimated creditors:</p>		
	(1,922,863 - 365,266)	\$ 1,557,597
Plus cash surplus	\$ 16,029,586 - \$ 10,230,022	\$ 5,799,564
Working Capital	Total	\$ 7,357,161

3. Monthly Cash Flow Estimate

Dec 2023

Receipts \$ 000's		Expenditure \$ 000's	
Rates	10,000	Payroll	560,000
Fees and Charges Billings	31,000	Operating and Contractor Payables	2,000,000
Own Roads Program Recoveries	0	PAYG-W; GST	
Main Roads Invoiced Recoveries	1,505,846	Loan Payments	0
Grants Expected	25,200	Capital Acq	0
Flood Damage NDRRA	605,688	Other	0
GST	34,037		
	2,211,771		2,560,000

Cash is therefore expected to Decrease by approximately \$ 348000 during next period

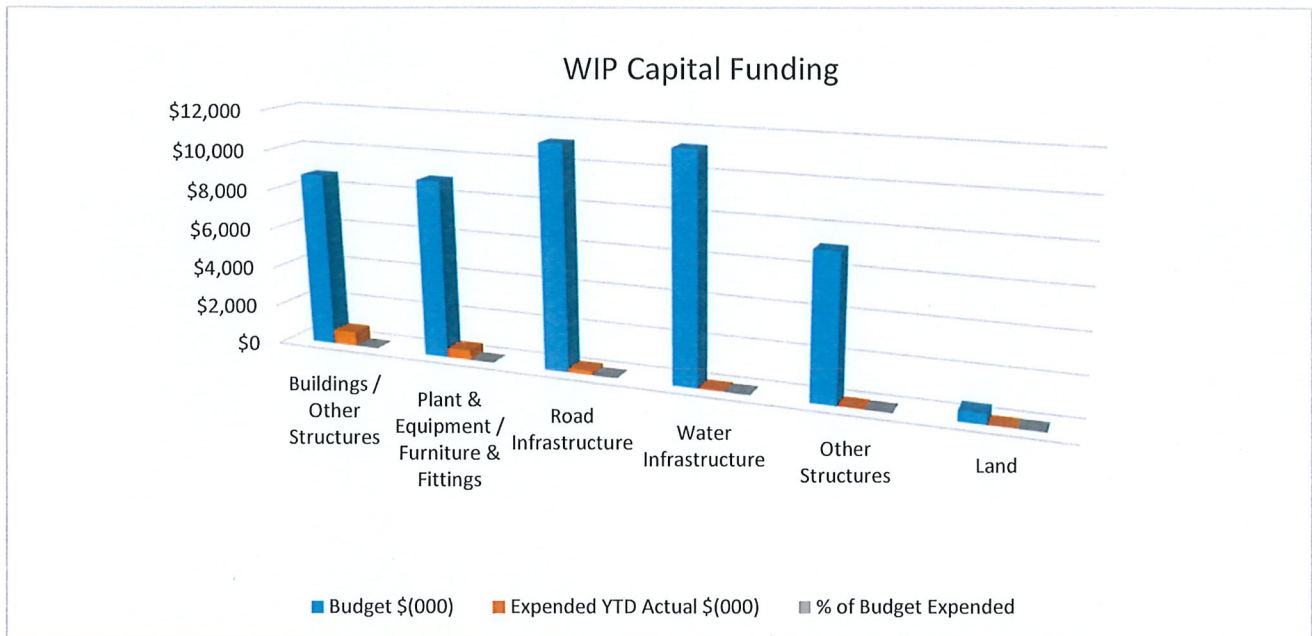
It is expected that the cash balance will decrease during December leading up to christmas slowdown

Etheridge Shire Council**4. Comparative Data for****Nov-23**

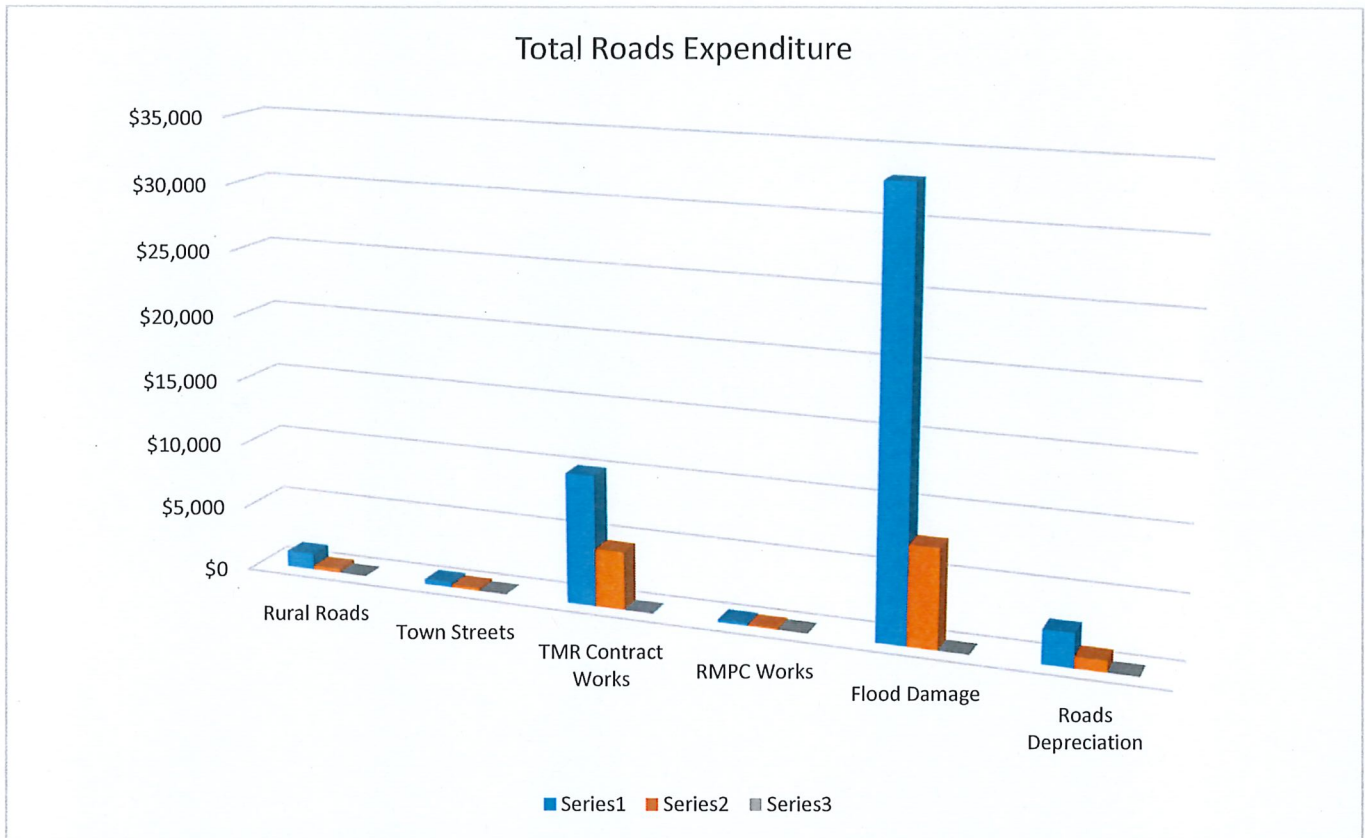
	2023	2022	2021
Cash Position	16,029,586	22,220,513	14,083,783
Working Capital	7,357,161	8,687,201	7,138,060
Rate Arrears	216,190	53,529	453,627
Outstanding Debtors	1,646,646	1,001,616	546,787
Current Creditors	268,375	1,136,657	220,507
Current Loan Payable	26,154	41,500	62,565

Etheridge Shire Council
5. Capital Funding

Nov-23



		Budget \$(000)	Expended YTD Actual \$(000)	% of Budget Expended
	Total Capital Funding	\$47,626	\$1,418	2.98%
1	Buildings / Other Structures	\$8,730	\$695	7.96%
2	Plant & Equipment / Furniture & Fittings	\$8,889	\$466	5.24%
3	Road Infrastructure	\$11,107	\$186	1.67%
4	Water Infrastructure	\$11,255	\$38	0.34%
5	Other Structures	\$7,145	\$25	0.35%
6	Land	\$500	\$8	1.57%



		Budget \$ 000's	Expended YTD Actual \$ 000's	% of Budget Expended \$ 000's
	Total Road Expenditure	\$11,317	\$9,391	83%
1	Rural Roads	\$1,225	\$279	23%
2	Town Streets	\$350	\$187	53%
3	TMR Contract Works	\$10,000	\$4,423	44%
4	RMPC Works	\$180	\$86	48%
5	Flood Damage	\$33,000	\$7,561	23%
6	Roads Depreciation	\$2,550	\$850	33%

		YEAR TO DATE (ACTUALS)	TOTAL EXPENDITURE (ACTUALS)	BUDGET
0400-4150-0000	Work in Progress - Land & Land Improvements			\$500,000.00
0410-4501-0000	Work in Progress - Land Sales - LJ & ACJ Barns (00083-00000-000)		-\$ 9,090.91	
3630-4500-0001	Purchase of industrial land	\$ 7,831.20	\$ 339,103.37	
		\$7,831.20	\$330,012.46	
0400-4250-0000	Work in Progress - Buildings			\$8,729,750.00
2060-4501-0000	Cap Improvements (IT) - WIFI link Sports Centre to Terrestrial	\$16,204.56	\$16,204.56	
3080-4501-0000	Aged Care Facilities -Advisory	\$6,474.02	\$86,797.24	
3280-4502-0000	Staff Housing	\$3,441.42	\$243,366.05	
3280-4503-0000	Staff housing - HSH	\$84,038.32	\$84,038.32	
3280-4504-0000	Staff housing - SHP			
3280-4505-0000	Staff housing - ILF (Independent Living Facility)	\$20,099.95	\$25,984.95	
3295-4500-0000	Demovable office - Relocation	\$3,251.19	\$3,251.19	
3350-4502-0000	Depot - Cap improvements - Carpark & shade structure		\$2,763.63	
3411-4500-0001	W4Q Capital Works (21/24) - Georgetown - Streetscaping (roads)			
3411-4500-0002	W4Q Capital Works (21/24) - Georgetown Sports Centre		\$47,560.52	
3411-4500-0003	W4Q Capital Works (21/24) - Einasleigh - Drainage improvement (roads)	\$15,026.00	\$15,026.00	
3411-4500-0004	W4Q Capital Works (21/24) - Fors/Gtown - Water Telemetry			
3411-4500-0005	W4Q Capital Works (21/24) - Rural Addressing	\$6,342.07	\$6,342.07	
3411-4500-0006	W4Q Capital Works (21/24) - Forsayth Cemetery Fencing			
4140-4504-0003	Cap Imp. Depot - workshop hoist	\$2,685.70	\$27,962.75	
5030-4500-0001	Cap Imp. Einasleigh Common - Upgrade Eins Common Stock Yrds (other structures)		\$12,540.00	
3610-4500-0002	Recovery & Resilience Grant - North Head Rd - Install drainage & bitumen seal (roads)			
3610-4500-0003	Recovery & Resilience Grant - Georgetown Street scaping (roads)			
3620-4500-0001	LRCI Phase 3 - Forsayth Transfer Station	\$9,528.40	\$32,028.40	
3620-4500-0002	LRCI Phase 3 - Gtown Sports center (Parking & drainage)	\$521,553.88	\$540,317.12	
3620-4500-0003	LRCI Phase 3 - Reseals 2			
3620-4500-0004	LRCI Phase 3 -Industrial estate	\$6,024.00	\$6,024.00	
5151-4505-0000	Mt Surprise Bike Park - Stage 2			
		\$694,669.51	\$1,134,002.24	

		YEAR TO DATE (ACTUALS)	TOTAL EXPENDITURE (ACTUALS)	BUDGET
0400-4350-0000	Work in Progress - Other Structures			\$7,145,154.00
3100-4502-0000	Comm Devel - 150yr commemorative wall	\$11,454.73	\$11,454.73	
3270-4500-0001	Shire Office - Cap Works - Car park shade structure		\$2,763.64	
5151-4503-0000	Georgetown Parks Capital - Heritage park play area upgrade		\$33,397.90	
5151-4504-0000	Cap Works - Wash down facility	\$13,970.66	\$13,970.66	
6010-4502-0001	Infrastructure at Cost Building Our Regions Grant Terrestrial Upgrade - Security upgrade		\$2,344.00	
6010-4502-0005	Collection upgrade - John Towing - Topaz purchase		\$25,000.00	
		\$25,425.39	\$88,930.93	
0400-4450-00000	Work in Progress - Fleet Plant & Equipment			\$8,889,273.00
4150-4500-6080	Plant Purchases - 2022 CAT Grader Trimble		\$76,547.00	
4150-4500-3160	Plant Purchase - Ferris Mower (Plant 3160)		\$14,860.56	
4150-4500-1340	Plant Purchase - Prado (Plant 1340)		\$82,758.09	
4150-4500-1335	Plant Purchase - Prado (Plant 1335)		\$82,758.09	
4150-4500-1300	Plant Purchase - Hilux (Plant 1300)		\$75,201.14	
4150-4500-1320	Plant Purchase - Hilux (Plant 1320)		\$75,201.14	
4150-4500-5105	Plant Purchase - Backhoe Loader (Plant 5105)		\$287,835.80	
4150-4500-2640	Plant Purchase - Fuso Truck (Plant 2640)	\$1,122.41	\$262,388.79	
4150-4500-8885	Plant Purchase - 2400L diesel tank	\$13,435.63	\$13,435.63	
4150-4500-6085	Plant Purchase - 2023 Cat Grader	\$612,326.05	\$612,326.05	
4150-4500-3155	Plant Purchase - Mower Ferris 72 Inch Zero Turn	\$64,530.75	\$64,530.75	
4150-4502-0000	Plant Sales - Plant 1247, 1025, 1117, 1015, 1077 (Pacific Toyota)		-\$30,000.00	
4150-4502-0000	Plant Sales - Plant 1209, Plant 1261		-\$58,181.82	
4150-4502-0000	Plant Sales - Plant 1163		-\$4,545.45	
4150-4502-0000	Plant Sales - Plant 5013 (Backhoe)	-\$44,000.00	-\$44,000.00	
4150-4502-0000	Plant Sales - Plant 1140 (Toyota Troop carrier)	-\$31,800.00	-\$31,800.00	
4150-4502-0000	Plant Sales - Plant 2488 (Prime Mover Nissan UD GW470 Year 2009)	-\$22,727.27	-\$22,727.27	
4150-4502-0000	Plant Sales - Plant 6078 Grader Catipiller 12M	-\$150,000.00	-\$150,000.00	
4150-4502-0000	Plant Sales - Plant 3136 Mower Zero Turn John Deer Z997R	-\$2,272.73	-\$2,272.73	
		\$440,614.84	\$1,304,315.77	
0400-4550-0000	Work in Progress - Furniture & Other Equipment			
2060-4500-0001	ActiveKit - Keyless Entry	\$ 25,765.57	\$ 70,716.90	
		\$25,765.57	\$70,716.90	

		YEAR TO DATE (ACTUALS)	TOTAL EXPENDITURE (ACTUALS)	BUDGET
0400-4650-0000	Work in Progress - Roads Infrastructure			\$11,107,016.00
4012-4500-0001	Work In progress -Roads & Streets - First Street Forsayth 22/23 Survey & Design	\$7,530.00	\$9,930.00	
4020-4500-0001	Capital Ip - Sealed Services - Forsayth - Einasleigh Rd Reseal		\$413,935.54	
4020-4530-0000	Forsayth Einasleigh 22/23 - Survey & design	\$23,774.72	\$30,274.72	
4020-4540-0000	Forsayth-Eins cap works - sign replacement	\$5,331.30	\$5,331.30	
4020-4550-0000	Cap imp - Gtown Cemetery Road - Upgrade & seal		\$124,310.98	
4040-4500-0000	Cap imp - Queenslander Creek upgrade	\$10,400.00	\$10,400.00	
4060-4500-0001	Cap Imp - Floodways - Gilberton Road	\$11,111.32	\$11,111.32	
4060-4501-0001	Cap Imp - Floodways - Oak Park Road	\$127,582.23	\$127,582.23	
		\$185,729.57	\$732,876.09	
0400-4750-0000	Work in Progress - Water Infrastructure			\$11,254,708.00
4320-4500-0002	Capital Imp. Georgetown Water Plant & Equipment at cost - Replacement of Meters	\$3,136.62	\$11,751.46	
4320-4500-0004	Capital Imp. Georgetown Water Plant & Equipment at cost - New Water Connections	\$1,729.86	\$6,003.81	
4320-4501-0002	Capital Imp. Georgetown Water Infra - Valve replacement		\$5,877.67	
4320-4501-0006	Capital Imp. Georgetown Water Infra - New main to Etheridge River	\$8,465.93	\$8,465.93	
4320-4501-0007	Capital Imp. Georgetown Water Infra - Install/upgrade Gtown telemetry	\$11,863.02	\$11,863.02	
4320-4501-0008	Capital Imp. Georgetown Water Infra - Standpipe Gtown - landfill	\$8,101.88	\$8,101.88	
4320-4507-0001	Water Supply Gtown - Infrastructure at cost - Replace water main (St George St & South St)		\$12,130.02	
4340-4500-0002	Capital Imp. Forsayth Water PPE - Replacement of meters	\$389.63	\$5,219.27	
4340-4500-0004	Capital Imp. Forsayth Water PPE - New Water Connection		\$2,311.05	
4340-4504-0003	Capital Imp - Forsayth Water Capital Imp. Res. To WTP - Install telemetry		\$7,080.00	
4500-4506-0001	Charleston Dam Rec Area - Charleston Dam Rec Survey Des		\$85,373.05	
4500-4506-0002	Charleston Dam Rec Area - Fencing	\$1,450.78	\$150,357.45	
4500-4508-0000	Charleston Dam - Water supply pipelines	\$2,644.37	\$2,644.37	
		\$37,782.09	\$317,178.98	
		\$1,417,818.17	\$3,978,033.37	\$47,625,901.00

Etheridge Shire Council

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RATEGROUP	ASSESSMENT	NAME	ARRANGEMENTS	FUND	365+ DAYS	181-365 DAYS	31-180 DAYS	1-30 DAYS	CURRENT	TOTAL
					ARREARS	ARREARS	ARREARS	ARREARS	NOT DUE	
FUND SUMMARY										
FUND					366+ DAYS ARREARS	181-365 DAYS ARREARS	31-180 DAYS ARREARS	1-30 DAYS ARREARS	CURRENT NOT DUE	TOTAL
GENERAL					61243.68	3056.02	117182.31	2794.81	13007.49	197284.31
WATER					3628.38	370.52	9179.94	151.21		13330.05
CLEANSING					1567.67	75.40	3662.77	61.47		5367.31
WATER CONSUMPTION					310.97	1254.11	1281.50	31.24		2877.82
WASTE MANAGEMENT					659.17	41.90	1303.71	22.90		2027.68
Emergency Fire & Rescue Levy					5438.40	257.88	27309.80	364.49	98.13	33468.70
CHARGE ON LAND						3334.84				3334.84
FUND SUMMARY TOTAL					72848.27	8390.67	159920.03	3426.12	13105.62	257690.71

Etheridge Shire Council

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FUND SUMMARY	FUND	ARREARS		LEVIES							SUBSIDY		UNALLOCATED RECEIPTS	BALANCE
		RATES	INTEREST	RATES	WATER	DR SUPP.	CR SUPP.	INTEREST	RECEIPTS	DISCOUNT	WRITE OFFS	GOVERNMENT		
	GENERAL	90035.64	11107.95	2479734.69		68440.19	60990.24	7202.28	2052563.44	318563.60		7881.65	19237.51	197284.31
	WATER	7095.81	2078.64	343544.20				431.38	287246.03	48354.45		1577.00	2642.50	13330.05
	CLEANSING	1687.32	200.36	138982.00				156.80	116165.77	19493.40				5367.31
	T.V.			1492.00					1268.20					0.00
	COMMERCIAL GARBAGE													
	WATER CONSUMPTION	4522.14	129.86	54028.25				168.22	55953.72	223.80				2877.82
	WASTE MANAGEMENTT	822.86	79.94	36540.00		630.00	630.00	60.83	34068.00		16.93			2027.68
	Emergency Fire & Res	8926.75	824.35	123715.80		908.91	6037.77	818.51	95687.85			486.97	920.98	33468.70
	CHARGE ON LAND	6965.98							3631.14					3334.84
	Unallocated Rates Receipts													-41500.72
	FUND SUMMARY TOTAL	120056.50	14421.10	3178036.94		69979.10	67658.01	8838.02	2646584.15	386635.25	16.93	9945.62	22800.99	216189.99

Etheridge Shire Council

Statement of Comprehensive Income

For the Year Ended Jun 30 2024

	<u>Notes</u>	<u>2024 Actual</u>	<u>Amend. 23/24</u>
Income			
Revenue			
Recurrent revenue			
Rates, levies and charges	3	2,656,757	2,747,450
Fees and charges	3	156,568	347,000
Interest Income	7	277,510	225,000
Other income	3	39,620	18,000
Rental Income	8	80,203	208,500
Sales revenue	3	5,355,997	11,865,000
Grants, subsidies, contributions and donations	4	9,180,439	40,201,000
Total recurrent revenue		17,747,094	55,611,950
Capital revenue			
Grants, subsidies, contributions and donations	4	255,036	4,535,000
Total capital revenue		255,036	4,535,000
Expenses			
Recurrent expenses			
Employee benefits		(2,537,726)	(6,100,500)
Materials and services		(14,720,796)	(50,504,750)
Finance Interest Costs		0	(201,000)
Depreciation and amortisation: PP&E	9	0	(4,707,750)
Total recurrent expenses	6 7	(17,258,522)	(61,514,000)
Net Operating Result		743,608	(1,367,050)
Other Expenses			
Total other expenses		0	0
Net Capital result		743,608	(1,367,050)
Other comprehensive income			
Total other comprehensive income for the year		0	0
WIP Cap Exp			
Total WIP (Tsf to Fin Postn)		0	0
Total comprehensive income for the year		743,608	(1,367,050)

The above Statement should be read in conjunction with the accompanying notes and the Summary of Significant Accounting Policies.

Etheridge Shire Council

Statement of Financial Position

For the Year Ended Jun 30 2024

	<u>Notes</u>	<u>2024 Actual</u>	<u>Amend. 23/24</u>
Current Assets			
Cash and cash equivalents	3	16,029,586	20,451,748
Receivables	12	1,979,788	122,043
Contract Assets		4,716,257	4,271,297
Other Current Assets		70,206	70,206
Inventories	13	717,934	406,188
		23,513,770	25,321,482
Total current assets	2	23,513,770	25,321,482
Non-current Assets			
Property Plant & Equipmt - WIP		4,151,251	16,830,770
Property, plant and equipment	15 7	278,804,413	274,643,189
Total non-current assets	2	282,955,664	291,473,959
TOTAL ASSETS		306,469,434	316,795,441
Current Liabilities			
Payables	17	951,296	2,571,752
Contract Liabilities		11,809,036	6,815,514
Borrowings	21	9,903	13,510
Provisions	18	263,348	277,982
Total current liabilities		13,033,582	9,678,758
Non-current Liabilities			
Borrowings	21	16,251	5,981,751
Provisions	18	1,990,172	2,102,523
Total non-current liabilities		2,006,423	8,084,274
TOTAL LIABILITIES		15,040,005	17,763,032
NET COMMUNITY ASSETS		291,429,429	299,032,409
Community Equity			
Asset revaluation reserve	25	197,211,129	197,249,238
Shire Capital		39,500,666	39,500,666
Current Surplus		743,608	3,544,450
Retained surplus/(deficiency)		44,330,277	49,387,257
Reserves		9,460,800	9,460,800
TOTAL COMMUNITY EQUITY		291,246,481	299,142,411

The above Statement should be read in conjunction with the accompanying notes and the Summary of Significant Accounting Policies.

Etheridge Shire Council
Statement of Cash Flows
For the Year Ended Jun 30 2024

	<u>Notes</u>	<u>2024 Actual</u>	<u>Amend. 23/24</u>
Cash flows from operating activities:			
Receipts from customers		13,043,378	23,855,450
Payments to suppliers and employees		(23,222,729)	(60,658,750)
Interest received		282,298	232,000
Rental income		80,203	208,500
Non-capital grants and contributions		8,808,486	34,535,000
Borrowing costs		0	(201,000)
Net cash - operating activities	23	<u>(1,008,365)</u>	<u>(2,028,800)</u>
Cash flows from investing activities:			
Grants, subsidies, contributions and donations		516,936	10,171,000
Payments for property, plant and equipment		(1,574,832)	(14,254,350)
Net cash - from investing activities		<u>(1,057,896)</u>	<u>(4,083,350)</u>
Cash flows from financing activities			
Repayment of borrowings		(3,607)	5,965,500
Net cash flow - financing activities		<u>(3,607)</u>	<u>5,965,500</u>
Net increase/(decrease) in cash held		(2,069,869)	(146,650)
Add cash and cash equivalents - beginning of year		18,070,155	18,070,155
Cash and cash equivalents - closing	3	<u>16,029,586</u>	<u>17,923,505</u>

The above Statement should be read in conjunction with the accompanying notes and the Summary of Significant Accounting Policies.

(Accounts: 0300-0001-0000 to 5014-2400-0000. All report groups. 42% of year elapsed. To Level 3. Excludes committed costs)

Etheridge Shire Council (Budget for full year)

Financial Year Ending 2024

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	REVENUE			EXPENDITURE			SURPLUS/(DEFICIENCY)		
	30 Nov 2023		Budget	30 Nov 2023		Budget	30 Nov 2023		Budget
1000-0001 Governance									
1000-0002 Elected Members	0	0%	0	177,081	41%	432,500	(177,081)	41%	(432,500)
1010-0002 Governance	0	0%	0	2,158	0%	1,015,000	(2,158)	0%	(1,015,000)
1020-0002 Economic Development	569	---	0	184,854	123%	150,000	(184,284)	123%	(150,000)
1030-0002 Civic Receptions and Events	0	0%	0	0	0%	25,250	0	0%	(25,250)
1040-0002 Regulatory Services									
1040-0003 Town Planning	5,950	16%	37,500	16,007	26%	62,500	(10,057)	40%	(25,000)
1041-0003 Building Control	0	0%	6,500	0	0%	20,000	0	0%	(13,500)
1042-0003 Environmental Health	7,480	150%	5,000	0	0%	42,500	7,480	-20%	(37,500)
1043-0003 Local Laws	0	0%	0	0	0%	5,000	0	0%	(5,000)
1040-0002 Regulatory Services	13,430	27%	49,000	16,007	12%	130,000	(2,577)	3%	(81,000)
1050-0002 Disaster Management	86,011	410%	21,000	6,414	13%	49,750	79,597	-277%	(28,750)
1060-0002 WH&S	0	0%	0	252,385	86%	295,000	(252,385)	86%	(295,000)
1000-0001 Governance	100,011	143%	70,000	638,899	30%	2,097,500	(538,888)	27%	(2,027,500)
2000-0001 Corporate									
2000-0002 General Rates	2,491,438	115%	2,167,250	337,801	---	0	2,153,637	99%	2,167,250
2010-0002 General Administration	431,212	8%	5,685,000	1,842,101	82%	2,258,000	(1,410,889)	-41%	3,427,000
2020-0002 Employee Services	878,698	48%	1,840,000	711,542	38%	1,870,000	167,156	-557%	(30,000)
2030-0002 ICT	0	0%	0	114,618	26%	435,000	(114,618)	26%	(435,000)
2040-0002 Broadcasting Services	0	0%	0	2,929	11%	27,500	(2,929)	11%	(27,500)
2000-0001 Corporate	3,801,348	39%	9,692,250	3,008,991	66%	4,590,500	792,357	16%	5,101,750
3000-0001 Community									
3000-0002 Commercial Rental Properties									
3000-0003 Staff housing	56,864	36%	156,000	37,035	8%	441,250	19,828	-7%	(285,250)
3002-0003 Savannah House	1,625	36%	4,500	911	3%	33,500	714	-2%	(29,000)
3003-0003 Demountable Office (Mary St)	21,714	45%	48,000	10	0%	5,000	21,704	50%	43,000
3004-0003 Aged Care	0	0%	0	0	0%	100,000	0	0%	(100,000)
3000-0002 Commercial Rental Properties	80,203	38%	208,500	37,956	7%	579,750	42,247	-11%	(371,250)
3010-0002 Libraries	2,925	49%	6,000	5,333	10%	54,000	(2,408)	5%	(48,000)
3020-0002 Community Development	25,200	19%	134,000	27,752	8%	365,000	(2,552)	1%	(231,000)
3030-0002 Sport & Recreation	90,002	21%	427,500	78,670	15%	529,000	11,332	-11%	(101,500)
3040-0002 Halls	2,816	56%	5,000	33,092	12%	283,500	(30,276)	11%	(278,500)
3050-0002 Medical Centres	0	0%	0	11,975	24%	50,000	(11,975)	24%	(50,000)
3060-0002 Aerodromes	0	0%	0	36,619	12%	306,000	(36,619)	12%	(306,000)

(Accounts: 0300-0001-0000 to 5014-2400-0000. All report groups. 42% of year elapsed. To Level 3. Excludes committed costs)

Etheridge Shire Council (Budget for full year)

Financial Year Ending 2024

Printed(LAURIEH): 06-12-2023 10:54:52 AM

		REVENUE		EXPENDITURE		SURPLUS/(DEFICIENCY)					
		30 Nov 2023	Budget	30 Nov 2023	Budget	30 Nov 2023	Budget				
3070-0002	Terrestrial Centre	88,626	66%	134,000	161,341	23%	695,250	(72,715)	13%	(561,250)	
3080-0002	Little Gems Child Care Centre	129,005	47%	272,500	200,733	54%	373,750	(71,728)	71%	(101,250)	
3090-0002	Georgetown Student Hostel	96,356	48%	200,000	70,159	19%	370,750	26,197	-15%	(170,750)	
3100-0002	Cemeteries	1,000	---	0	4,129	6%	65,000	(3,129)	5%	(65,000)	
-----		-----		-----		-----		-----		-----	
3000-0001	Community	516,133	37%	1,387,500	667,759	18%	3,672,000	(151,626)	7%	(2,284,500)	
4000-0001 Infrastructure Services											
4000-0002	Parks Gardens Reserves and Grounds	2,034	2%	120,000	181,538	33%	553,250	(179,504)	41%	(433,250)	
4010-0002	Rural Lands Protection	14,152	37%	38,000	66,633	11%	620,500	(52,481)	9%	(582,500)	
4020-0002	Street Lighting	0	0%	0	4,978	31%	16,250	(4,978)	31%	(16,250)	
4030-0002 Roads											
4030-0003	Shire Roads	160,074	4%	4,100,000	279,385	7%	3,775,000	(119,311)	-37%	325,000	
4031-0003	Town Streets	0	0%	900,000	201,626	58%	350,000	(201,626)	-37%	550,000	
4032-0003	Flood Damage	8,766,480	27%	33,000,000	9,435,678	29%	33,000,000	(669,198)	---	0	
-----		-----		-----		-----		-----		-----	
4030-0002	Roads	8,926,555	23%	38,000,000	9,916,689	27%	37,125,000	(990,135)	-113%	875,000	
4040-0002	Depot and Stores	39,975	32%	125,000	98,132	11%	920,250	(58,158)	7%	(795,250)	
4050-0002 Recoverable Works											
4050-0003	Private Works	130,131	63%	205,000	85,815	48%	180,000	44,316	177%	25,000	
4051-0003	DTMR	5,173,995	45%	11,500,000	5,700,129	57%	10,000,000	(526,134)	-35%	1,500,000	
-----		-----		-----		-----		-----		-----	
4050-0002	Recoverable Works	5,304,125	45%	11,705,000	5,785,944	57%	10,180,000	(481,818)	-32%	1,525,000	
4060-0002	Plant Operations	3,516,037	50%	7,000,000	1,208,043	29%	4,106,250	2,307,993	80%	2,893,750	
-----		-----		-----		-----		-----		-----	
4000-0001	Infrastructure Services	17,802,877	31%	56,988,000	17,261,958	32%	53,521,500	540,920	16%	3,466,500	
5000-0001 Utilities											
5000-0002 Water Supply											
5000-0003	Georgetown WTP & Reticulation	314,551	95%	331,500	169,890	19%	880,000	144,661	-26%	(548,500)	
5001-0003	Forsayth WTP & Reticulation	85,004	88%	96,250	124,453	30%	411,000	(39,449)	13%	(314,750)	
5002-0003	Charleston Dam	0	0%	0	3,361	2%	200,000	(3,361)	2%	(200,000)	
-----		-----		-----		-----		-----		-----	
5000-0002	Water Supply	399,555	93%	427,750	297,704	20%	1,491,000	101,851	-10%	(1,063,250)	
5010-0002 Waste Management											
5010-0003	Georgetown	140,563	117%	120,000	146,327	62%	237,500	(5,764)	5%	(117,500)	
5011-0003	Forsayth	14,704	3%	514,950	17,760	47%	37,500	(3,056)	-1%	477,450	
5012-0003	Einasleigh	10,517	100%	10,500	9,764	56%	17,500	753	-11%	(7,000)	
5013-0003	Mt Surprise	11,357	103%	11,000	4,295	34%	12,500	7,062	-471%	(1,500)	
-----		-----		-----		-----		-----		-----	
5010-0002	Waste Management	177,141	27%	656,450	178,146	58%	305,000	(1,006)	0%	351,450	

(Accounts: 0300-0001-0000 to 5014-2400-0000. All report groups. 42% of year elapsed. To Level 3. Excludes committed costs)

Etheridge Shire Council (Budget for full year)

Financial Year Ending 2024

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	REVENUE		EXPENDITURE		SURPLUS/(DEFICIENCY)	
	30 Nov 2023	Budget	30 Nov 2023	Budget	30 Nov 2023	Budget
5000-0001 Utilities	576,696	53% 1,084,200	475,850	26% 1,796,000	100,846	-14% (711,800)
TOTAL REVENUE AND EXPENDITURE	22,797,065	33% 69,221,950	22,053,457	34% 65,677,500	743,608	21% 3,544,450

(Accounts: 0300-0001-0000 to 5014-2400-0000. All report groups. 42% of year elapsed. To Level 3. Excludes committed costs)

Etheridge Shire Council (Budget for full year)

Financial Year Ending 2024

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	OPENING BALANCE	YEAR TO DATE 30 Nov 2023		BUDGET	CURRENT BALANCE 30 Nov 2023		BUDGET
<u>CURRENT ASSETS</u>							
0300-0001 ASSETS LIABILITIES & EQUITY							
0300-0002 CASH AND RECEIVABLES	25,958,853	(2,445,083)	>999%	(146,650)	23,513,770	93%	25,321,482
0300-0001 ASSETS LIABILITIES & EQUITY TOTAL	25,958,853	(2,445,083)	>999%	(146,650)	23,513,770	93%	25,321,482
TOTAL CURRENT ASSETS	25,958,853	(2,445,083)	>999%	(146,650)	23,513,770	93%	25,321,482
<u>NON-CURRENT ASSETS</u>							
0300-0001 ASSETS LIABILITIES & EQUITY							
0400-0002 NON-CURRENT ASSETS	281,380,833	1,574,832	16%	9,546,600	282,955,664	97%	291,473,959
0300-0001 ASSETS LIABILITIES & EQUITY TOTAL	281,380,833	1,574,832	16%	9,546,600	282,955,664	97%	291,473,959
TOTAL NON-CURRENT ASSETS	281,380,833	1,574,832	16%	9,546,600	282,955,664	97%	291,473,959
TOTAL ASSETS	307,339,686	(870,252)	-9%	9,399,950	306,469,434	97%	316,795,441

(Accounts: 0300-0001-0000 to 5014-2400-0000. All report groups. 42% of year elapsed. To Level 3. Excludes committed costs)

Etheridge Shire Council (Budget for full year)

Financial Year Ending 2024

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	OPENING BALANCE	YEAR TO DATE 30 Nov 2023	----- BUDGET	----- CURRENT BALANCE 30 Nov 2023	----- BUDGET
<u>CURRENT LIABILITIES</u>					
0300-0001 ASSETS LIABILITIES & EQUITY					
0500-0002 CURRENT PAYABLES AND LIABILITIES	14,718,040	(1,638,696)	---	13,079,344	135%
0300-0001 ASSETS LIABILITIES & EQUITY TOTAL	14,718,040	(1,638,696)	---	13,079,344	135%
TOTAL CURRENT LIABILITIES	14,718,040	(1,638,696)	---	13,079,344	135%
<u>NON-CURRENT LIABILITIES</u>					
0300-0001 ASSETS LIABILITIES & EQUITY					
0600-0002 LOANS & LIABILITIES NON-CURRENT	2,118,773	24,836	0%	2,143,610	27%
0300-0001 ASSETS LIABILITIES & EQUITY TOTAL	2,118,773	24,836	0%	2,143,610	27%
TOTAL NON-CURRENT LIABILITIES	2,118,773	24,836	0%	2,143,610	27%
TOTAL LIABILITIES	16,836,813	(1,613,860)	-27%	15,222,953	86%
NETT ASSETS/(LIABILITIES)	290,502,873	743,608	22%	291,246,481	97%

(Accounts: 0300-0001-0000 to 5014-2400-0000. All report groups. 42% of year elapsed. To Level 3. Excludes committed costs)

Etheridge Shire Council (Budget for full year)

Financial Year Ending 2024

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		OPENING	YEAR TO DATE		CURRENT BALANCE	
		BALANCE	30 Nov 2023	BUDGET	30 Nov 2023	BUDGET
<u>COMMUNITY EQUITY</u>						
0300-0001	ASSETS LIABILITIES & EQUITY					
0700-0002	SHIRE CAPITAL & RESERVES	290,502,873	743,608	21% 3,544,450	291,246,481	97% 299,142,411
0300-0001	ASSETS LIABILITIES & EQUITY TOTAL	290,502,873	743,608	21% 3,544,450	291,246,481	97% 299,142,411
	TOTAL COMMUNITY EQUITY	290,502,873	743,608	21% 3,544,450	291,246,481	97% 299,142,411



Etheridge Shire Council

General Meeting	13 th December 2023
Subject	Audit Committee Meeting Minutes – 10 th November 2023
Classification	Open
Author	Andrew McKenzie, Director Corporate Services

EXECUTIVE SUMMARY

In February 2022, Council reconstituted an Audit Committee.

The Audit Committee met on the 10th November 2023 to receive and consider Council's Annual General Purpose Financial Statements. A copy of the Minutes of the Audit Committee meeting is presented for Council's consideration.

RECOMMENDATION

That Council receive the minutes of the Audit Committee Meeting held 10th November 2023, and note the contents therein.

BACKGROUND

As noted above, Council constituted its Audit Committee in February 2022. It met on the 10th November 2023 to receive Council 2022/23 Annual General Purpose Financial Statements, having passed through external audit.

Under the LG Act & Reg, Council must table its final draft annual financial statements at its Audit Committee before forwarding the statements to QAO for certification. Under the External Audit Plan, Council agreed with QAO to have its financial statements to Audit by Monday 28th August. We have achieved this timeframe. Further, the LG Regs require Council to complete their audit by 31st October. We did not meet this timeframe, and sought a Ministerial extension of time, which was subsequently granted.

Subsequent to the Audit Committee meeting, I am able to advise that QAO certified Council's Annual General Financial Statements on / around 16/11/2023.

LINK TO CORPORATE PLAN

Corporate Aim No. 5: Best practice corporate governance and organisational excellence.

Outcome 5.1: Council provides community leadership through financial sustainability and an open and accountable governance structure.

BUDGET & RESOURCE CONSIDERATIONS

An allocation has been made in this year's budget for internal and external audit fees.

CONSULTATION

Both External and Internal Plans have been negotiated with the respective Audit parties and tabled at Council meetings as part of the attachments to prior Audit Committee Meeting Minutes.

LEGAL CONSIDERATIONS

Nil – arising out of this meeting. The External Audit Plan is the legislative trigger for the presentation date of Council's final draft annual financial statements to QAO & external auditor.

POLICY IMPLICATIONS

Nil

RISK ASSESSMENT

CONSEQUENCE					
LIKELIHOOD*	Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
A (Almost certain)	H	H	E	E	E
B (Likely)	M	H	H	E	E
C (Possible)	L	M	H	E	E
D (Unlikely)	L	L	M	H	E
E (Rare)	L	L	M	H	H

OUTCOME

Risk is assessed as Low. The governance framework around the Audit Committee is seen as a significant risk management strategy.

Report Prepared By:

Report Authorised By:

Andrew McKenzie, Director Corporate Services

Ken Timms, Chief Executive Officer

Date: 13th November 2023

Date:

AUDIT COMMITTEE MEETING
HELD IN GEORGETOWN THURSDAY 10th NOVEMBER 2023
GEORGETOWN COUNCIL CHAMBERS

UNCONFIRMED MINUTES

Chair, Cr Barry Hughes opened the meeting at 2.33Pm.

ACKNOWLEDGEMENT OF COUNTRY EWAMIAN PEOPLE

“We would like to acknowledge the traditional owners of this land and pay our respects to the Elders past, present and future for they hold the history, cultural practice and traditions, of their people.”

DECLARATIONS

Nil

ATTENDANCE

Members: Cr Barry Hughes (Chair), Cr Laurell Royes
Advisors:
Mr Andrew McKenzie, DCS, Etheridge Shire Council
Mr Laurie Hawker, Acting Finance Manager
Mrs Megan Alexanderson, Snr Finance Officer
Mrs Margaret Dewhurst, BDO (via Teams)
Mr Irshad Wahab, (QAO) (via Teams)

APOLOGIES

That the apologies of the following Committee Members / participants be received, and leave of absence granted: -

- Mr Jason Ritchie (Member)
- Mr Ken Timms, CEO, Etheridge Shire Council
- Mr Luke Cecolini, BDO
- Mrs Carolyn Eagle, Pacifica Chartered Accountants

CONFIRMATION OF MINUTES

MOVED: Cr Royes

SECONDED: Cr Hughes

That:

The Minutes of the Audit Committee Meeting held 25th August 2023 be confirmed.

CARRIED

BUSINESS ARISING FROM PREVIOUS MEETING MINUTES

Mr McKenzie advised that he was in contact with Pacifica Chartered Accounts (Internal Auditor) to set dates for an internal audit project in early 2024. Mr Kenzie also noted the Internal Audit Plan will be placed before the Audit Committee's next meeting to confirm the internal audit project.

NEW MATTERS

1. Reception of 2022/23 Annual General Purpose Financial Statements

ATTENDANCE

Mrs Alexanderson left the meeting at this point, the time being 3.00pm.

Mr McKenzie presented the final (post audit) draft 22/23 Annual General Purpose Financial Statements noting that Council is required to prepare Annual General Purpose Financial Statements in accordance with applicable legislation and Australian Accounting Standards.

The Financial Statements are audited by the Queensland Audit Office.

Where a Council has an Audit Committee, the draft General Purpose Financial Statements must be reviewed by the Audit Committee prior to being forward to QAO.

ATTENDANCE

Messrs McKenzie and Hawkins left the meeting between at 3.23pm and returned at 3.28pm.

MOVED: Cr Hughes

SECONDED: Cr Royes

That the Audit Committee receive the 2022/23 Annual General Purpose Financial Statements.

CARRIED

GENERAL BUSINESS

Nil

NEXT MEETING

Next meeting will be called upon receipt of Council's Management Letter, as issued by Queensland Audit Office.

CONCLUSION

Cr Hughes closed the meeting at 3.31pm.



Etheridge Shire Council

General Meeting	13 th December 2023
Subject	2022-23 Annual General Purpose Financial Statements
Classification	Open
Author	Andrew McKenzie, Director Corporate Services

EXECUTIVE SUMMARY

Following the presentation and reception of the final draft 2022/23 Annual General Purpose Financial Statements at the Audit Committee held 10th November 2023, I am delighted to report that the Queensland Audit Office has certified Council's Financial Statements and issued an unqualified audit opinion: that the statements give a true and fair view of Council's financial position as at 30th June 2023 and complies with the Local Government Regulation 2012 and Australian Accounting Standards.

RECOMMENDATION

That Council note QAO's certification of Council's 2022/23 Annual General Purpose Financial Statements.

BACKGROUND

Council is required to prepare Annual General Purpose Financial Statements in accordance with the Local Government Act & Regulation and Australian Accounting Standards. Once prepared, the Statements are subject to Audit. Audit planning commences in / around March each year, with Council and QAO negotiating the timing of certain events during the audit cycle. At the end of the day, the most critical date is the 31st October, the statutory deadline for completion of Audit.

According to the negotiated (External) Audit Plan, Council and BDO have substantially met key dates, with the exception of audit completion by 31st October. Council sought and obtained a Ministerial extension of time until the 30th November.

Council received final sign off of its Statements by 10th November (the date of the Audit Committee meeting, the subject of a separate report to this meeting), allowing the Audit Committee, and Mayor & CEO to sign the Statements. Once signed, the statements were forwarded to QAO for certification. Certification was received on 16th November 2023. While outside the initial statutory timeframe, Council and QAO have completed the 2022/23 Audit cycle within the extension of time granted by the Minister. This marks an improvement of 4-6 weeks from prior years, and a solid foundation for further improvement in the current financial year.

LINK TO CORPORATE PLAN

Corporate Aim No. 5: Best practice corporate governance and organisational excellence

Outcome 5.1: Council provides community leadership through financial sustainability and an open and accountable governance structure.

BUDGET & RESOURCE CONSIDERATIONS

Council allocated money in the 2023/24 Budget to cover external and internal audit fees.

CONSULTATION

Council has consulted extensively with Audit during the audit process and recently responded to matters identified in the closing external audit report (considered by the Audit Committee at its meeting held 10th November 2023).

LEGAL CONSIDERATIONS

Council has materially complied with the requirements of the Local Government Act & Regulation, together with the Australian Accounting Standards in preparing its 2022/23 Annual General Purpose Financial Statements.

With the certification of Council's Annual General Purpose Financial Statements, Council can receive and adopt the 2022/23 Annual Report – the subject of another report to this meeting.

POLICY IMPLICATIONS

Nil

RISK ASSESSMENT

CONSEQUENCE					
LIKELIHOOD*	Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
A (Almost certain)	H	H	E	E	E
B (Likely)	M	H	H	E	E
C (Possible)	L	M	H	E	E
D (Unlikely)	L	L	M	H	E
E (Rare)	L	L	M	H	H

OUTCOME

Risk is assessed as Low.

Report Prepared By:

Andrew McKenzie, Director Corporate Services

Date: 7th December 2023

Report Authorised By:

Ken Timms, Chief Executive Officer

Date:

Etheridge Shire Council
Financial Statements
for the year ended 30 June 2023

Etheridge Shire Council

Financial statements

For the year ended 30 June 2023

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Etheridge Shire Council
Statement of Comprehensive Income
For the year ended 30 June 2023

	<u>Note</u>	2023 \$	2022 \$
Income			
Revenue			
Recurrent revenue			
Rates, levies and charges	3(a)	2,536,003	2,307,366
Fees and charges	3(b)	171,648	294,842
Sales revenue	3(c)	17,817,228	15,873,786
Grants, subsidies, contributions and donations	3(d)	33,823,356	18,265,635
Total recurrent revenue		<u>54,348,235</u>	<u>36,741,628</u>
Capital revenue			
Grants, subsidies, contributions and donations	3(d)	1,691,855	5,039,933
Total capital revenue		<u>1,691,855</u>	<u>5,039,933</u>
Rental income	4(a)	186,815	178,520
Interest received	4(b)	208,898	71,333
Other income	4(a)	51,203	2,545
Other capital income	5	-	10,027
Total income		<u>56,487,006</u>	<u>42,043,987</u>
Expenses			
Recurrent expenses			
Employee benefits	6	(6,965,132)	(6,753,713)
Materials and services	7	(43,782,646)	(25,261,634)
Finance costs	8	(2,688)	(3,349)
Depreciation	13	(5,385,639)	(4,305,255)
		<u>(56,136,106)</u>	<u>(36,323,951)</u>
Capital expenses	9	(343,604)	(1,965,326)
Total expenses		<u>(56,479,710)</u>	<u>(38,289,277)</u>
Net result		<u>7,296</u>	<u>3,754,710</u>
Other comprehensive income			
Items that will not be reclassified to net result			
Increase / (decrease) in asset revaluation surplus	21	21,432,825	20,055,206
Total comprehensive income for the year		<u>21,440,121</u>	<u>23,809,916</u>

The above statement should be read in conjunction with the accompanying notes and accounting policies.

**Etheridge Shire Council
Statement of Financial Position
as at 30 June 2023**

	<u>Note</u>	2023 \$	2022 \$
Current assets			
Cash and cash equivalents	10	18,070,155	16,117,806
Receivables	11	2,766,252	1,003,856
Inventories	12	514,612	707,613
Contract assets	14	4,716,257	4,391,238
Total current assets		<u>26,067,276</u>	<u>22,220,513</u>
Non-current assets			
Property, plant and equipment	13	281,380,833	257,054,604
Total non-current assets		<u>281,380,833</u>	<u>257,054,604</u>
Total assets		<u>307,448,109</u>	<u>279,275,117</u>
Current liabilities			
Payables	15	2,195,890	3,771,993
Contract liabilities	14	11,809,037	3,385,241
Borrowings	16	13,510	11,705
Provisions	17	808,027	772,421
Total current liabilities		<u>14,826,462</u>	<u>7,941,360</u>
Non-current liabilities			
Borrowings	16	16,251	29,796
Provisions	17	2,102,522	2,241,189
Total non-current liabilities		<u>2,118,773</u>	<u>2,270,985</u>
Total liabilities		<u>16,945,236</u>	<u>10,212,345</u>
Net community assets		<u>290,502,873</u>	<u>269,062,772</u>
Community equity			
Asset revaluation surplus		197,211,150	175,778,324
Retained surplus		93,291,723	93,284,448
Total community equity		<u>290,502,873</u>	<u>269,062,772</u>

The above statement should be read in conjunction with the accompanying notes and accounting policies.

Etheridge Shire Council

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

	Asset revaluation surplus	Retained surplus	Total
	\$	\$	\$
Balance as at 1 July 2022	175,778,325	93,284,427	269,062,752
Net result	-	7,296	7,296
Other comprehensive income for the year			
Increase in asset revaluation surplus	21,432,825	-	21,432,825
Total comprehensive income for the year	21,432,825	7,296	21,440,121
Balance as at 30 June 2023	197,211,150	93,291,723	290,502,873
Balance as at 1 July 2021	155,723,119	89,529,717	245,252,836
Net result	-	3,754,710	3,754,710
Other comprehensive income for the year			
Increase in asset revaluation surplus	20,055,206	-	20,055,206
Total comprehensive income for the year	20,055,206	3,754,710	23,809,916
Balance as at 30 June 2022	175,778,325	93,284,427	269,062,752

The above statement should be read in conjunction with the accompanying notes and accounting policies.

Etheridge Shire Council
Statement of Cash Flows
For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Cash flows from operating activities			
Receipts from customers		18,936,194	17,841,375
Payments to suppliers and employees		<u>(52,180,496)</u>	<u>(30,065,618)</u>
		(33,244,302)	(12,224,243)
Interest received	4a	209,785	71,333
Rental Income	4a	186,815	178,520
Non Capital grants and contributions		40,833,393	20,986,152
Borrowing costs		<u>(2,688)</u>	<u>(7,777)</u>
Net cash inflow (outflow) from operating activities	23	<u>7,983,003</u>	<u>9,003,985</u>
Cash flows from investing activities			
Payments for property, plant and equipment	13	(9,317,000)	(11,985,685)
Grants, Subsidies contributions and Donations	3(d)	2,703,971	5,232,058
Proceeds from sale of property plant and equipment	9	594,114	661,000
Net cash inflow (outflow) from investing activities		<u>(6,018,915)</u>	<u>(6,092,627)</u>
Cash flows from financing activities			
Proceeds from borrowings		-	-
Repayment of borrowings		<u>(11,740)</u>	<u>(11,079)</u>
Net cash inflow (outflow) from financing activities		<u>(11,740)</u>	<u>(11,079)</u>
Net increase (decrease) in cash and cash equivalent held		<u>1,952,348</u>	<u>2,900,279</u>
Cash and cash equivalents at the beginning of the financial year		16,117,807	13,217,528
Cash and cash equivalents at end of the financial year	10	<u>18,070,155</u>	<u>16,117,807</u>

The above statement should be read in conjunction with the accompanying notes and accounting policies.

Etheridge Shire Council

Notes to the financial statements

For the year ended 30 June 2023

1	Information about these financial statements	1.D	Estimates and judgements (continued)
1.A	Basis of preparation <p>Etheridge Shire Council ("Council") is constituted under the Queensland Local Government Act 2009 and is domiciled in Australia.</p> <p>These general purpose financial statements, covering the period 1 July 2022 to 30 June 2023, have been prepared in accordance with the Local Government Act 2009 and the Local Government Regulation 2012.</p> <p>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 for the revaluation of certain items of property, plant and equipment.</p>		<p>The significant judgements, estimates and assumptions relate to the following items with specific information provided in the relevant note:</p> <p>Valuation, depreciation and impairment of Property, Plant and Equipment - Note 13 Provisions - Note 17 Contingent Liabilities Note 19 Revenue - Note 3</p>
1.B	New and revised Accounting Standards adopted during the year. <p>Council adopted all standards which became mandatorily effective for annual reporting periods beginning 1 July 2022. None of these adopted Standards has resulted in a material impact on reported positions, performance or cash flows.</p>	1.E	Rounding and comparatives <p>The Financial statements are denominated in Australian dollars. Figures may be subject to small, insignificant rounding adjustments. Comparative information is generally restated for reclassifications, errors and changes in accounting policies unless permitted otherwise by transition rules in a new Accounting Standard.</p>
1.C	Standards issued by the AASB, not yet effective. <p>The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2023. These standards have not been adopted by Council and will be included in the financial statements on their effective date.</p>	1.F	Taxation <p>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. The net amount of GST recoverable from the ATO or payable to the ATO is shown as an asset or liability respectively.</p>
1.D	Estimates and judgements <p>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.</p>		

Etheridge Shire Council
Notes to the financial statements
For the year ended 30 June 2023

2. Analysis of Results by Function

2(a) Council functions - component descriptions

- 1 Governance**
Elected and Executive corporate leadership. Comprises support functions for Mayor and Councillors, council and committee meetings, statutory requirements, human resources, media and public relations, planning, economic development and workplace health and safety.
- 2 Corporate Services**
Administration, Finance and organisational support. Based on providing Financial Reporting and Management reporting. This function includes the administration, building, finance, information technology and communication services of council.
- 3 Community Services**
Services directed toward meeting community outcomes. Community functions provide support to emergency services, growing aged care services and child care and education support, disaster management, sporting and recreation, animal control and day to day community and cultural activities.
- 4 Infrastructure**
Civil works and services. Centered on providing high quality and effective road network. Provides and maintains transport infrastructure, including the maintenance and provision of the roads, drainage and footpath networks.
- 5 Utilities**
Major goal is providing safe, sustainable water services. Includes activities relating to flood and waterways management. This function includes the goal of sustainably managing refuse sites including refuse collection and disposal services. Council does not provide sewerage infrastructure.

2(a) Council functions - component descriptions for previous year 2021-22.

- 1 Organisational excellence and governance
- 2 Improving Shire Communications Infrastructure and mechanisms
- 3 Resilient Transport Infrastructure
- 4 Delivering Potable and Irrigation Water
- 5 Natural Assets Environment and Economy
- 6 Commercial Services

Etheridge Shire Council
Notes to the financial statements
For the year ended 30 June 2023

2 (b) Analysis of results by function

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

Year ended 30 June 2023

Functions	Gross program income				Rental / Other income	Total income	Gross program expenses		Total expenses	Net result from recurrent operations	Net Result	Assets
	Recurrent		Capital				Recurrent	Capital				
	Grants	Other	Grants	Other								
	\$'000	\$'000	\$'000	\$'000								
Governance	158	6	40	-	-	205	(1,095)	-	(1,095)	(930)	(890)	-
Corporate Services	7,351	2,480	-	-	(296)	9,534	(4,867)	-	(4,867)	4,667	4,667	39,681
Community Services	206	784	-	-	-	990	(2,697)	-	(2,697)	(1,707)	(1,707)	-
Infrastructure	24,457	18,945	1,651	-	-	45,054	(46,205)	-	(46,205)	(2,802)	(1,151)	267,766
Utilities	-	628	-	-	-	628	(1,540)	-	(1,540)	(912)	(912)	-
Total Council	32,172	22,843	1,692	-	(296)	56,411	(56,403)	-	(56,403)	(1,684)	7	307,448

Year ended 30 June 2022

Functions	Gross program income				Rental / Other income	Total income	Gross program expenses		Total expenses	Net result from recurrent operations	Net Result	Assets
	Recurring		Capital				Recurring	Capital				
	Grants	Other	Grants	Other								
	\$'000	\$'000	\$'000	\$'000								
Organisational excellence and governance	7,901	1,846	-	10	65	9,822	(4,558)	(612)	(5,170)	5,254	4,652	264,246
Improving Shire Communications, Infrastructure and mechanisms	-	-	-	-	181	181	(295)	-	(295)	(114)	(114)	-
Equitable Social Infrastructure	54	4	580	-	-	638	(1,238)	-	(1,238)	(1,180)	(600)	21
Resilient Transport Infrastructure	10,116	15,790	2,743	-	5	28,654	(27,198)	-	(27,198)	(1,287)	1,456	7,051
Delivering potable and irrigation water	-	367	1,467	-	1	1,835	(1,096)	-	(1,096)	(728)	739	6,442
Natural Assets Environment and Economy	14	173	-	-	-	187	(1,009)	(1,353)	(2,362)	(822)	(2,175)	727
Commercial Services	181	296	250	-	-	727	(930)	-	(930)	(453)	(203)	788
Total Council	18,266	18,476	5,040	10	252	42,044	(36,324)	(1,965)	(38,289)	670	3,755	279,275

Year ended 30 June 2022

As per 2022-23 component descriptions

Functions	Gross program income				Rental/ Other income	Total income	Gross program expenses		Total expenses	Net result from recurrent operations	Net Result	Assets
	Recurrent		Capital				Recurrent	Capital				
	Grants	Other	Grants	Other								
	\$'000	\$'000	\$'000	\$'000								
Governance	-	31	465	10	-	506	(1,642)	(612)	(2,254)	(1,611)	(1,748)	-
Corporate Services	6,436	1,626	-	-	246	8,308	(5,655)	-	(5,655)	2,654	2,654	21,513
Community Services	196	484	317	-	-	997	(2,343)	-	(2,343)	(1,662)	(1,345)	-
Infrastructure	11,634	15,765	2,792	-	6	30,197	(25,224)	(1,353)	(26,577)	2,181	3,619	257,762
Utilities	-	569	1,467	-	-	2,036	(1,460)	-	(1,460)	(891)	576	-
Total Council	18,266	18,476	5,040	10	252	42,044	(36,324)	(1,965)	(38,289)	670	3,755	279,275

Etheridge Shire Council
Notes to the financial statements
For the year ended 30 June 2023

3 Revenue

(a) Rates, levies and charges

Rates, levies and other annual charges are recognised as revenue, when council earns the right to entitlement, at the commencement of the associated rating period.

Prepaid rates are customer rates payments received prior to the rating period, initially recognised as a financial liability until the commencement of the rating period. Council has no entitlement to such funds, and consequently, any such receipts are held to the credit benefit of customers rates accounts, until commencement of the ratings period.

<u>Note</u>	2023	2022
	\$	\$
General rates / Community levy	2,295,495	2,132,325
Water consumption, rental and sundries	447,779	412,984
Waste management	162,810	149,991
Total rates and utility charge revenue	2,906,084	2,695,300
Less: Discounts	(370,081)	(387,934)
	<u>2,536,003</u>	<u>2,307,366</u>

(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 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.

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.

TerrEstrial centre - admission fees	52,950	47,696
Agistment	32,700	29,712
Other fees and charges	85,998	217,434
	<u>171,648</u>	<u>294,842</u>

(c) Sales revenue

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 contract liabilities and is recognised as revenue in the period when the service is performed.

<u>Note</u>	2023	2022
	\$	\$
Rendering of services		
Contract and recoverable works	17,328,739	15,493,956
Private and Other works	237,627	131,595
	<u>17,566,365</u>	<u>15,625,551</u>
Child care centre	119,962	101,772
Hostel fees	56,067	71,943
	<u>176,029</u>	<u>173,714</u>
Sale of goods		
TerrEstrial Centre - goods	74,834	74,522
	<u>74,834</u>	<u>74,522</u>
Total sales revenue	<u>17,817,228</u>	<u>15,873,786</u>

Etheridge Shire Council
Notes to the financial statements
For the year ended 30 June 2023

(d) Grants, subsidies, contributions and donations (Cont)

Grant income under AASB15

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 but include milestone events, completion to a specification or standard, within a certain time frame. 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

Assets arising from transfers within the scope of AASB 1058, are recognised at the fair value of the asset at the time of transfer. Council recognises any associated liability or equity item relationships similarly at this time, with any resultant benefit then being recognised as either income or expense.

Capital grants

Where council receive 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.

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 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.

	2023 \$	2022 \$
(i) Operating		
General purpose grants	133,333	101,755
State government subsidies and grants	23,994,302	10,357,202
Commonwealth government subsidies and grants	9,690,774	7,800,744
Donations	4,947	5,934
Total recurrent grants, subsidies, contributions and donations	<u>33,823,356</u>	<u>18,265,635</u>

(ii) Capital

Capital revenue includes grants and subsidies received and tied to specific projects for the replacement or upgrade of existing, non-current, assets and investment in new assets.

State government subsidies and grants	1,505,639	1,932,407
Commonwealth government subsidies and grants	186,215	3,107,526
Total capital grants, subsidies and contributions	<u>1,691,855</u>	<u>5,039,933</u>

(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	9,824,107	25,686,157	8,009,136	15,290,497
Donations	4,947	-	5,934	-
	<u>9,829,054</u>	<u>25,686,157</u>	<u>8,015,070</u>	<u>15,290,497</u>

Etheridge Shire Council
Notes to the financial statements
For the year ended 30 June 2023

	2023 \$	2022 \$
4 Rental, interest and other income		
4 (a) Rental Income		
Council earns rental income from employee provided housing standard residential tenancy agreements. Bond deposits are lodged with the RTA. Council also has an arms length commercial office agreement with a contractor under a services provision contract.		
Rental Income	186,815	178,520
Other income	51,203	2,545
Total Rental and other income	<u>238,018</u>	<u>181,065</u>
4 (b) Interest received		
Interest received		
earned on at call deposit accounts	199,341	59,162
earned on overdue rates and charges	9,557	12,171
Total interest and other income	<u>208,898</u>	<u>71,333</u>

	2023 \$	2022 \$
5 Capital income		
Gain / loss on disposal of non-current assets		
Proceeds from sale of property, plant and equipment	-	10,027
Less: Carrying value of property, plant and equipment	13	-
Total profit on disposal of property, plant and equipment	<u>-</u>	<u>10,027</u>
Total capital income	<u>-</u>	<u>10,027</u>

6 Employee benefits		
Employee benefit expenses are recorded when the service has been provided by the employee.		
Staff wages and salaries	5,063,868	5,013,028
Councillors' remuneration	316,283	368,896
Annual, personal and long-service leave entitlements	841,124	920,314
Other employee related expenses	154,332	134,977
Superannuation	589,526	563,647
	<u>6,965,132</u>	<u>7,000,862</u>
Less: Capitalised employee expenses	-	(247,149)
	<u>6,965,132</u>	<u>6,753,713</u>

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

	2023 Number	2022 Number
Total Council employees at the reporting date:		
Elected members	5	5
Administration staff (Inc Exec)	15	20
Childcare	4	30
Depot and works staff	36	4
Total full time equivalent employees	<u>60</u>	<u>59</u>

Etheridge Shire Council
Notes to the financial statements
For the year ended 30 June 2023

	2023	2022
Note	\$	\$
7 Materials and services		
Expenses are recorded on an accruals basis as Council receives the goods or services.		
Consumables	344,252	359,543
Professional services	706,627	587,158
Contract works	19,426,675	12,607,348
Repairs and maintenance	1,961,793	1,790,484
Other materials and services	20,087,316	8,638,362
Water and waste management	895,531	951,996
Communications	114,967	131,115
Insurances	245,485	195,627
	<u>43,782,646</u>	<u>25,261,634</u>
Total audit fees quoted by the Queensland Audit Office relating to the 2022-23 financial statements are		
8 Finance costs		
Finance costs charged by the Queensland Treasury Corporation	2,688	3,349
	<u>2,688</u>	<u>3,349</u>
9 Capital expenses		
Increased/ (Decreased) provision for landfill closure and monitoring	17 (112,776)	1,353,064
Loss on disposal of non-current assets		
Proceeds from sale of property, plant and equipment	(594,114)	(660,827)
Less: Carrying value of disposed property, plant and equipment	1,050,492	1,273,089
	<u>456,379</u>	<u>612,262</u>
Total capital expenses	<u>343,603</u>	<u>1,965,326</u>

Etheridge Shire Council
Notes to the financial statements
For the year ended 30 June 2023

<u>Note</u>	2023 \$	2022 \$
10 Cash and cash equivalents		
Cash and cash equivalents in the statement of cash flows include cash on hand, all cash and cheques received but not banked at the year end, deposits held at call with Queensland Treasury Corporation which are not considered at risk of changes in value.		
Cash at bank and on hand	18,307	330,431
Deposits at call	18,051,848	15,787,376
Balance per Statement of Financial Position and Cash Flows	<u>18,070,155</u>	<u>16,117,806</u>

Cash is held with Bendigo Bank in standard business banking accounts. This bank has a Standard and Poor's short term credit rating of A1+ and a long term rating of AA-. Deposits at call are capital guaranteed and held with Queensland Treasury Corporation.

Restricted cash and cash equivalents over Government grants and subsidies

Council's cash and cash equivalents may be subject to internal and external restrictions identifying amounts for specific purpose allocation. Council's internal restriction are over financial assistance grants for the ensuing financial year, received in advance.

Cash and Cash equivalents	18,070,155	16,117,806
Less: Externally imposed restrictions on use	(1,910,344)	
Unrestricted cash	<u>16,159,811</u>	<u>16,117,806</u>

(i) Externally imposed expenditure restrictions at the reporting date relate to the following cash assets:

Future capital works	164,374	871,970
Future constrained works	1,745,970	2,513,271
Unspent and restricted Government grants and subsidies	<u>1,910,344</u>	<u>3,385,241</u>

(ii) Internal allocations of cash at the reporting date:

Internal allocations of cash may be lifted by a Council with a resolution.

Future recurrent expenditure	7,499,230	4,476,359
Total internally allocated cash	<u>7,499,230</u>	<u>4,476,359</u>

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 external, third parties. Council performs a custodial role in respect of these monies, imposing internal restrictions on their use for other Council purposes, and they are neither considered revenue nor recognised as a Council asset.

<u>Note</u>	2023 \$	2022 \$
Trust funds held for outside parties		
Monies collected or held on behalf of other entities yet to be paid out	1,539	1,778
	<u>1,539</u>	<u>1,778</u>

Etheridge Shire Council
Notes to the financial statements
For the year ended 30 June 2023

11 Receivables

Receivables, loans and advances are amounts owed to Council at year end. They are recognised as the amount due, arising from an advance, completion of a sale or service delivery transaction. Settlement of receivables is required within 30 days from invoice date with additional transaction security not normally obtained. Debts are regularly assessed for collectability and allowance made, where appropriate, for impairment expense. All known bad debts were expensed at balance date with any future recovery of these written-off amounts, to be recognised as income. Impairment expense is the difference between the receivables carrying amount and the estimated recoverable amount, if any. Identified impairment expense is recognised as a finance cost. Council applies normal business credit protection procedures prior to providing goods or services, to minimise credit risk. Council does not impair rate receivables as it is empowered under the provisions of the Local Government Act 2009 to recover any outstanding rate debt from proceeds on disposal of the rateable property.

	2023	2022
	\$	\$
Current		
Rates	134,477	53,729
Prepays	70,206	99,433
Other debtors	<u>2,561,569</u>	<u>850,693</u>
Total current receivables	<u>2,766,252</u>	<u>1,003,856</u>
Less: Loss Allowance	-	-
	<u><u>2,766,252</u></u>	<u><u>1,003,856</u></u>

12 Inventories

Land Held fo resale

Land acquired by Council with the intention of reselling it (with or without further development) is classified as inventory. This land is valued at the lower of cost or net realisable value and, being an inventory item, is classified as a current asset. Proceeds from the sale will be recognised as sales revenue on the signing of a legal, unconditional contract of sale.

Inventories Held for Distribution

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.

(a) Inventories held for sale

Real estate for resale	53,093	53,093
	<u>53,093</u>	<u>53,093</u>

(b) Inventories held for distribution

Plant and equipment stores	461,518	654,520
	<u>461,518</u>	<u>654,520</u>

Total inventories	<u><u>514,611</u></u>	<u><u>707,613</u></u>
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Etheridge Shire Council
Notes to the financial statements
For the year ended 30 June 2023

13 Property, plant and equipment

30-Jun-23

Basis of measurement

Fair value category

Asset values

Opening gross value as at 1 July 2022

Additions:

Disposals

Revaluation adjustment to other comprehensive income(asset revaluation surplus)

Transfers between classes

Adjustments and Other Transfers

Closing gross value as at 30 June 2023

Accumulated depreciation and impairment

Opening balance as at 1 July 2022

Depreciation expense

Depreciation on disposals

Revaluation adjustment to asset revaluation surplus

Accumulated depreciation as at 30 June 2023

Carrying amount as at 30 June 2023

Range of estimated useful life in years

Asset Additions comprise

Asset Renewals

Other additions

	Land	Land improvements	Buildings	Other Structures	Fleet, Plant and Equipment	Furniture and Office Equipment	Road, drainage and bridge network	Water	Waste	TerrEstrial Collection	Work in progress	Total
	Fair Value	Fair Value	Fair Value	Fair value	At Cost	At Cost	Fair Value	Fair Value	Fair Value	Fair Value	At Cost	
	Level 2	Level 3	Levels 2 & 3	Level 3	Level 3	Level 3	Level 3	Level 3	Level 3	Level 3	Level 3	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening gross value as at 1 July 2022	1,701	12,827	27,897	14,167	12,038	1,067	219,681	11,204	1,466	727	12,994	315,770
Additions:	-	-	-	-	-	-	-	-	-	-	9,317	9,317
Disposals	-	-	-	-	(1,258)	-	(585)	(67)	-	-	-	(1,910)
Revaluation adjustment to other comprehensive income(asset revaluation surplus)	-	853	1,910	982	-	-	21,229	821	-	189	-	25,984
Transfers between classes	69	-	1,041	702	2,259	27	8,528	7,108	-	-	(19,733)	(0)
Adjustments and Other Transfers	-	-	-	-	-	-	-	-	-	-	-	-
Closing gross value as at 30 June 2023	1,770	13,680	30,848	15,851	13,039	1,094	248,853	19,065	1,466	916	2,578	349,160
Accumulated depreciation and impairment	-	-	8,976	5,377	4,972	446	33,491	4,762	678	-	-	58,701
Opening balance as at 1 July 2022	-	128	882	424	740	65	2,777	290	74	-	-	5,380
Depreciation expense	-	-	-	-	(744)	-	(32)	(40)	-	-	-	(816)
Depreciation on disposals	-	-	-	-	-	-	-	-	-	-	-	-
Revaluation adjustment to asset revaluation surplus	-	-	651	383	-	-	3,297	182	-	-	-	4,513
Accumulated depreciation as at 30 June 2023	-	128	10,509	6,184	4,968	511	39,533	5,194	752	-	-	67,778
Carrying amount as at 30 June 2023	1,770	13,552	20,339	9,667	8,071	583	209,319	13,872	714	916	2,578	281,383
Range of estimated useful life in years	Land: Not depreciated.	Land: Improvements: 7 - 100	40 - 100	2 - 20	2 - 20	2 - 20	5 - 100	20 - 80	20 - 60	20 - 40	-	-
Asset Additions comprise	-	-	70	280	-	-	973	80	-	-	-	1,401
Asset Renewals	69	-	971	422	-	-	7,555	7,028	-	-	-	16,044

Etheridge Shire Council
Notes to the Financial Statements
For the year ended 30 June 2023

13 Property, plant and equipment

30-Jun-22

Note	Land	Land improvements	Buildings	Other Structures	Fleet, Plant and Equipment	Furniture and Office Equipment	Road, drainage and bridge network	Water	Waste	TerrEstrial Collection	Work in progress	Total
	Fair Value	Fair Value	Fair Value	Fair value	At Cost	At Cost	Fair Value	Fair Value	Fair Value	Fair Value	At Cost	
	Level 2	Level 3	Levels 2 & 3	Level 3	Levels 3	Level 3	Level 3	Level 3	Level 3	Level 3		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	1,596	-	25,605	14,426	10,263	659	198,384	12,110	-	727	20,830	284,600
	78	-	-	-	-	-	-	-	-	-	10,741	10,819
5	-	(429)	-	-	(1,977)	-	(17)	-	-	-	708	(1,715)
19	27	-	1,437	1,193	-	-	20,275	(866)	-	-	-	22,066
	-	13,256	856	(1,452)	3,752	408	1,039	(40)	1,466	-	(19,285)	(0)
	1,701	12,827	27,898	14,167	12,038	1,067	219,681	11,204	1,466	727	12,994	315,770
	Accumulated depreciation and impairment											
	-	-	10,853	4,917	5,582	423	28,181	3,604	-	-	-	53,560
	-	-	809	409	565	23	2,217	209	73	-	-	4,305
5	-	-	-	-	(1,160)	-	-	-	-	-	-	(1,160)
19	-	-	(2,686)	654	-	-	3,093	950	-	-	-	2,011
	-	-	-	(604)	-	-	-	(1)	605	-	-	-
	-	-	8,976	5,376	4,987	446	33,491	4,762	678	-	-	58,716
	Carrying amount as at 30 June 2022											
	1,701	12,827	18,922	8,791	7,051	621	186,190	6,442	788	727	12,994	257,054
	Range of estimated useful life in years											
	Land: Not depreciated.	Land: Not depreciated.	40 - 100	20-60	43,952	43,952	25-65	25-65	25-65	25-65	-	-
	Improvements: 7 - 40	Improvements: 7 - 40										

Etheridge Shire Council
Notes to the financial statements
For the year ended 30 June 2023

13 Property, plant and equipment

(a) Recognition

Purchases of property, plant and equipment are recognised as assets unless they are below asset recognition thresholds, currently \$10,000 with the exception of land, \$1, and plant, \$5,000. Replacement of a major component of an asset, in order to maintain its service potential, is treated as the acquisition of a new asset. Routine operational maintenance, repair costs and minor renewals to maintain the asset component and useful life of the non-current asset are expensed as incurred. Individual assets valued below the asset recognition threshold, are recognised as assets when they form part of a larger, connected network (e.g. individual components of a park). Land beneath roads, and reserve land under the *Land Act 1994* or *Land Title Act 1994*, is controlled by the Queensland State Government and not recognised in Council's Financial Statements.

(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 are recognised as assets and revenue at fair value.

When Council raises a provision for the restoration of a Council-controlled site, such as a landfill site, the provision is initially recognised against property, plant and equipment.

(c) Depreciation

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

Land, work in progress, TerrEstrial mineral collection, road formations and formation work associated with the construction of dams, levee banks and reservoirs 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

Each non-current physical asset and group of assets, 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 carrying amount of the asset exceeds this recoverable amount is recorded as the impairment loss.

Etheridge Shire Council

Notes to the financial statements

For the year ended 30 June 2023

13 Property, plant and equipment

(e) (i) Valuation

Council's valuation policies and procedures are set by Management. They are reviewed annually taking into consideration an analysis of movements in fair value and other relevant information. Within every 5 year period, Council arranges a full comprehensive valuation of assets by engaging an external, professionally qualified valuer. During this year, Council's Terrestrial Collection was comprehensively valued. In the prior year, Council had multiple classes comprehensively valued. The purpose of these rolling valuations is to ensure carrying amount of each class of asset does not materially differ from its fair value at the reporting date. The valuation process involves the valuer physically sighting a representative sample of Council assets across all asset classes and making their assessments of the condition of the assets at the date of inspection. During the intervening years, Council uses internal and external consulting engineers to assess for material differences in the assumptions for useful life, remaining lives and costs with all infrastructure assets. These results are also considered in combination with suitable indexes from the Australian Bureau Statistics. Jointly, these methods are combined to form the basis of a desktop valuation in the intervening years.

Any revaluation increment arising from the revaluation of an asset is credited to the appropriate asset class revaluation surplus, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense to the extent it exceeds the balance, if any, in the revaluation surplus of that asset class. 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. Separately identified components of assets are measured on the same basis as the assets to which they relate.

(ii) Valuation processes

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. Every 3-5 years, council performs a full comprehensive revaluation by engaging an external professionally qualified valuer.

In accordance with AASB 13 fair value measurements are categorised on the following basis:

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

(ii) Valuation techniques used to derive fair values

Asset class and fair value hierarchy	Valuation approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates	Index applied (change in index recognised 30/06/2023)	Other Interim revaluation adjustments
Land (Level 2) \$'000 2023:\$ 1701 2022: \$27	Market Value	31-Mar-22	Heron Todd White	The property market for residential land and houses is in limited supply, with only a few recent period sales and limited housing and building construction. Land values were assessed using the direct comparison approach, whereby Land owned by Council has a zoning particular to Council's ownership, such as "Community Infrastructure". In these cases, land values have been assessed based upon sale of other land with similar, physical attributes, with allowances being made for the restrictive zoning. Valuation inputs were used where comparable sales evidence was available and meaningful comparisons were possible, without significant adjustment or evidence analysis, or significant professional judgement by Shepherds. Sales evidence was sourced from RP Data, active estate agents and gathered as part of Shepherds normal business processes. Comparable sales evidence can be obtained from Shepherds valuation report.	Nil	Nil
Buildings (Level 2) \$'000 2023: \$2780 2022: \$2779	Market Value	31-Mar-22	Comprehensive Valuer 2022: Heron Todd White	Comprehensive onsite inspections conducted between Dec 2021, in accordance with AASB13 and AASB16. The property market for residential land and houses is very small with only a few sales in recent years, and with few houses or buildings under construction during the inspection period. Where there is a market for Council building assets, fair value has been derived from sales prices of comparable properties. In the absence of sales evidence, reference has been made to: <ul style="list-style-type: none"> Rawlinsons, Australian Construction Handbook; Shepherds industry experience and business processes. In determining the level of accumulated depreciation, the asset has been disaggregated into significant components which exhibit useful lives. Allowance has been made for the typical asset life cycle and renewal treatments of each component. Condition was assessed taking into account both physical characteristics as well as holistic factors such as functionality, capability, utilisation and obsolescence. Where "depth in market" can be identified, we have assessed the fair value of an asset as the best estimate of price reasonably obtained in the market at the date of valuation.	6.60%	Nil

13 Property, Plant and Equipment (continued)

(e) (ii) Valuation techniques used to derive fair values

Asset class and fair value hierarchy	Valuation Approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in index recognised 30/06/2023)	Other Interim revaluation adjustments
Buildings (level 3) \$ 000'S 2023: \$16,821 2022: \$17,162	Current Replacement Cost	31-Mar-22	Comprehensive Valuer Heron Todd White	Where Council buildings are of specialist nature and there is no active market for the assets, fair value has been determined on the basis of replacement with a new asset of similar type and service. The gross current values have been derived from reference to market data for recent projects and costing guides issued by the Australian Institute of Quantity Surveyors. (Rawlinson's Australian Construction Handbook.) Where there is no depth of market, the net current value of a building asset is the gross current value less accumulated depreciation to reflect the consumed or expired service potential of the asset. In determining the level of accumulated depreciation, the asset has been disaggregated into significant components which exhibit useful lives. Allowance has been made for the typical asset life cycle and renewal treatments of each component. Condition was assessed taking into account both physical characteristics as well as holistic factors such as functionality, capability, utilisation and obsolescence. Once the accumulated depreciation has been calculated, it is aggregated into a parent asset for aggregation within the financial	6.60%	Nil
Water Infrastructure (Level 3)	Current Replacement Cost (CRC)	31-Mar-22	Comprehensive Valuer Shepherd	CRC was calculated based on expected replacement costs. In all cases the assets were disaggregated to component level to ensure a reliable measure of cost and service capacity and deterioration of estimated remaining life. Unit rates were developed from a combination of past construction project averages and first principles calculations for assets, where recent construction unit costs are not known. Accumulated Depreciation The accumulated depreciation cost was determined by an assessment of the age from either its construction date or by a condition assessment where an asset was close to the end of its life or where reliable construction data information was unavailable. Where site inspections were not conducted (i.e. for passive assets and active assets for which site inspections were not undertaken), the remaining useful life was calculated on an age basis after taking into consideration current and planned maintenance records.	5.91%	Nil

13 Property, Plant and Equipment (continued)

(e) (ii) Valuation techniques used to derive fair values

Asset class and fair value hierarchy	Valuation Approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in index recognised 30/06/2023)	Other Interim revaluation adjustments
Roads, Bridges and Drainage Networks (Level 3)	Current Replacement Cost	31-Mar-21	Comprehensive Valuer Shepherd Interim Valuer	<p>Roads Council categorises its road infrastructure into urban and rural roads and then further sub-categorises into sealed and unsealed roads. All road segments are then componentised into formation, pavement and seal (where applicable). Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment. Council also assumes a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.</p> <p>CRC was calculated by reference to asset linear and area specifications, estimated labour and material inputs, services costs, and overhead allocations. Council assumes pavements are constructed to depths of 200mm for urban areas and 150mm for rural roads.</p> <p>For internal construction estimates, material and services prices were based on existing supplier contract rates or supplier price lists and labour wage rates were based on Council's Enterprise Bargaining Agreement (EBA). All direct costs were allocated to assets at standard usage quantities according to recently completed similar projects. Where construction is outsourced, CRC was based on the average of completed similar projects over the last few years.</p> <p>Accumulated depreciation In determining the level of accumulated depreciation, roads were disaggregated into significant components which exhibited different useful lives. A consumption assessment was undertaken based on defects/condition assessments for each segment. For sealed surfaces defect % by Area and Average International Roughness Index, for sealed pavements % of rutting by area and average international roughness index, for unsealed pavements % of gravel remaining were all used to determine remaining lives.</p>	9.3%	Australian Bureau of Statistics Indexes, ABS Catalogues, No. 6427 Producer Price Indexes, Australia Queensland"

13 Property, Plant and Equipment (continued)

(e) (ii) Valuation techniques used to derive fair values

Asset class and fair value hierarchy	Valuation Approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in index recognised 30/06/2023)	Other Interim revaluation adjustments
Roads,	Current	31-Mar-21	Comprehensive	Bridges Each bridge was assessed individually, with the valuation varying according to deck area, condition and size. Construction estimates were determined on a basis similar to roads.	9.3%	Australian Bureau of Statistics No. 6427 Producer Price Indexes,
Bridges and Networks (Level 3)	Replacement Cost		Valuer Interim Valuer Shepherd June 30, 2022	Accumulated depreciation The accumulated depreciation cost was determined by an assessment of the age from either its construction date or by a condition assessment where an asset was close to the end of its life or where no reliable construction data information was available.		Australia Table 17, Index Number 3101 Queensland"
				Drainage Infrastructure Similar to roads, drainage assets are managed by major components pipes, headwalls surfaces and pits. Consistent with roads, Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment and that a segment is designed and constructed to the same standard yet grouped into urban and rural types. Where drainage assets are located underground, and physical inspection is not possible the age, size and type of construction material are used to determine the fair value at reporting date.		Indexation was adopted on June 30, 2022
				Accumulated depreciation The accumulated depreciation cost was determined by an assessment of the age from either its construction date or by a condition assessment where an asset was close to the end of its life or where no reliable construction data information was available.		
Other Infrastructure	Current Replacement Cost	31-Mar-22	Comprehensive Valuer Shepherd	Other Structures Include small shelters, play equipment, fencing and various airstrip and remaining land improvement assets. CRC was calculated based on expected replacement costs, where unit rates were developed from a combination of past construction project averages, from first principles' calculations or indexation. Accumulated depreciation The accumulated depreciation cost was determined by an assessment of the age from either its construction date or by a condition assessment where an asset was close to the end of its life or where no reliable construction data information was available. Where site inspections were not conducted, the remaining useful life was calculated on an age basis after taking into consideration current and planned maintenance records.	6.6%	Australian Bureau of Statistics Indexes, ABS Catalogues, No. 6427 Producer Price Indexes, Australia Table 17, Index Number 3101 "Road and Bridge Construction Queensland"

Etheridge Shire Council
Notes to the financial statements
For the year ended 30 June 2023

	2023	2022
Note	\$	\$
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 the 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.		
	2023	2022
	\$	\$
(a) Contract assets	4,716,257	4,391,238
(b) Contract liabilities		
Funds received upfront to construct Council controlled assets	2,209,105	871,970
Non-capital performance obligations not yet satisfied	9,599,932	2,513,271
	<u>11,809,037</u>	<u>3,385,241</u>
(c) Revenue recognised that was included in the contract liability balance at the beginning of the year		
Funds received in advance to construct controlled assets	186,144	291,851
Non-capital performance obligations not yet satisfied	2,513,333	359,716
	<u>2,699,477</u>	<u>651,567</u>
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 subsequent year.		
(d) Significant changes in contract balances		
The increase of contract liabilities balance relates primarily to QRA flood damage grants whereby Council generally receives the initial 30% upfront prior to the commencement of construction, Council received the 2022 flood damage event upfront payment during the year. Whilst council did commence work, the funds expended prior to the end of the year remained below the initial payment received. These funds were expected to be expended during the 2024 financial year.		
15 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.		
Current		
Creditors	810,896	1,135,040
ATO Payable	-	7,198
Accrued wages and salaries	96,205	4,560
Accrued expenses	1,250,884	2,585,796
Other creditors	34,805	39,399
Other payables	3,100	-
	<u>2,195,890</u>	<u>3,771,993</u>
16 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 accrues. No interest has been capitalised during the current or comparative reporting period. Expected final repayment dates vary from 31 December 2023 to 31 December 2025.		
Council also aims to comply with the Queensland Treasury Corporation's (QTC) borrowing guidelines and ensure that sustainability indicators remain within acceptable levels at all times.		
Current		
Loans - QTC	13,510	11,705
	<u>13,510</u>	<u>11,705</u>
Non-current		
Loans - QTC	16,251	29,796
	<u>16,251</u>	<u>29,796</u>

Etheridge Shire Council
Notes to the financial statements
For the year ended 30 June 2023

17 Provisions

Liabilities are recognised for employee benefits such as annual and long service leave entitlements, in respect of services provided by employees up to reporting date. Short term benefits, which are expected to be settled within 12months, are calculated on wage and salary levels which are expected to be paid during that time frame. Amounts expected to be settled later than this timeframe are calculated on projected future wage and salary levels, discounted to present value.

Long Service Leave

The provision for long service leave represents 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. The 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.

Refuse dump restoration

Council has established and maintains a provision for the restoration of the five township landfill sites at the end of their useful lives. Council estimates these sites are estimated to close between 2026 and 2055 and the restoration program will continue over a subsequent thirty years post-closure care program.

The calculation of the provisions use assumptions including application of 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 sites.

	Note	Current		Non-current	
		2023	2022	2023	2022
		\$	\$	\$	\$
Current					
Annual leave		530,045	497,167	-	-
Long service leave		277,982	275,253	114,296	140,186
Refuse site rehabilitation		-	-	1,988,226	2,101,003
		<u>808,027</u>	<u>772,421</u>	<u>2,102,522</u>	<u>2,241,189</u>

Movements in non-employee benefit provisions:

	2023	2022
	\$	\$
Refuse site rehabilitation		
Balance at beginning of financial year	2,101,003	747,939
Increase due to unwinding of discount	77,402	13,239
Additional provisions	-	1,248,949
Amounts used	-	(20,677)
Increase/(decrease) due to change in discount rate	(3,303)	(330,847)
Increase/decrease due to change in inflation rate	(82,565)	442,400
Expenditure rehabilitation	(2,569)	-
Increase/decrease in provision due to change in timing of cost.	(623,833)	-
Increase/decrease in provision due to change in projected cost.	522,092	-
Balance at end of financial year	<u>1,988,226</u>	<u>2,101,003</u>

18 Commitments for expenditure

Contractual commitments and arrangement estimates at the end of the financial year, but not recognised in the financial statements are as follows:

Management of ESC Student Hostel (permits attendance variations)	72,500	72,500
Town maintenance arrangement - Mt Surprise due for tender offer.	-	52,500
Town maintenance arrangement - Einasleigh due for tender offer.	-	35,000
	<u>72,500</u>	<u>160,000</u>

19 Contingent assets and 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 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 2023, the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

Local Government Work Care

Council is a member of the Queensland local government worker's compensation self-insurance scheme, Local Government Work Care. Under this scheme Council has provided an indemnity by way of bank guarantee in favour of LGW, drawn against deposits held with QTC to cover short fall funding in the event the self-insurance licence was cancelled and there were insufficient funds available to cover the outstanding liabilities. Only the Queensland Government's workers regulator may exercise any part of the guarantee should the above circumstances arise. The Council's maximum exposure to the bank guarantee is \$86,303 (2022: \$98,073).

Etheridge Shire Council
Notes to the financial statements
For the year ended 30 June 2023

	2023	2022
	\$	\$
20 Related party transactions		
(a) Transactions with key management		
Key Management Personnel : Etheridge Shire Council Mayor and Councillors, Chief Executive Officer, Director Corporate Services and Director Engineering Services		
Compensation paid to KMP comprises:		
Short-term employee benefits	888,885	771,405
Long term benefits	10,479	21,171
Post employment benefits	53,352	51,066
Termination benefits	-	-
Total	<u>952,716</u>	<u>843,642</u>
(b) Loans and guarantees to/from related parties	-	-
There are no loans or guarantees provided to or held with related parties.		
(c) Commitments to/from other related parties		
There are no specific commitments or contracts for future transactions.	-	-
Unspecified transactions may occur during the ordinary course of business.	-	-
(d) Transactions with related parties		
Purchases of materials and services from entities controlled by KMP.	9,443	15,969
(e) Transactions with related parties that have not been disclosed		
Most of the people and entities that may be considered related parties live and operate within Etheridge Shire. Consequently related party transactions may occur during the ordinary course of business. These may include payment of rates, use of community provided facilities at no charge (e.g.) Georgetown swimming pool and Council Library.		
21 Asset revaluation surplus		
The asset revaluation surplus comprises movements of Council's non-current assets, reflecting changing values of assets under direct valuation, conducted by appropriately qualified and independent valuers		
Balance at the beginning of the financial year	175,778,324	155,723,119
Roads, Drainage and Bridges	17,893,607	17,141,195
Land	-	105,435
Land Improvements	852,721	-
Buildings	1,259,273	4,123,292
Water	639,761	(1,854,220)
Other Structures	598,565	539,504
Terrestrial Collection	188,898	-
Increment in revaluation and indexation surplus on assets	21,432,825	20,055,206
Balance at the end of the financial year	<u>197,211,149</u>	<u>175,778,325</u>
22 Superannuation		
Total superannuation contributions paid by Council for employees	589,526	563,647
	<u>589,526</u>	<u>563,647</u>
All employees have contributions paid to compliant employee choice funds and LGIA. Council contributes at the current SGL rate of 10.5% of an employees eligible gross ordinary earnings before overtime. Where employees choose to make an additional contribution of 6% of eligible earnings, Council increases its SGL contribution to 12%.		
Effective July 2023, the SGL rate was increased to 11%.		

Etheridge Shire Council
Notes to the financial statements
For the year ended 30 June 2023

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

	2023 \$	2022 \$
Net result	<u>7,296</u>	<u>3,754,709</u>
Non-cash items:		
Depreciation and amortisation	<u>5,385,639</u>	<u>4,305,255</u>
	<u>5,385,639</u>	<u>4,305,255</u>
Investing and development activities (non-cash):		
Net (profit)/loss on disposal of non-current assets	456,378	585,651
Capital Grants and Contributions	<u>(1,691,855)</u>	<u>(5,005,266)</u>
	<u>(1,235,477)</u>	<u>(4,419,615)</u>
Changes in operating assets and liabilities:		
(Increase)/ decrease in receivables	(1,716,635)	(637,165)
(Increase)/decrease in inventory	301,425	(229,861)
Increase/(decrease) in payables	(1,730,287)	2,301,675
Increase/(decrease) in contract liabilities	7,074,084	2,685,850
Increase/(decrease) in provisions	(103,043)	1,243,136
	<u>3,825,544</u>	<u>5,363,635</u>
Net cash inflow from operating activities	<u><u>7,983,002</u></u>	<u><u>9,003,984</u></u>

24 Events after the reporting period

There were no material adjusting events after the balance date.

25 Financial instruments and financial risk management

Financial assets and financial liabilities

Etheridge Shire Council has exposure to the following risks

- Credit risk
- Liquidity risk
- Market risk

Risk management framework

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

Councillors approve 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 audit committee 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's audit committee 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 audit committee.

Etheridge Shire 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 from customers

Exposure to credit risk is managed through regular analysis of credit counterparty ability to meet payment obligations. The carrying amount of financial assets represents the maximum credit exposure.

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 the Etheridge Shire Council.

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

Etheridge Shire Council
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.

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. These facilities are disclosed in note 10.

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

Council	0 to 1 year	1 to 5 years	Over 5 years	Total contractual cash flows	Carrying amount
	\$	\$	\$	\$	\$
2023					
Trade and other payables	810,897	-	-	810,897	810,897
Loans - QTC	13,510	16,251	-	29,761	29,761
	<u>824,407</u>	<u>16,251</u>	<u>-</u>	<u>840,658</u>	<u>840,658</u>
2022					
Trade and other payables	1,135,040	-	-	1,135,040	1,135,040
Loans - QTC	11,705	29,796	0	41,501	41,501
	<u>1,146,745</u>	<u>29,796</u>	<u>0</u>	<u>1,176,541</u>	<u>1,176,541</u>

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

Market risk

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

Interest rate risk

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

The Council has access to a mix of variable and fixed rate funding options through QTC so that interest rate risk exposure can be minimised.

Sensitivity

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

The Council does not account for any fixed-rate financial assets or financial liabilities at Fair Value through Profit or Loss, therefore a change in interest rates at the reporting date would not affect profit or loss.

Council has conducted an interest rate sensitivity analysis depicting the impact of a 1% change in interest rates. Council has however elected not to separately disclose this table as its overall impact has been determined not to be material.

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

QTC Generic Debt Pool - the generic debt pool products approximate a fixed rate loan. There is a negligible impact on interest sensitivity from changes in interest rates for generic debt pool borrowings.

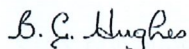
Etheridge Shire Council
Financial statements
For the year ended 30 June 2023

Management Certificate
For the year ended 30 June 2023

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 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
Barry Hughes

Date: 13 / 11 / 2023



Chief Executive Officer
Ken Timms

Date: 13 / 11 / 2023

INDEPENDENT AUDITOR'S REPORT

To the councillors of Etheridge Shire Council

Report on the audit of the financial report

Opinion

I have audited the financial report of Etheridge Shire 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 material accounting policy 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 Etheridge Shire 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 formed 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 material accounting policy information 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.



Sri Narasimhan
as delegate of the Auditor-General

15 November 2023

Queensland Audit Office
Brisbane

**Etheridge Shire Council
Current-year Financial Sustainability Statement
For the year ended 30 June 2023**

Measures of Financial Sustainability	How the measure is calculated	Actual -Council	Target
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)	-3%	Between 0% and 10%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	26%	greater than 90%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	-17%	not greater than 60%

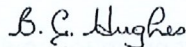
Note 1 - Basis of Preparation

The current year financial sustainability statement is 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**

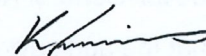
This current-year financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the regulation).

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



Mayor
Barry Hughes

Date: 13 / 11 / 2023



Chief Executive Officer
Ken Timms

Date: 13 / 11 / 2023

INDEPENDENT AUDITOR'S REPORT

To the Councillors of Etheridge Shire Council

Report on the Current-Year Financial Sustainability Statement

Opinion

I have audited the accompanying current-year financial sustainability statement of Etheridge Shire 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 Etheridge Shire 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 Etheridge Shire 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.



Sri Narasimhan
as delegate of the Auditor-General

15 November 2023

Queensland Audit Office
Brisbane

Measures of Financial Sustainability	Measure	Target	Actuals at 30 June 2023	Projected for the years ended									
				30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028	30 June 2029	30 June 2030	30 June 2031	30 June 2032	

Council

Operating surplus ratio	Net result divided by total operating revenue	Between 0% and 10%	-3%	0%	0%	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%	26%	97%	99%	85%	89%	87%	90%	88%	86%	84	
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue	not greater than 60%	-17%	-14%	-16%	-34%	-33%	-34%	-33%	-33%	-34%	(36)	

Council's Financial Management Strategy

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.

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

This long-term 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 long-term financial sustainability statement has been accurately calculated.

B. G. Hughes

 Mayor
 Barry Hughes

Date: 13 / 11 / 2023

Ken Timms

 Chief Executive Officer
 Ken Timms

Date: 13 / 11 / 2023