

Cassowary Coast
REGIONAL COUNCIL

ANNUAL REPORT 2023-2024





Cassowary Coast Regional Council Annual Report for 2023-2024

Cassowary Coast Regional Council presents the Annual Report for 2023-24 which provides a comprehensive account of Council's performance, challenges and achievements for the past Financial Year (1 July 2023 - 30 June 2024).

This Annual Report is part of many ways Council connects with our community to show our commitment to achieving our vision for the region. The Annual Report 2023-24 identifies delivery of service and demonstrates how Council is meeting the strategic objectives set out in the Corporate Plan 2021-25 and Operational Plan 2023-24.

Council's vision, strategic objectives and strategies further improve services and facilities as described in the Corporate Plan, Operational Plan and Budget, and are reported in this Annual Report.



1300 763 903



enquiries@cassowarycoast.qld.gov.au



cassowarycoast.qld.gov.au



70 Rankin Street, Innisfail
38-40 Bryant Street, Tully
4 Balliol Street, Cardwell



Cassowary Coast
REGIONAL COUNCIL



Annual Report 2023-2024

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Acknowledgment of Country

Cassowary Coast Regional Council acknowledges the traditional custodians of the land and sea on which we operate, the Mamu, Djiru, Girramay, Gulngay, Warrgamay, Jirrbal and Bandjin Peoples. We wish to acknowledge our respect for their current and emerging leaders and those in the dreaming. We thank all First Nations people for the contributions they make in building this community.





1. Introduction and Highlights

This section introduces the Cassowary Coast Regional Council, where it is, who lives and works here and what we represent as a region. It includes a welcome message from our Mayor and CEO and summary snapshot of our finances, performance and operations, highlighting the success and challenges we faced in 2023-24.



Mayor's Message

Dear Residents of the Cassowary Coast Community,

I am pleased and proud to present the 2023-2024 Cassowary Coast Regional Council Annual Report. As Mayor, it is my honour to share the vision, values, and accomplishments that define our year.

Our focus has been on delivering the essential services that matter most to our community. Surrounded by the natural beauty of our region, we are committed to fostering economic growth that aligns with our responsibility to protect the environment we cherish, ensuring it remains pristine for future generations. We understand the challenges posed by rising living costs, and we are constantly striving to provide greater value for every dollar spent.

Over the past year, we challenged ourselves and conducted another community scorecard to understand your priorities better. We deeply appreciate the input from those who participated, contributing over 100,000 words that will shape our future direction. Your feedback made it clear that roads, footpaths, cycleways, health services, youth programs, community services, and safety continue to be a top priority.

We remain devoted to advocating for our community at regional, state, and federal levels through our partnerships with FNQROC, LGAQ, Advance Cairns, and our elected representatives. Guided by our Advocacy Plan, which reflects community priorities, we are working diligently to achieve key outcomes like the Mission Beach Town Centre Revitalisation Project, the Port Hinchinbrook Sewerage Treatment Plant and Revitalisation, Banyan Park Beautification, Hyatt Street Reservoir, and the focus on addressing primary health care challenges.

I am committed to focusing on roads and waste management, and I'm pleased to report that we are now rolling out kerbside recycling and advancing our unsealed roads program. Additionally, we continue to support environmental stewardship through the Reef 2050 Plan, the Coastal Hazard Adaptation Strategy, and our participation in the Reef Guardian Councils program, ensuring that we protect our natural environment while honouring the diverse cultures and connections within our region.

Our commitment to listening and engaging with the community remains strong, as demonstrated by the valuable work of our advisory committees. We extend our heartfelt thanks to all community members who contribute their time and insights. This council is dedicated to finding efficiencies and continually reviewing our practices to deliver better value for your money.

Local government is a complex and challenging endeavour, but together with our community, we are prepared to face these challenges. While we are mindful of the economic pressures on our small ratepayer base, we are grateful to call the Cassowary Coast home—the best place to live, work, and play.

Teresa Millwood

Mayor



CEO's Message



As we reflect on the 2023-2024 year, I am proud of the achievements and progress we've made together as a community. This year has been marked by significant strides in sustainability, economic development, and community engagement, all while maintaining our commitment to preserving the natural beauty and cultural heritage that make our region unique.

This year, our community has once again demonstrated remarkable resilience in the face of challenges, particularly following the significant impact of Cyclone Jasper and the associated flooding events. In response, Council implemented a series of initiatives aimed at bolstering our community's ability to adapt and thrive. The swift execution of our kerbside collection post-Cyclone Jasper, as well as the establishment of the Community Hubs in the impacted communities and Economic Recovery Hubs in Tully and Innisfail to assist flood-impacted businesses and recreation clubs, ensured our residents and business could quickly return to a sense of normalcy. These efforts showcased our commitment to responsive and effective service delivery.

We've also taken significant steps to prepare for the future with the unveiling of our Local Housing Action Plan 2024-2029. This plan addresses the pressing need for affordable and sustainable housing in our region, ensuring that all residents have a safe place to call home.

Our advocacy efforts continue to play a crucial role in shaping statewide policy agendas. This year, we've made substantial progress by submitting motions to the LGAQ annual conference. These motions that address critical issues including Primary Health Care, Community Safety Funding and insurance affordability for households and small businesses, and securing funding commitments aligned with the Reef 2050 Long-Term Sustainability Plan. These efforts are a testament to our dedication to representing the interests of our community at every level of government.

Supporting local businesses has been a key focus this year. The Economic Development Advisory Committee and our participation in the Small Business Friendly Council initiative have been instrumental in driving economic growth. We have connected with local businesses, chambers of commerce and key industry groups to ensure we are harnessing opportunities based on current trends and emerging needs.

Our commitment to community engagement has been unwavering. The Cassowary Coast Events Strategy 2024-2028 was launched, aimed at developing a calendar of sustainable events that highlight the unique attributes of our region. We also continued to support local groups and organisations through our Community Grants program, providing over \$270,000 of vital financial assistance to those who contribute to our vibrant community. Key projects such as the revitalisation of the Innisfail CBD, Mission Beach Town Centre Revitalisation, and Tully Bayan Park Stage 1 have benefited from extensive community input, ensuring that the outcomes reflect the needs and aspirations of our residents.

Partnerships are integral to our success. Our collaborations with state and federal governments, as well as local stakeholders, have been pivotal in advancing key projects like the Port Hinchinbrook

Normalisation, the Hyatt Street development, and the Mission Beach Town Centre Revitalisation Project.

Finally, we are proud of the progress made through our Innovate Reconciliation Action Plan (RAP). This plan has furthered our relationships with First Nations communities, and we remain committed to completing all initiatives outlined in the Innovate RAP. We believe that these efforts are vital to fostering a community where all cultures are respected and celebrated.

These efforts underscore our commitment to building a vibrant, sustainable, and resilient Cassowary Coast for all.

Yours Sincerely,



Andrew Graffen, Chief Executive Officer



Facts About Our Region

The Cassowary Coast region is situated between the major regional cities of Cairns (approximately one hour north) and Townsville (approximately two hours south). The Cassowary Coast is named after the distinctive and endangered flightless bird which inhabits the region, and it covers an area of approximately 4,700 square kilometres.

The region is a mix of town, rural and coastal communities boasting beautiful beaches, lush hinterland and scenic mountains. There are over 3,500 businesses operating in the area, with potential for new business growth and development in all of the towns and communities. The most recognisable industries linked to the region are tourism and primary industries. The Cassowary Coast is Australia's premier banana-growing region and a well-known cane-growing region. The Cassowary Coast boasts the townships of Innisfail in the north and Tully, Mission Beach and Cardwell in the south.

The high rainfall and humidity mean this is one of the wettest and greenest places in Australia. The estimated resident population is 30,000. The Cassowary Coast is well connected to other parts of the nation via the Bruce Highway which passes through many of the region's townships. The Palmerston Highway provides connectivity with the Tablelands region and is its major goods transport route. The region can also be accessed by sea through the commercial port at Mourilyan Harbour, by air through one of three aerodromes, and by rail.



4,700km²
Cassowary Coast Regional Council Local Government Areas

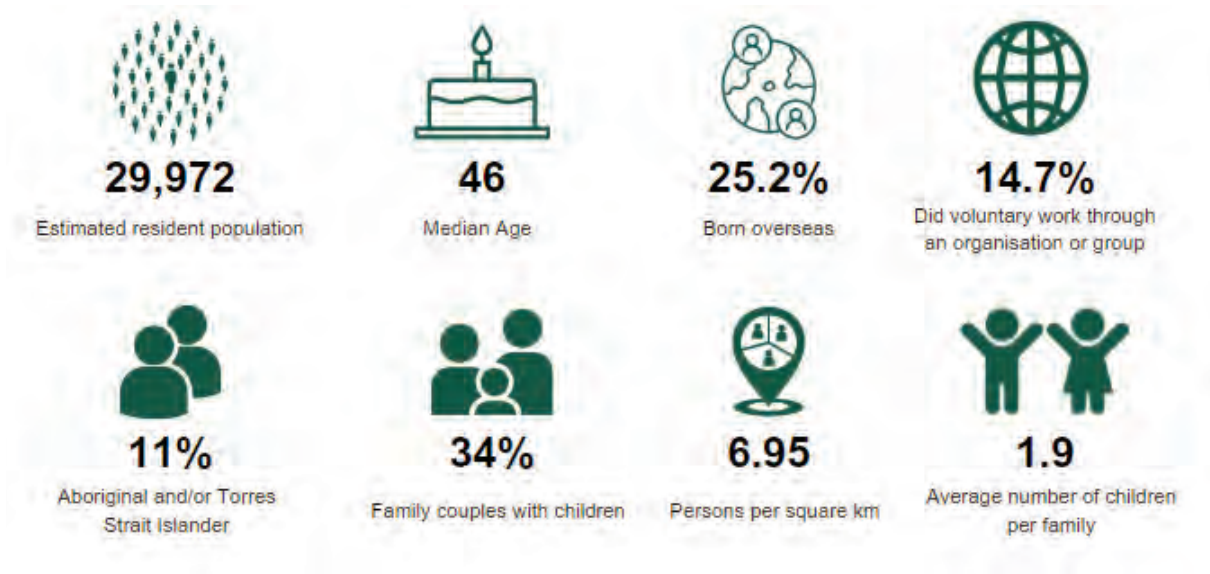


48%
Wet Tropics World Heritage area



3,124mm
Average rainfall

Our Population



Our Economy



Our Council

7
elected
members

366
employees in
total

19
trainee and
apprentices

Our Financial Summary

Summary of key financial information for 2023-2024.

\$25.7M
received in grants,
contributions and
donations

\$90.2M
operating revenue
generated

\$98.9M
operating
expenditure

\$8.7M
operating deficit



Our Services Snapshot



1,220
kilometres of road
network maintained



166
bridges maintained



884
building and planning
applications decided



\$ 272,670
provided to the community through
the community grants program



192,002
library visits from
the community



16
boat ramps managed
and maintained



42,000
tonnes of waste
processed



327
hectares of parks and
open spaces maintained



13,592
customer service
requests



2,571
dog registrations



61
public toilets maintained



833
kilometres of water mains
served and maintained

Our Vision and Core Values

Our Guiding Principles

We aspire to provide great experiences, deliver value and create a sustainable future for our community.

Delivering outcomes that embrace value in everything we do is fundamental to a vibrant and prosperous community that ‘loves the place we live’ and is summed up in our vision statement - ‘One Coast: Cassowary Coast’.

Our Mission

We are committed to delivering great service and value, economic growth, opportunity, prosperity and a relaxed lifestyle.

Our Core Values

At Council, we are committed to working as one to realise our vision of ‘One Coast: Cassowary Coast’ to ensure great experiences, deliver value and create a sustainable future for our community.

Everything we do is underpinned by three core values:

Our Core Values are



We do what we say through our core values,
and we demonstrate this through each of our key commitments

LEADERSHIP	COMMUNICATION	PERFORMANCE	TEAMWORK
<p>We all affect outcomes, and lead through our actions and behaviours</p> <p>CCRC LEADERS WILL:</p> <ul style="list-style-type: none"> • Demonstrate visible leadership • Think of the whole organisation when making decisions • Provide clear directions • Manage performance and behaviours • Manage resources efficiently 	<ul style="list-style-type: none"> • Have conversations with each other • Listen to each other • Openly engage, share information and knowledge • Give honest and regular feedback • Have a ‘how can we?’ approach 	<ul style="list-style-type: none"> • Safety is part of what we do every day • Understand our roles and our contribution • Hold each other to account • Achieve results • Build capability • Test ideas and learn from our mistakes • Find better, simpler ways to do things • Deliver a great service to our customers 	<ul style="list-style-type: none"> • Contributions encouraged by individuals and teams • We treat each other with respect • Build trusting relationships • We empower and support each other • We support people having a go • We recognise and celebrate achievements



Our Reconciliation Journey

Cassowary Coast Regional Council understands and respects the histories and cultures of Aboriginal and Torres Strait Islander Peoples. With integrity and courage guiding us, we walk together with pride and a sense of belonging to One Coast, Cassowary Coast.

Innovate Reconciliation Action Plan

The Innovate Reconciliation Action Plan (RAP) 2023-2025 was officially endorsed by Reconciliation Australia in early January 2023, and was adopted by Council at the January 2023 Local Government Meeting. Council acknowledges that the development and implementation of the RAP is crucial in our organisation's reconciliation journey.

Since the adoption of Innovate RAP, Council has been working to achieve the

62 deliverables as outlined within the document. Led through the RAP working group, these actions ensure Council is positioned to implement effective and mutually beneficial initiatives as part of our ongoing commitment to reconciliation.

Innovate RAP has 62 deliverables across four pillars:

- Relationships;
- Respect;
- Opportunities; and
- Governance.



Summarised across the next page is a snapshot of deliverables achieved as of 30 June 2024.



Caption: CCRC RAP Members, Councillors and Council Employees at the 2024 Innisfail NAIDOC March.

Reconciliation Week Lunch with Guest Speakers and First Nations Trivia Event

Regular meetings are held with Traditional Custodians, including the Giringun Aboriginal Corporation and MAMU RNTBC, to continually explore opportunities to positively influence our external stakeholders and drive reconciliation outcomes.

Council will promote the recognition of Traditional Owners of the region by including acknowledgement of lands on town entry signage, such as 'Innisfail - MAMU Country' and 'El Arish - Djiru Country.'

National Reconciliation Week

To recognise the significance of National Reconciliation Week from 27 May to 3 June 2024, an event was held in partnership with Mamu Health Services Limited at the Innisfail Shire Hall. This year's theme, Now More Than Ever, highlights the ongoing journey towards reconciliation, emphasising the importance of connection, respect, action, and change. The event featured a Welcome to Country by Mamu elder Tracey Dickman, who stressed the need for both Indigenous and non-Indigenous groups to walk together towards reconciliation, fostering mutual understanding and healing.

The gathering was further enriched by special guests Terell Mara, Tania Ramsey, Alice Sands, and Teneisha Ah Kee, who contributed to the morning's discussions on treaty-making, truth-telling, and the broader reconciliation process. Mrs Vivienne Edwards Cassady also delighted the audience with an original song titled Reconciliation, complementing a vibrant cultural performance by the Innisfail State College Indigenous dancers, which celebrated the rich heritage and ongoing journey of Australia's First Nations peoples.

NAIDOC Week

Our community celebrated NAIDOC week held from 2 July to 9 July 2023. Council officers and Councillors attended community events held throughout the region featuring a community picnic, street marches, and the celebration of Jumbun's 45-year anniversary.

As a Council, we strive to continuously learn from our First Nations community members and create opportunities that support Closing the Gap and bring a sense of belonging, understanding and unity.



Caption: Innisfail NAIDOC Week March 2024

Engaging with Our Communities

In 2023-2024, Cassowary Coast Regional Council placed a strong emphasis on community engagement, utilising various methods to connect with and involve residents in our conversations. To assess the effectiveness of these efforts, Council regularly reviews the success of our initiatives through our Your Say engagement platform. From 1 July 2023 to 30 June 2024, the site has received over 26,000 views, 1,118 contributions and provided engagement opportunities for 22 projects. The Banyan Park Beautification project received the most engagement with 298 contributions, closely followed by Rates Consultation with 151 contributions. While the top visited projects were Mission Beach Town Centre Revitalisation (2,945), Banyan Park Beautification (2,386) and the 2024 Cassowary Coast FUTYR Workshops page (2,027).

Council is proud of the contributions made to ensure meaningful engagement is undertaken with our community. Our region is diverse and includes people of different backgrounds, needs and values, all with differing expectations, and it is vital to ensure residents can have their voices heard.

Community Scorecard

During 2024 Council undertook an extensive Community Scorecard consultation process to understand what is important to our community and where we can improve our performance. Over 2,330 community members joined the conversation sharing more than 138,500 words to guide Council with future priorities.

The top priorities were local roads, safety and crime prevention, health and community services, Council's leadership and economic development.



Caption: Council's new website homepage.

Community Grants and Support Program and Regional Arts Development Fund (RADF)

Council's Community Grants and Support Program provides support for a range of community members and local community organisations that endeavour to make positive change and contribute to a vibrant community. A review of the Program was undertaken and endorsed at the August 2023 Local Government Meeting. New funding streams including the Community Infrastructure Grants and ANZAC Day and the Battle of the Coral Sea Commemorations were introduced in addition to improving program eligibility and criteria and making the application process easier through the SmartyGrants platform.

RADF is delivered as a partnership between the Queensland Government through Arts Queensland and eligible local councils across Queensland. RADF promotes the role and value of arts, culture and heritage as key drivers of diverse and inclusive communities and strong regions.

During 2023-2024 Council provided a total distribution of **\$272,670.56** to our community through the Community Grants and Support Program and RADF.

Community Wellbeing and Lifestyle - Round 1	Regional Arts Development Fund	Community and Economic Round	Environment and Sustainability
<ul style="list-style-type: none"> • Etty Bay Surf Lifesaving Club • Mission Beach Sailing Club • Tully Cricket Association • Tully Motorcycle Club • Mission Arts Theatre Ensemble • Mission Beach Cricket Club 	<ul style="list-style-type: none"> • Feast of the Senses • Tully State School • Innisfail Community Band • Tully Nursing Home • Murray Upper State School • Valerie Keenan • Mission Beach Historical Society • Innisfail Mini Rail • Innisfail Community Band • Innisfail Historical Society • Khalia De Ridder • Innisfail Community Band • Cosima Stokeld 	<ul style="list-style-type: none"> • Innisfail & District Historical Society • Qld PCYC • Innisfail Game Fishing Club • Greek Orthodox Community of Innisfail • Tully and District Chamber of Commerce • Cardwell and District Pickleball • Cardwell UFO Festival Inc • Tully Nursing Home • Mission Beach Outrigger Canoe Club • Cassowary Coast Multisport Club • Innisfail Combined Sporting Association • Tully Horse Performance Centre • Innisfail Woodworkers Guild • Giringun Aboriginal Corporation • Misison Beach Sailing Club 	<ul style="list-style-type: none"> • Bretta Corp • Carey Baptist Grammar School • Johnstone River community Gardens • Friends of Ninney Rise • Johnstone Region Landcare Group Inc • Silkwood Clay Target Club Inc • The Crocodile Sanctuary
(RADF) - Quick Response Grants	Community Christmas Appeal	Economic Development Round 1	
<ul style="list-style-type: none"> • Innisfail Historical Society 	<ul style="list-style-type: none"> • Tully Support Centre • Innisfail Youth and Family Care 	<ul style="list-style-type: none"> • Feast of the Senses Inc 	

Infrastructure Grants	Anzac and Battle of the Coral Sea Round	Emergent Needs Funding	Sports Club and Active Recreation Insurance Support Program
<ul style="list-style-type: none"> • Brothers Leagues Club Innisfail • Castor Park Management committee • Innisfail United Soccer Club • Innisfail secnior Citizens • Landcare • Cardwell RSL • Innisfail Golf Club • Innisfail Mens Shed • Mission Beach Surf Lifesaving Club 	<ul style="list-style-type: none"> • Cardwell historial Society Inc • Cardwell RSL • El Arish Community Association • Innisfail RSL • Tully RSL 	<ul style="list-style-type: none"> • Goondi State School P & C Association • Qld Country Womens Association Tully • St Clare's School Tully • Tully District Chamber of Commerce • Mission Beach Community Association • Mamu Aboriginal Corporation RNTBC • Mourilyan & District Kindergarten • Innisfail Young Performers Association • Innisfail Gem and Allied Craft Club Inc • Lower Tully State School P&C • Feast of the Three Saints • Mission beach Community Arts Centre 	<ul style="list-style-type: none"> • Tully Country Club • Innisfail BUG Club • Innisfail and District Tennis Association • Mission Beach Sailing Club • Cardwell Sportsfishing Club • Far North Freefall • Tully Horse Performance Centre • Tully Tennis Social Club • El Arish Community Sport Recreation Association • Mission beach Tennis Club • Mission Beach Outrigger Canoe Club • Brothers Rugby League Football Club • Etty Bay Surf Lifesaving Club • Mission Beach Surf Lifesaving Club • Mission Beach Pentaque Club • North Qld Western Performance Horse Club Inc • Mission Beach Scouts

Library and Museum Services

Council delivers Library and Museum Services through our libraries in Cardwell, Innisfail, Mission Beach and Tully and the Cardwell Heritage Precinct. Support is provided by the Queensland Government through State Library of Queensland for funding for essential areas such as our collections and First Five Forever Programs. Libraries are an integral part of our local communities, and this is reflected in the level of engagement with our programs and use of our resources and facilities. These include regular programs and activities and over 190,000 physical and digital collection items available for the community to borrow.

With over 4,000 attendees during 2023-2024, the flagship of our children's programming is First Five Forever which is important for children from birth to 5 years to engage in activities to promote the importance of their early literacy journey. These formative years show the most rapid period of growth for a child's brain with over a million new connections forming every second.

Collaboration and partnerships are a cornerstone of our Library and Museums Services and we engage with First Nations peoples and community organisations. This year our team delivered and participated in significant events and initiatives such as Seniors Month, Mental Health Week, NAIDOC, Aged Care Reform Hubs, Next Chapter Book Club, Careers Day just to name a few. Team members undertake outreach to directly engage with community through forums such as new parent sessions at Queensland Health facilities, Mamu Health Mums and Bubs Program and a permanent pop-up library at Innisfail Community Support Centre.

Fast Facts in 2023-2024:

- 118,185 Physical Items
- 69,982 Digital Collection Items
- 149,014 Loans
- 7,323 Members
- 192,002 Visits to Library Branches
- 35,319 Web Visits
- 75.46% of transactions processed through self-service points
- 113,565 wi-fi sessions
- 915 Program Sessions with 10,038 attendees

New Events Strategy

Council adopted the Cassowary Coast Events Strategy 2024-2028, with a new plan to make our region a vibrant destination for events. The strategy aims to develop a sustainable calendar of events that showcase the unique qualities of the Cassowary Coast, from sports and culture to food, music, and business.

This strategy will help grow existing events and attract new ones, bringing social and economic benefits to our community. Community feedback played a key role in shaping the strategy, with residents expressing a strong desire for more festivals, exhibitions, and workshops. This plan will boost local pride, attract visitors, and create new opportunities for businesses in our region.

Tilapia Tournament

Hundreds of fishing fanatics gathered for the 2023 Tilapia Tournament held at Warrina Lakes, Innisfail. The three and a-half day event held during the September school holidays was successful in removing 940 Tilapia from our local waterways. The Tilapia Tournament is proudly presented by Council in partnership with the generous 2023 sponsors including BCF, Game Fishing Club Innisfail, Berkley, Soils First NQ, Coastal Marine & Outdoors, Manitto's Auto Centre, Harvey Norman, Allan Sultana, Kmart, Innisfail Seafood, SNS Building and Construction, Torre's Pharmacy and Tackleworld.

Cassowary Coast University Centre

A significant advancement in higher education accessibility was achieved with the establishment of the Cassowary Coast University Centre in Innisfail, supported by a federal government investment. Developed in partnership with the Vocational Partnerships Group (VPG) and Cassowary Coast Regional Council, the University Centre provides local students with essential resources and support to pursue tertiary education without leaving the region. Scheduled to open in August 2024, the hub is free for all registered students undertaking tertiary study. This initiative was in direct response to the 2022 Community Scorecard outcomes and aligns with the community's aspirations for enhanced educational opportunities, offering a valuable resource to nurture local talent and contribute to the region's growth.

Rating Advisory Committee recommendations

In June 2023, the membership of the Rating Advisory Committee was endorsed to provide valuable feedback and recommendations on the current General Rates and Special Levies structure ahead of the 2024-2025 Annual Budget. Twelve community members were selected based on their representation of local organisations, interest groups, and community groups, as well as their skills and experience. The selection process aimed to ensure the committee reflects the diverse perspectives of the Cassowary Coast community. Council looks forward to working with the committee to improve how ratepayers and community members can provide input on the Council's rates and levies.

Cardwell Tropical Mountain Bike Trails Business Case

The Cardwell Tropical Mountain Bike Trails Project is moving forward with the endorsement of the Business Case at the September 2023 Special Local Government Meeting. This project represents a successful collaboration between the Cardwell community, Traditional Owners, and various stakeholders. The Business Case outlines the project's potential to drive tourism and economic growth in the region. The Business Case details a commercial, operational, and maintenance model, paving the way for future funding and project phases, including Detailed Design and Approvals. Ongoing collaboration with community groups, traditional owners, and state and federal agencies will continue to support the project's development.

Caption: Tilapia Competition at Warrina Lakes.

2024 Australia Day Awards

The Cassowary Coast celebrated Australia Day with a series of events honouring 23 community members with Australia Day Awards. Richard Graham was named Citizen of the Year for his leadership in education and community activities. The day also featured the Youth Sports Bursary awards, recognising four young athletes, and a Mayor's Community Spirit Award presented to three SES units for their dedication during Severe Tropical Cyclone Jasper and the flooding that followed. Residents also enjoyed free entry and entertainment at pool parties across the region, making the celebrations memorable community events.

Name	Award
Richard Graham	Citizen of the Year
Rikki-Lee Broccardo	Young Citizen of the Year
Chrys Tait, Les Moule, Craig Marturia, Ninney Murray	Lifetime Contribution
Innisfail Bowls Club Centenary	Community Event / Project of the Year
St Vincent De Paul Mother of Good Counsel Conference, ETTY Bay SLSC, Mission Beach Wildcare Inc.	Community Group Award
Emily O'Brien	Sports Person of the Year
Kai Greven	Young Sports Person of the Year
Nadine O'Farrell	Service to Sports Award
Mission Beach Historical Society	Arts and Culture Award
Emily Muriata	Young Arts and Culture Award
Constance (Connie) Symons, Judy Ronland	Sustainable Environment Award
Kyanna Wirth	Young Sustainable Environment Award
Blue EDGE Program, Michael Sands and Mick Maguire	Achievement Award
Alicia Magnanini, St Rita's School South Johnstone	Science Technology Engineering and Mathematics (STEM) in Education Award
Satkirat Kaur	Young Entrepreneur
Hannah Beeron	First Nations' Fire Award
Rebecca Mosk	Excellence and Innovation Award
2024 Youth Sports Bursary recipients	
Elle Gracie	Junior Sports Female (Age 8-12)
Shaun Riley	Junior Sports Male (Age 8-12)
Mia Wilson	Senior Sports Female (Age 13-18)
Kai Greven	Senior Sports Male (Age 13-18)
Australia Day Photography Competition Awards 2024	
Jane Stark	Third Prize
Selina Wirth	Second Prize
Cameron Anderson	Winner

During the year Council conducted three Citizenship Ceremonies and warmly welcomed 54 new citizens to our region. We are very proud that the citizens and their families have chosen to make a strong commitment to our community and call the Cassowary Coast home.

Activating Our Economy

In 2023-2024, Council looked to create a strong, diverse economy in which provided opportunities for business and investment with an integrated approach to long-term planning where the region's assets meet community needs.

Small Business Friendly Council Annual Report

In 2024, Cassowary Coast Regional Council (CCRC) was recognised as a finalist for the Regional Member of the Year award by the Queensland Small Business Commissioner. Notable achievements include partnering with VPG to improve access to tertiary education for residents and providing local businesses with skilled employees. Council engaged with 432 local suppliers through its procurement policy and supported 11 small businesses with over \$70,000 in funding through the DYJESBT Hubs to aid their growth and development.

Shopfront Improvement Incentive Scheme

In 2018, Council introduced the "Activate Cassowary Coast Façade Improvement Scheme," which approved 41 applications, leading to a significant investment in the community. The new "Growing the Cassowary Coast Incentive Shopfront Improvement Scheme Policy" continues this commitment, aligning with the region's 2033 economic strategy goals. The policy encourages building owners and business operators to invest in shopfront improvements, with Council matching contributions up to \$5,000. Applicants must complete the proposed works within six months of agreement execution, with funding released upon project completion. A detailed post-completion report is required, including before and after photos and confirmation of the works. The policy supports Council's corporate objectives, focusing on community enhancement and economic resilience through strategic partnerships and sustainable development initiatives.

Procurement Policy – Procurement Review Board

In May 2024, Council adopted a revised procurement policy, significantly enhancing its procurement governance by establishing the Procurement Review Board (PRB). The PRB, which convenes monthly or as needed, is integral to the approval process for procurement activities that meet specific thresholds. This initiative reflects Council's commitment to conducting procurement with the utmost integrity, efficiency, and in alignment with strategic objectives and Local Government legislation.

A key element of our strategic procurement development is the introduction of a forward procurement plan, aimed at increasing transparency and engagement with local suppliers. By providing visibility into upcoming opportunities, we empower businesses to prepare and position themselves for future contracts, thus supporting the local economy and promoting healthy competition.

The PRB's responsibilities cover both pre-market and post-market phases of procurement. Before procurement activities are launched, Council officers must present a detailed plan to the board, ensuring alignment with Council's Corporate and Operational Plans, and compliance with legislation. Post-market, the PRB reviews procurement outcomes to confirm that they deliver optimal value and meet the intended scope. This comprehensive oversight guarantees that all significant procurement activities contribute positively to the region.

Economic Development Strategy and Action Plan

The Growing Stronger Together 2033 Economic Development Strategy and Action Plan is already delivering tangible results in our community. With 14 total immediate actions, nine successfully completed and four more actively underway, we are making significant strides toward a stronger, more vibrant future. These early successes demonstrate our commitment to creating sustainable economic opportunities and enhancing the quality of life for all residents. As we continue to implement the strategy, our focus remains on growing a stronger Cassowary Coast.

Economic Development Advisory Committee

Throughout the 2023-2024 period, the Economic Development Advisory Committee (EDAC) demonstrated strong leadership in driving the implementation of the Growing Stronger Together 2033 Strategy. Meeting quarterly, EDAC focused on actions across the Strategy's four critical pillars: Advocacy and Collaboration, Sustainability and Innovation, Workforce Development, and Industry Planning and Prioritisation. Through this focused approach, the EDAC provided valuable advice to Council, ensuring that the actions undertaken were strategic, impactful, and aligned with our long-term vision for the region's economic growth and prosperity.

The Place to Invest - Investment Prospectus

Our Investment Prospectus presents a compelling case for opportunities in Agriculture, Tourism, Transport and Logistics, and Aquaculture. Highlighting these priority industries, the document illustrates how strategic investments can drive substantial growth. It also emphasises our commitment to enhancing liveability, making the region an attractive place to live, work, play, and stay. The Investment Prospectus supports potential investors to discover why this area is not only a prime location to invest and do business but also an exceptional community to thrive in.

Caption: Mission Beach Town Centre



Building Our Infrastructure

Through our built environment, Council looked to deliver regional infrastructure which supported our community and ensured it remained financially sustainable.

These projects included:

Mission Beach CBD

The start of the Mission Beach Town Centre Revitalisation Project was scheduled to commence in April 2024. This \$18.98 million project, guided by the 2018 Mission Beach Strategic Master Plan and supported by the Queensland Government, will transform the town centre with new infrastructure, landscaping, and lighting with completion expected in mid-2025.

The project will enhance stormwater systems, upgrade the Village Green, and improve Porter Promenade, making Mission Beach a more vibrant and welcoming place for residents and visitors. Council will keep the community updated throughout the project to ensure minimal disruption and maintain strong communication.

Port Hinchinbrook

The construction of the Port Hinchinbrook Sewerage Treatment Plant (STP) has reached over 70% completion, with more than \$2.6 million directly spent on local businesses within the Cassowary Coast. In Cardwell alone, nearly \$1 million has been invested in goods and services, including electrical and plumbing, earthworks, and quarry materials.

The project has involved local subcontractors such as CCUS Tully and Absolute Electrical in Cardwell, and has employed 105 people, contributing 24,200 cumulative hours of work since its commencement in August 2023. The project, funded by the Australian and Queensland Governments and the Cassowary Coast Regional Council, is on track for completion by October 2024, pending any delays.

Innisfail CBD Master Plan

During the Local Government Meeting on 24 August 2023, Council approved the Innisfail CBD Master Plan and instructed the project team to develop a detailed staging plan for future review. Due to the substantial costs involved, a phased implementation is necessary, with the plan's success dependent on private sector investment and government grants. The proposed Innisfail CBD Staging Delivery Plan 2023-2057 is designed as a flexible, evolving guide that aligns with community priorities and funding availability. It provides a detailed roadmap for the CBD Master Plan's execution, encompassing planning, approvals, and the prioritisation of short, medium, and long-term projects, aimed at enhancing arrival points, streetscapes, cultural hubs, recreational spaces, and iconic waterfront precincts.

Banyan and Lions Park Beautification Project

In the September 2023 Local Government Meeting, the design concept for the beautification of Banyan and Lions Park was approved. Following community feedback, Option One was chosen for its staged delivery, creating a welcoming space for families and visitors. This design will feature a revitalised main area for relaxation, an undercover bus terminal, and a modern, safe toilet block. Option One, which also includes relocating the transit centre, was the preferred choice, receiving 289 votes from the community.

Caption: Aerial shot of current construction work at the Port Hinchinbrook Sewerage Treatment Plant



Sustaining Our Environment

In 2023-2024, Council aimed to preserve and maintain our natural environment and incorporate contemporary and proven sustainability principles, as part of all activities for current and future goals.

These included:

Southern Cassowary Conservation Policy

A new policy has been introduced to ensure the long-term survival of the endangered Southern Cassowary in the Cassowary Coast Region. Classified as 'Endangered' under both national and state environmental laws, this unique Wet Tropics population faces threats including climate change, habitat fragmentation, invasive species, inadequate land management, road traffic accidents, human and dog interactions, and diseases.

The policy aims to address these challenges through strategic measures that will impact all relevant operations, projects, and programs. This initiative underscores the commitment to protecting this vital species and enhancing its chances of survival in the region.

Kerbside Collection Contract

A new kerbside recycling collection service is being introduced, marking a significant shift towards best practice waste management. Starting in the 2024/25 financial year, residents will use 240L yellow-lidded bins for recycling and 140L red-lidded bins for mixed general waste. This change followed a decision to negotiate a new waste collection and transport services contract with JJ Richards and Sons, set to begin in August 2024.

The new system replaced the previous waste disposal method and aimed to meet regional, state, and federal recycling targets. This initiative supported Queensland's goal to reduce household waste, increase recycling rates, and improve overall waste management.

Caption: JJ's Waste unveils new THINK YELLOW kerbside collection trucks



Supporting Our Teams

Council is one of the largest employers in the region. We provide for employment in up to 384 roles, as well as employing 13 apprentices and six trainees. We also supplement the workforce with additional labour to assist with priorities in service delivery.

Council staff are led by the Chief Executive Officer and strive for continuous improvement in service delivery through the following structure:

- Office of the CEO - People and Safety; and Governance; Risk and Performance
- Infrastructure Services - Asset Engineering; Facilities and Leasing; Project Delivery; Asset Maintenance
- Corporate and Community Services - Information, Communication and Technology; Community and Engagement; Procurement and Finance
- Commercial Services - Fleet Services; Water and Wastewater and Waste and Resource Recovery.
- Development and Environmental Services - Emergency Management; Regulatory Services; Economic Development; Planning and Development and Natural Environmental and Sustainability.



Young Recruits

Council recognises that providing local youth opportunities for training and stable employment will encourage them to stay in the region and contribute to a vibrant and prosperous Cassowary Coast community.

To support this vision, in the 2023-2024 Financial Year, Council continued its partnership with the group training organisation, Community Solutions Group and the Queensland Government, which provides funding through the First Start Program. This collaboration provides employment and training for several young locals through Council-based traineeships and apprenticeships. These programs provide an opportunity for participants to develop practical workplace skills and experience while study is undertaken. Opportunities and support are extended to people who have been out of the workforce for some time or are returning to the workplace after having children.

Council has provided six opportunities for one and two year traineeships in areas of Conservation and Ecosystem Management, Business Administration, Library and Information Services, Civil Construction and Information Technology across a number of departments in both field and office-based roles. Fourteen apprentices are hosted by Council in trades of diesel fitting, mechanical fitting, boiler making, carpentry and plumbing.

Council Mentoring Program and Work Experience

2023-2024 mentor program between Council and Innisfail State College continued with three student participants across various sectors of Council. The aim of the program is to help keep vulnerable Cassowary Coast students engaged, by providing them with exposure to the workplace and different career pathways. Combined with one-on-one support and encouragement from workplace mentors, the program enhances confidence of student participants.

Nineteen Work Experience students from schools throughout the Cassowary Coast region also had an opportunity to gain an insight into what it is like to work at Council through holiday work experience placement. Popular placement areas included Communications, Libraries, Finance, Information Technology, Customer Experience, Asset Maintenance, project Delivery and Engineering as well as with our Building Services and Water teams to observe trade positions of carpentry, boiler making and plumbing.

Both programs help to create a better understanding of the workplace environment and provide students with a chance to explore potential career options.

Caption: Careers Day 2024 with 47 stallholder groups







2. Statutory Information

This section details the annual statutory reporting requirements that have not already been included elsewhere in the Annual Report. It includes information about how we respond to complaints and requests for information, details our investment into our community, and discloses key information about our business operations.



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Our Councillors

Cassowary Coast Regional Council consists of the Mayor and six Councillors who are elected by the community every four years to represent the views of residents within the region.

Cr Teresa Millwood
MAYOR
Portfolio: Advocacy



Cr Nicholas Pervan
DEPUTY MAYOR
DIVISION 4
Portfolio: Infrastructure Services



Cr Trudy Tschui
DIVISION 3
Portfolio: Community, Culture and Liveability



Cr Peter Reid
DIVISION 1
Portfolio: Water and Wastewater



Cr Jeff Baines
DIVISION 5
Portfolio: Development, Planning and Environment



Cr Ellen Jessop
DIVISION 2
Portfolio: Waste and Resource Recovery



Cr Renee McLeod
DIVISION 6
Portfolio: Economic Development and Tourism



Mayors and Councillors

Councillor Remuneration and Expenses

Cassowary Coast Mayor and Councillors were remunerated in accordance with the maximum remuneration rates published by the Local Government Remuneration and Discipline Tribunal. Superannuation Contributions were paid at a rate of 12 percent of a Councillor's base remuneration.

In accordance with section 186 (a) and 186 (b) of the *Local Government Regulation 2012*, the total remuneration paid to each Councillor, superannuation contributions and the total expenses incurred by each Councillor under the Expenses Reimbursement for Councillors Policy during the financial year are as shown below.

Expenses reimbursed for private vehicle usage, conference registrations, accommodation, meals, travel expenses, telecommunication and professional development.

Councillor	Remuneration	Superannuation	Expense	Total
Cr Teresa Millwood	\$91,818.41	\$11,018.26	\$1,957.78	\$104,794.45
Cr Nicholas Pervan	\$78,215.29	\$9,385.89	\$4,562.41	\$92,163.59
Cr Peter Reed	\$19,053.94	\$2,286.50	-	\$21,340.44
Cr Ellen Jessop	\$19,053.94	\$2,286.50	\$229.50	\$21,569.94
Cr Trudy Tschui	\$75,005.44	\$9,000.77	\$6,229.80	\$90,236.01
Cr Jeffery Baines	\$75,005.44	\$9,000.77	\$1,088.15	\$85,094.36
Cr Renee McLeod	\$75,005.44	\$9,000.77	\$2,828.33	\$86,834.54
Former Cr Mark Nolan	\$105,322.47	\$12,638.60	-	\$117,961.07
Former Cr Barry Barnes	\$65,826.02	\$7,899.03	\$1,821.27	\$75,546.32
Total	\$604,306.39	\$72,517.09	\$18,717.24	\$695,540.72

Council Meeting Attendance

In accordance with section 186(1)(c) Council is required to disclose the number of local government meetings that each Councillor attended during the financial year.

Thirteen (13) ordinary meetings and three (3) special meetings were held during the period 1 July 2023 to 30 June 2024 and the attendance of Councillors is detailed below.

Councillor	Ordinary meetings attended	Special meetings attended
Cr Teresa Millwood	13	3
Cr Nicholas Pervan	12	3
Cr Peter Reed	4	2
Cr Ellen Jessop	5	2
Cr Trudy Tschui	14	3
Cr Jeffery Baines	14	3
Cr Renee McLeod	13	3
Former Cr Mark Nolan	9	0
Former Cr Barry Barnes	10	1

Councillor Conduct

In accordance with section 186(1)(d)-(f) of the *Local Government Regulation 2012*, orders and complaints about Councillors during the financial year are as shown below. There was nil (0) order made under section 150I(2), 150AH(1) and 150AR(1) of the *Local Government Act 2009*.

Section and requirement		Number
150P(2)(a)	Complaints referred to the assessor under section 150P (2)(a) of the Act by the local government; a councillor of the local government and the chief executive officer of the local government.	Nil
150P(3)	Matters, mentioned in section 150P (3) of the Act, notified to the Crime and Corruption Commission.	Nil
150R(2)	Notices given to the assessor when a local government official becomes aware of information indicating a councillor may have engaged in conduct that would be inappropriate conduct or misconduct under section 150R(2) of the Act.	1
150S(2)(a)	Notices given to the assessor under section 150S(2)(a) of the Act when a local government decides under section 150AG to take action to discipline the councillor for inappropriate conduct on 3 occasions during a period of 1 year; or the local government has previously made an order that a particular type of conduct engaged in by a councillor will be dealt with as misconduct and reasonably suspects the councillor has engaged in the same type of conduct again.	Nil
150W (a)	Decisions made by the assessor to dismiss the complaint about the conduct under section 150X.	Nil
150W (b)	Decisions made by the assessor to refer the suspected inappropriate conduct to the local government to deal with.	1
150W (d)	Decisions made by the assessor to take no further action in relation to the conduct under section 150Y.	Nil
150AC(3)(a)	Referral notices accompanied by a recommendation that the conduct should be referred to another entity for consideration as mentioned in section 150AC (3)(a) of the Act.	Nil
150AF(4)(a)	Occasions information was given by the local government to the assessor under section 150AF (4)(a) of the Act.	Nil
Chapter 5A, part 3, division 5	Occasions the local government asked another entity to investigate, under chapter 5A, part 3, division 5 of the Act for the local government, the suspected inappropriate conduct of a councillor.	Nil
150AJ	Applications heard by the conduct tribunal about the alleged misconduct of a councillor.	Nil
150I(2)	Orders made by the chairperson under section 150I(2) of the Act.	Nil
150AH(1) and 150IA(2) and (2)(b)	Orders made by the local government under section 150AH(1) of the Act.	Nil
Chapter 5A, part 3, division 5	A description of the unsuitable meeting conduct, inappropriate conduct or misconduct engaged in by each of the councillors	Nil
Chapter 5A, part 3, division 5	A summary of the decision, order or recommendation made for each councillor	Nil
150AG(1)	The number of decisions made by the local government under section 150AG(1)	Nil
150AG(1)	The number of matters not decided by the end of the financial year.	Nil
150AG(1)	The average time taken by the local government in making a decision under section 150AG(1)	Nil

Corporate Governance

Senior Management Remuneration

In accordance with section 201 of the *Local Government Act 2009* the details of remuneration for senior management during the financial year were as follows:

Remuneration Value Range	Number of Senior Executives
\$250,000 - \$350,000	4
\$350,000 - \$450,000	1

The senior management of a local government consists of the Chief Executive Officer and all employees whose position would ordinarily be considered to be a senior position in the local government's corporate structure. Council's senior management during 2023-24 included the Chief Executive Officer, Director Infrastructure Services, Director Commercial Services, Director Corporate and Community Services and Director Development and Environmental Services.

Senior management remuneration packages include salary paid or payable and includes superannuation at 12 percent, vehicle allowance and professional development allowance. The total remuneration packages payable to senior management for the financial year was \$1,188,037.27.

Administrative Action Complaints

In accordance with section 187 of the *Local Government Regulation 2012*, Council has adopted a Complaints Management Policy and Administrative Action Complaints procedure to effectively deal with complaints in a fair, prompt, professional, confidential and respectful manner.

Council's Governance team is responsible for application of the policy and coordinating complaint investigations. All complaints received by Council are considered on their merits and addressed pursuant to any relevant legislation requirements and investigation in accordance with the relevant operational procedure and the application of the principles of procedural fairness.

Assessment of Council's Performance

A centralised complaints management processes allows for key performance indicator management, cause tracking, continuous improvement, and reporting through to resolution. The Complaints Management Policy has been reviewed to ensure compliance with the *Local Government Regulation 2012*.

A reporting highlighting all Administrative Action Complaints is presented to the Executive Leadership Team each month.

Reasons for Administrative Action Complaint, received in the 2023-2024 were due to:

- 8 lack of contact or action from Council
- 2 process/procedure not adhered to
- 31 dissatisfaction with a Council decision

Eight (8) Administrative Action Complaints were escalated to an internal review by the customer. These complaints were reviewed by the relevant director. The outcome of all eight reviews recommended that the original decision to be upheld. However, one complaint outcome was amended on external review by the Queensland Ombudsman.

On average 95 percent of complaints were resolved within Council’s agreed timeframe, this is slightly below the 2022-23 performance. Two complaints were not completed within the 25-day timeframe due to the complexity of the issues raised. Council has the capacity to consistently resolve complaints within the timeframe and the average time to respond to complainants was within 14 days.

As required by section 187(2) of the *Local Government Regulation 2012*, the below table provides a summary of Administrative Action Complaint outcomes for 2023-24.

Outcome of administrative action complaints	2023-24
Number of Administrative Action Complaints made	40
Number of Administrative Action Complaints resolved under the complaints management process	37
Number of Administrative Action Complaints not resolved under the complaints management process	3
Number of Administrative Action Complaints not resolved that were made in the previous Financial Year	Nil

Significant Business Activities

In accordance with section 45(a) of the *Local Government Act 2009*, Council conducted the following business activities during the financial year:

- Cassowary Coast Water and Waste Water

In accordance with Section 45 (c) of the *Local Government Act 2009*, the competitive neutrality principle was applied to both significant business activities. Both activities were conducted in the preceding financial year, in accordance with section 45 (d).

In accordance with section 45 (d), Waste activities exceeded the thresholds as defined by the *Local Government Regulations 2012* during the financial year. The Waste activities were not conducted in the preceding financial year.

Competitive Neutrality Complaints

In accordance with section 190(1)(i) and (1)(j) of the *Local Government Regulation 2012*, Council is required to provide a summary of investigation notices for competitive neutrality complaints during the financial year. No competitive neutrality complaints were received during the reporting period.

Particular Resolutions

In accordance with section 185 of the *Local Government Regulation 2012*, Council must advise of particular resolutions made under section 250(1) and section 206(2) of the *Local Government Regulation 2012*.

The Expenses Reimbursement for Councillors Policy was amended by Council at the Ordinary Meeting held on 24 January 2024. The policy provides for payment of reasonable expenses incurred, or to be incurred, by Councillors for discharging their duties and responsibilities as Councillors and for the provision of facilities to Councillors for that purpose. The policy is based on the following principles:

- No private benefit to be derived
- Reasonable expenses reimbursement
- Public accountability and transparency
- Public expectations and community expectations
- Equity and participation

Assets Recognition Policy

Section 206(2) of the *Local Government Regulation 2012*, deals with setting an amount for each different type of non-current physical asset below which the value of an asset of the same type must be treated as an expense.

Overseas Travel

In accordance with section 188 of the *Local Government Regulation 2012* no overseas travel expenses were incurred by Councillors or Council employees in an official capacity during the financial year.

Expenditure on Grants to Community Organisations

In accordance with section 189(2)(a) of the *Local Government Regulation 2012*, the following table outlines a summary of the funds supplied through community grants:

Programme	Expenditure
Rates Rebate – Not for Profit Organisations	\$213,518.00
Regional Arts Development Fund	\$50,998.00
Community Assistance Scheme – Emergent Funds Grant	\$10,295.00
Community Assistance Scheme – Youth Assistance	\$8,900.00
Community Assistance Scheme – Grants Program	\$198,927.56
Community Assistance Scheme – Youth Sports Bursary Program	\$1,550.00
Community Christmas appeal donations	\$2,000.00
TOTAL	\$452,813.56

Details of special rates and charges

In accordance with Section 190(1)(d)(i) of the *Local Government Regulation 2012*, there was no action taken for, and expenditure on, a service, facility or activity:

1. supplied by another local government under an agreement for conducting a joint government activity; and
2. for which Council levied special rates or charges for the 2023-2024 financial year.

Summary of Concessions for Rates and Charges

In accordance with section 190(1)(g) Council is required to provide a summary of all concessions for rates and charges granted during the financial year.

In considering the application of concession under Section 190(1)(g) of the *Local Government Regulation 2012*, Cassowary Coast Regional Council was guided by the principles of:

- Equity- having regard to the different levels of capacity to pay within the local community;
- Consistency- the same treatment for ratepayers receiving concessional rating; and
- Transparency- making clear the requirements necessary to receive concessions.

In accordance with the above principles, Council at the Special Budget Meeting on 28 June 2023 approved the Rating Concession Policy which documents the following concessions:

Concessions for pensioners

Pensioners who meet the eligibility requirements of the Queensland State Government's Pensioner Remission Policy may receive up to 50 percent remission off the general rates with a maximum of \$300.00 per annum.

Concession for water consumption

Property owners may be eligible for a rate concession in respect to water charges or water consumption charges resulting from a concealed leak.

Concessions for Community Organisations

Provides for a range of concessions for not-for-profit community, recreation and sporting organisations which meet certain criteria.

Concessions for home water dialysis

Council has also committed to providing assistance via a non-chargeable water allowance of up to 190kl per year to those patients on home renal dialysis and who meet certain criteria.

Concessions to ratepayers for 2023-2024:

Type of Concession	Concession granted
Pensioner concession Council only	\$745,085.14
Water consumption concession	\$181,836.00
Home water dialysis concession	\$145.60
TOTAL	\$927,066.74

Changes to Council Tenders

In accordance with section 190(1)(e) of the *Local Government Regulation 2012*, Council advises that there were 40 changes to tenders under section 228(8) during the financial year.

Council Register

In accordance with section 190(1)(f) of the *Local Government Regulation 2012*, Council kept the following registers:

- Councillor Conduct Register
- Register of Secondary Employment
- Register of Interests of a Councillor and their Related Persons
- Register of Interests for CEO and Senior Executive Employees
- Register of General Charges and Regulatory Fees
- Register of Delegations by Council to the Chief Executive officer
- Register of Sub-Delegations from CEO to Council Officers and Contractors
- Register of Policies
- Cemetery Register
- Impounding Register
- Infrastructure Charges Register
- Register of Contracts
- Register of Roads
- Register of Assets
- Register of Local Laws
- Testable Back-flow Prevention Devices Register
- Registers of pre-qualified suppliers (RPQS)
- Registered dog register
- Regulated dog register

Audit Committee

The Audit Committee plays a key role in assisting Council to discharge its responsibilities for the efficient, effective, economical, and ethical use of ratepayer's resources.

The Committee does this by providing independent oversight of the Council's governance and internal control frameworks, financial reporting, and compliance with relevant legislation.

It is required by *Local Government Regulation 211(1) (b)* to examine:

- i. the internal audit plan for each financial year;
- ii. reports of internal audit activity including any recommendations in the report and the actions to which the recommendations relate;
- iii. a draft of the local government's financial statements before the statements are certified and given to the auditor-general;
- iv. the auditor-general's audit report and auditor-general's observation report about the local government's financial statements for the preceding financial year.

In the period 1 July 2023 to 30 June 2024, the Audit Committee formally met on five occasions.

Member attendance at meetings was as follows:

Attendee	Meetings attended	Possible
Cr Teresa Millwood	1	1
Cr Jeffery Baines	5	5
Former Cr Mark Nolan	4	4
Mark Andrejic	5	5
Campbell Charlton	5	5
Jodie Woolcock	5	5

The meetings are open to interested Councillors and are attended by a range of staff.

Internal Audit Function

In accordance with section 105 (1) of the *Local Government Act 2009* the internal audit function has been established as an integral component of Council's corporate governance framework. The Internal Audit Unit operates in accordance with the Internal Audit Policy and Charter, which is endorsed by the Audit Committee and through the engagement of contract Internal Auditor. The Charter sets out the mandate, roles and responsibilities of the internal audit function.

The key role of the internal audit function is to assist Council, the Audit and Risk Committee, the Chief Executive Officer and other levels of Management, to properly discharge their responsibilities and achieve sound managerial control over all Council activities. Audits provide independent advice and assurance to Council and management that policies, operations, systems and procedures meet appropriate standards of accountability, regulatory compliance, effectiveness, efficiency and propriety.

In accordance with section 190 (1) (h) of the *Local Government Regulation 2012*, audits and other activities undertaken during the financial year included:

- Internal audits undertaken:
 - IT Security and Governance
 - Fuel Management Practices
 - Pay Rates and Wage Payment Accuracy (commenced)
- Management of Audit Actions Register

Work, Health, Safety and Wellbeing

Cassowary Coast Regional Council takes its WHS&W responsibilities seriously and the organisation ensures engagement in several key areas. These include enhancing the safety culture and communication within Council through increased interaction between Health Safety Representatives and the Executive and Senior Leadership Teams; fostering transparency and encouraging team members to share concerns and incidents and to continually improve through education, review and learnings. Our focus remains with five main pillars:

1. WHS Management System encompassing roles, responsibilities, and contractor engagement;
2. Innovation in WHS practices through training, safety culture, and change management;
3. Injury prevention and early intervention focusing on fitness for work and psychosocial health;
4. Design in WHS involving risk reduction and identification of hazards and near misses; and
5. Wellbeing initiatives such as health programs, employee assistance, and various health checks including vaccines and screenings.

Public Sector Ethics

In accordance with section 23 of the *Public Sector Ethics Act 1994*, Council must include an implementation statement giving details pertaining to the actions taken to prepare employees in regard to the code of conduct, our education, training, procedures and practices of public sector entities.

Below information pertaining to Council's actions taken:

Employee Code of Conduct

Cassowary Coast Regional Council employees work under the principles and ethics of a Code of Conduct which outlines the four ethics values in accordance with the *Public Sector Ethics Act 1994* which requires employees within the public service to have:

- Integrity and impartiality;
- Promoting the public good;
- Commitment to the system of government; and
- Accountability and transparency.

All employees have been provided with a copy of the Code of Conduct and new employees receive a copy of the Code of Conduct and attend compulsory training as part of Council's employee induction program.

Education and Training

During the period 1 July 2023 to 30 June 2024 Cassowary Coast Regional Council employees were provided with various education and training programs regarding governance awareness.

Council's governance awareness program highlights the role all Council employees have in maintaining the reputation and high standards of Council and the importance of working together to build a culture of ethical practice, openness and integrity. It includes training on Delegations and Authorised Persons, Fraud and Corruption, Councillors Interaction with Staff, Public Interest Disclosures, Complaints Management, Human Rights, Information Privacy, Right to Information, Conflicts of Interest and Risk Management.

The effective implementation and administration of Council's governance framework and awareness program relies on the commitment, skills and professionalism of all Council employees. Council will continue to deliver education and awareness sessions to all employees as part of Council's commitment to the highest standards as a public sector leader.

Procedures and Practices of Public Sector Entities

Cassowary Coast Regional Council administrative procedures and management practices have due regard to the *Public Sector Ethics Act 1994* and the Code of Conduct when considering best practice policies, procedures and guidelines which outline and support the ethics obligations of employees in the public sector.



3. Our Community Financial Reporting

This section highlights our financial performance in our Financial Report, which provides an overview of our key financial outcomes.



Good Drinks
for Good People

Bottleshop

ENTRY
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Community
Event

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Introduction

The Community Financial Report, as required by Section 184 of the *Local Government Regulation 2012*, provides an explanation of the audited financial statements for the 2023-2024 Financial Year. The Community Financial Report contains a summary and analysis for residents, businesses and other stakeholders to enable greater understanding of Council's financial position and performance. In addition, this report includes key financial statistics and ratios that can also be useful indicators of Council's performance. The following report summarises the following:

- Statement of Comprehensive Income
Measures how Council performed in relation to income and expenditure from operations to give a net result.
- Statement of Financial Position
Is a snapshot of what we own (our assets) and what we owe (our liabilities) as at the end of the Financial Year, with the difference (our equity) reflecting our net worth.
- Statement of Changes in Equity
Summarises changes in our net worth during the year including showing the movements in our retained earnings, reserves and asset revaluation surplus.
- Statement of Cash Flows
Shows cash movements that have occurred during the Financial Year. The closing balance reflects how much cash Council had at the end of the Financial Year.
- Measures of Financial Sustainability
Provide an indication of our relative sustainability based on the prior year's performance. The eight sustainability indicators have been established by the Department of State Development, Infrastructure, Local Government and Planning to help monitor the long-term sustainability of all Councils across Queensland.

Further details and breakdowns of all the below items can be found in the Financial Statements and detailed notes to the Financial Statements.

Statement of Comprehensive Income

The Statement of Comprehensive Income is often referred to as the Profit and Loss Statement. This statement shows what Council is expected to earn (revenue) and what costs Council is expected to incur (expenditure) throughout the financial year. For the 2023-2024 financial year, Council achieved a Net Surplus Result of \$9.64 million including \$25.4 million capital revenue.

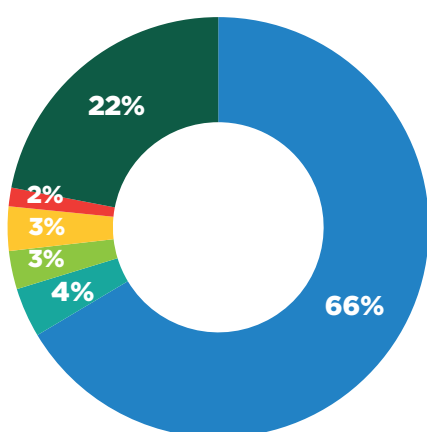
The following comparison is provided between the previous year and the year in review:

	2023-2024	2022-2023	% Change
What we expect to earn (Revenue)			
Operating Revenue	90,217,677	92,950,708	(3%)
Capital Revenue	25,399,079	9,025,499	181%
Total Revenue	115,616,756	101,976,207	13%
What we expect to spend (Expenditure)			
Operating Expenditure	(98,930,275)	(91,088,247)	9%
Capital Expenditure	(7,042,322)	(12,188,626)	(42%)
Total Expenditure	(105,972,597)	(103,276,873)	3%
Net Result	9,644,159	(1,300,666)	(841%)
Operating Result	(8,712,598)	1,862,461	(568%)

Where did Council's money come from? (Income)

There are two categories of revenue included in Council's financial performance:

- 1) Operating Revenue; and
- 2) Capital Revenue.



Type of Revenue	\$'000's
Net Rates and Utilities	76,799
Fees and Charges	4,419
Grants, Contributions and Donations	3,406
Finance Income	3,936
Other Operational Revenue	1,657
Capital Revenue	25,399
Total Revenue	115,617

Operating Revenue

Operating revenue in 2023-2024 was \$90.2M. Rates, levies and charges continue to be the major source of income for Council at \$76.8M, an increase of \$4.4M (+6%) compared to the prior year. This major income source comprises; general rates; sewerage; waste and water charges; environmental and transport infrastructure levies. This is offset by pensioner rebates and a general rates discount of 5%. The increase in Rates income vs. prior year is made up of: 1) increase in general rates of 4.75%; 2) 6.8% increase in water, sewerage and other levies/charges.

Fees & Charges revenue was \$4.4M for 2023-2024, which was an increase of \$393K (+9%) compared to the prior year. This revenue is made up of fees and charges for; a variety of regulatory fees; domestic dry and wet waste at Council's Waste Transfer Stations; and revenue resulting from other commercial operations such as caravan parks.

Operational grants, contributions and donations is \$3.4M for 2023-2024, a decrease of \$8.1M (-239%) compared to the prior year. This large decrease is a result of the timing of the payment of the 2024-2024 Financial Assistance Grant which based on the prior year was expected and forecast to be received at the end of June 2024 but instead was paid early July 2024.

Council continues to seek opportunities to maximise revenue from sources other than rates and fees & charges by actively pursuing grants and subsidies from State and Federal Government.

Capital Revenue

Capital Revenue consists of grants from State and Commonwealth Governments and provide partial funding for Council's capital works program. In addition to grants, capital revenue also includes any contributed assets and gains made in relation to asset disposals.

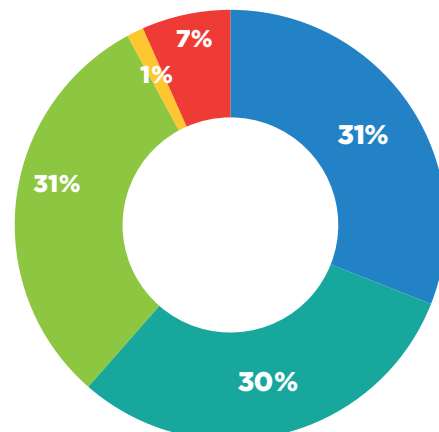
Council's capital revenue was \$25.4M in 2023-2024 which was a significant increase of \$16.4M (+181%) compared to the prior year due to increased State and Commonwealth grants for projects including the Port Hinchinbrook Sewerage Treatment Plant and normalisation project, plus non-cash contributions which are usually infrastructure assets received from community organisations or developers.

Where does Council spend the money? (Expenditure)

Similarly to revenue, there are two categories of expenditure included in Council's financial performance:

- 1) Operational Expenditure; and
- 2) Capital Expenditure.

Type of Expenditure	\$'000's
Employee Expenses	32,830
Materials and Services	32,296
Depreciation	32,459
Finance Costs	1,344
Capital Expenses	7,042
Total Expenditure	105,973



Operational Expenditure

Operating expenses are the costs associated with the day to day running of Council's services. Council's operating costs for 2023-2024 were \$98.9M, an increase of \$7.8M (+9%) compared to the prior year.

Materials and services together with employee expenses comprise 66% of Council's total operating expenditure for 2023-2024 financial year. Council is one of the region's largest employers and engages a large range of local suppliers and contractors to deliver services to the community both of which contribute to increased spend and business growth within the local economy

Depreciation is another major component of Council's operating expense at \$32.5M for 2023-2024, an increase of \$1.9M (+6%) compared to prior year. The increase is largely a revaluation of recreational and natural area assets and the indexation of all other asset classes in 2022-2023. Depreciation is an accounting method used to allocate the cost of an asset over its useful life. It allows Council to provide utility from the assets they own by paying for them over a certain period of time. It can provide a guide as to what Council should spend on asset renewals and it is a component of the Asset Sustainability Ratio which is a mandated reporting requirement by the Queensland Government. Council's assets are managed in line with the Asset Management Plans.

Capital Expenditure

Capital expenditure was \$7M for the 2023-2024 financial year. This was \$5.1M (-73%) less than 2022-2023 financial year mainly due to the rate adjustments related to the refuse restoration provision included in the prior year.

Operating Result

Council's operating position reflects the organisation's ability to meet its everyday running costs from operating revenue. The net operating position is calculated by taking total operating expenses from total operating revenue and does not include revenue or expenditure amounts for capital projects. In the 2023-2024 financial year, Council's operational result was -\$8.7M, which is a reduction of \$10.6M from the prior year. This is often the number reported in Council's monthly reports or communications.

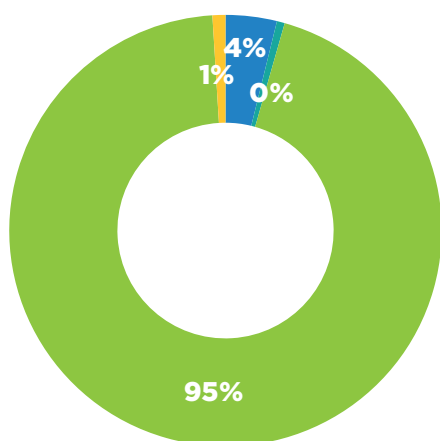


Statement of Financial Position

The Statement of Financial Position shows what we own (assets) and what we owe (liabilities), with the net worth of Council being represented by the difference. The 2023-2024 result is a \$1.5 billion value of net community assets that is managed by Council on behalf of the ratepayers and residents of the region.

	\$'000
What we own (Assets)	1,600,870
What we owe (Liabilities)	55,819
Equity	1,545,051

What do we own? (Assets)

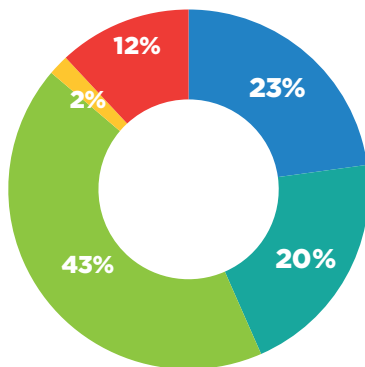


Type of Assets	\$'000's
Cash, Cash Equivalents & Investments	61,255
Receivables	9,447
Property, Plant & Equipment & Intangible Assets	1,514,665
Other Assets	15,503
Total Assets	1,600,870

As at the 30 June 2024, Council held \$1.6 billion in assets, \$149M more than the previous year. The 2023-2024 balance is largely represented by Property, Plant & Equipment (PPE) which increased by \$143.7M (+9%) to \$1.5 billion (95%) of Council's total assets. The increase is largely as a result of an increase in the valuation of Council's transport asset when completing the scheduled full valuation, and an increase in the valuation of Council's buildings and recreation and natural area assets as a result of a desktop valuation.

PPE includes but is not limited to: Councils roads, water and sewerage assets, fleet and buildings. The remaining 5% of Council's total assets are made up of current assets (cash and other assets that are expected to be converted to cash within a year) or non-current assets (assets and property owned by Council that are not easily converted to cash within a year). This includes a cash and cash equivalents amount of \$46.3M and investments of \$15M.

What do we owe? (Liabilities)



Type of Liabilities	\$'000's
Payables	12,742
Borrowings	11,489
Provisions	23,897
Lease Liabilities	1,031
Other	6,660
Total Liabilities	55,819

As at 30 June 2024, Council had \$55.8M in liabilities, which is an increase of \$12M when compared to prior year. The increase is largely as a result of increased borrowings from \$2.1M to \$11.5M. These borrowings relate to new loans for the part funding of the Port Hinchinbrook normalisation project which includes the construction of the Sewerage Treatment Plant, with the remainder of the funding for this project coming from the State and Commonwealth governments. Council also borrowed \$2,756,920 in 2023-2024 financial year for the construction of a new reservoir in Tully. The remainder of the funding for this project is from State government.

Council's borrowings have reduced in early 2024-2025 as a result of the early payout of the Port Hinchinbrook loan due to additional funding from the State government.

The remaining liabilities amount is made up of: payables 23% (amounts owed to suppliers); and provisions 43% (related to refuse restoration; and amounts owed to employees for leave entitlements).

Statement of Changes in Equity

The Statement of Changes in Equity details the movements in equity over the financial year. Equity includes retained earnings from previous years, and any movement in asset values arising from annual revaluations of asset classes. As at the 30 June 2024, Council had a retained surplus of \$686.8M (+1.4% vs. Prior Year) and an Asset Revaluation surplus of \$858.2M (+17.5% vs. Prior Year).

	2022-2023	2023-2024	% Change
	\$'000's	\$'000's	
Retained Surplus	677,202	686,846	1.4%
Asset Revaluation Reserve	730,640	858,205	17.5%
Total Community Equity	1,407,842	1,545,051	9.7%

Statement of Cash Flows

The Statement of Cash Flows identifies where cash is received and how that cash is spent throughout the financial year. Council's cash flows can be from normal operating activities, investment in community infrastructure, or the receipt or payment of loans. The final balance shows the total cash at the end of the financial year 2023-2024 as \$46.3M. This is an increase to the final cash position vs. 2023-2024 financial year by \$9.7M or 26%.

	\$'000's
Opening Cash Balance	36,605
Plus Cash Received	123,495
Less Cash Spent	(113,845)
Closing Cash Balance at End of Year	46,255

The total cash received in the 2023-2024 financial year was \$123M largely driven by net rates income; fees & charges; and grants & contributions. The total cash spent was \$114M which was used to fund a portion of the capital works program and everyday expenses including payments to suppliers and employee expenses.

It should be noted that a large percentage of the cash balance is restricted for future capital investment into community infrastructure. Council invests surplus funds throughout the year in low risk, short term investments in accordance with Council's investment policy and regulatory guidelines.



Measures of Financial Sustainability

During any period, responsible financial management is crucial for Council to ensure it is financially sustainable for the short, medium and long term. There are eight measures of financial sustainability used to demonstrate that Council is operating in a responsible financial manner whilst maintaining its financial management objectives.

The target range for the financial ratio graphs are in accordance with the Department of Housing, Local Government, Planning and Public Works - Financial Management (Sustainability) Guidelines 2024. There are circumstances specific to Council where actual results may vary from target range. Council is measured as a financially sustainable Council based off the below measures, where it currently is only falling below the target on the Operating Surplus Ratio. This is due to Council not receiving the Financial Assistance Grant in the 2023-2024 financial year, along with an increase in depreciation and employee costs.

Type	Sustainability Ratio	Description	How is the measure calculated?	2023/2024	5 Year Average	Target	On Target?
Financial Capacity	Council-Controlled Revenue Ratio	Council-controlled revenue is an indicator of a council's financial flexibility, ability to influence its operating income, and capacity to respond to unexpected financial shocks.	$\frac{\text{Net Rates, Levies and Charges add Fees and Charges}}{\text{Total Operating Revenue}}$	90.03%	84.77%	No target	N/A
Financial Capacity	Population Growth Ratio	Population growth is a key driver of a council's operating income, service needs, and infrastructure requirements into the future.	$\frac{\text{Prior year estimated population}}{\text{Previous year estimated population}}$	0.32%	0.11%	No target	N/A
Operating Performance	Operating Surplus Ratio	Indicates the extent to which operational revenues raised cover operational expenses	$\frac{\text{Operating Result}}{\text{Total Operating Revenue}}$	(8.95%)	(2.44%)	Great than 0%	■
Operating Performance	Operating Cash Ratio	The operating cash ratio is a measure of a council's ability to cover its core operational expenses and generate a cash surplus excluding depreciation, amortisation, and finance costs.	$\frac{\text{Operating Result add Depreciation and Amortisation add Finance Costs}}{\text{Total Operating Revenue}}$	26.41%	30.86%	Great than 0%	■
Liquidity	Unrestricted Cash Expense Cover Ratio	Represents the number of months a council can continue operating based on current monthly expenses	$\frac{(\text{Total Cash and Equivalents add Current Investments add Available Ongoing QTC Working Capital Facility Limit less Externally Restricted Cash})}{(\text{Total Operating Expenditure less Depreciation and Amortisation less Finance Costs})}$	9	N/A	Greater than 4 months	■
Asset Management	Asset Sustainability Ratio	Indicates the extent to which infrastructure assets are being replaced as they reach the end of their useful lives	$\frac{\text{Capital Expenditure on Replacement of Infrastructure Assets}}{\text{Depreciation Expenditure on Infrastructure Assets}}$	73.10%	88.89%	Greater than 80%	■
Asset Management	Asset Consumption Ratio	Indicates the extent to which council's infrastructure assets have been consumed compared to what it would cost to build a new asset with the same benefit to the community.	$\frac{\text{Written Down Replacement Cost of Depreciable Infrastructure Assets}}{\text{Current Replacement Cost of Depreciable Infrastructure Assets}}$	63.96%	67.36%	Greater than 60%	■
Debt Servicing Capacity	Leverage Ratio	Indicates council's ability to repay its existing debt.	$\frac{\text{Book Value of Debt}}{\text{Operating Results add Depreciation and Amortisation add Finance Costs}}$	0.48	0.15	0 to 3 Times	■

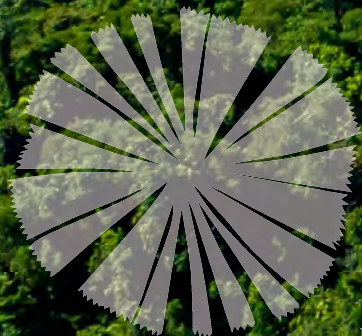


**Cassowary Coast
REGIONAL COUNCIL**

FINANCIAL STATEMENTS FOR THE YEAR ENDED

30 JUNE 2024

AUDITED FINANCIAL STATEMENTS



Cassowary Coast Regional Council

Financial Statements

For the year ended 30 June 2024

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Cassowary Coast Regional Council
Statement of Comprehensive Income
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Income			
Revenue			
Recurrent revenue			
Rates, levies and charges	3(a)	76,799,420	72,352,083
Fees and charges	3(b)	4,419,069	4,026,402
Sales revenue	3(c)	417,950	906,576
Grants, subsidies, contributions and donations	3(d)	3,405,846	11,553,506
Total recurrent revenue		<u>85,042,285</u>	<u>88,838,567</u>
Capital revenue			
Grants, subsidies, contributions and donations	3(d)	24,401,112	9,025,499
Total capital revenue		<u>24,401,112</u>	<u>9,025,499</u>
Other income	4	831,317	886,323
Interest received	5	3,936,297	2,296,303
Rental income		407,778	929,515
Other capital income	6	997,967	-
		<u>6,173,359</u>	<u>4,112,141</u>
Total income		<u>115,616,756</u>	<u>101,976,207</u>
Expenses			
Recurrent expenses			
Employee benefits	7	(32,830,495)	(28,421,779)
Finance costs	8	(1,344,000)	(351,037)
Materials and services	9	(32,296,463)	(31,761,179)
Depreciation and amortisation			
Intangible assets	17	(105,206)	(105,893)
Property, plant and equipment	18	(31,735,064)	(29,755,999)
Right of use assets	22	(619,047)	(692,360)
		<u>(98,930,275)</u>	<u>(91,088,247)</u>
Capital expenses	10	(7,042,322)	(12,188,626)
Total expenses		<u>(105,972,597)</u>	<u>(103,276,873)</u>
Net result		<u>9,644,159</u>	<u>(1,300,666)</u>
Other comprehensive income			
Items that will not be reclassified to net result			
Increase in asset revaluation surplus	26	127,564,893	69,741,797
Total other comprehensive income for the year		<u>127,564,893</u>	<u>69,741,797</u>
Total comprehensive income for the year		<u>137,209,052</u>	<u>68,441,131</u>

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

Cassowary Coast Regional Council
Statement of Financial Position
As at 30 June 2024

	Note	2024 \$	2023 \$
Current assets			
Cash and cash equivalents	11	46,254,865	36,604,793
Investments	12	15,000,000	25,000,000
Receivables	13	9,446,513	7,514,420
Other assets	14	5,879,387	4,363,780
Inventories	15	1,895,742	1,778,650
Contract assets	20	6,008,774	3,688,548
		<u>84,485,281</u>	<u>78,950,191</u>
Non-current assets held for sale	16	157,619	157,619
Total current assets		<u>84,642,900</u>	<u>79,107,810</u>
Non-current assets			
Property, plant and equipment	18	1,514,665,477	1,370,951,707
Intangible assets	17	566,227	667,769
Right of use assets	22	994,919	893,570
Total non-current assets		<u>1,516,226,623</u>	<u>1,372,513,046</u>
Total assets		<u>1,600,869,523</u>	<u>1,451,620,856</u>
Current liabilities			
Payables	19	12,741,590	10,336,120
Contract liabilities	20	2,638,847	1,569,518
Borrowings	21	765,628	441,349
Lease liabilities	22	676,691	616,366
Provisions	23	7,058,107	6,731,783
Other liabilities	24	1,403,821	1,276,963
Total current liabilities		<u>25,284,684</u>	<u>20,972,099</u>
Non-current liabilities			
Borrowings	21	10,723,549	1,691,726
Lease liabilities	22	354,554	313,539
Provisions	23	16,838,599	17,048,409
Other liabilities	24	2,617,172	3,753,170
Total non-current liabilities		<u>30,533,874</u>	<u>22,806,844</u>
Total liabilities		<u>55,818,558</u>	<u>43,778,943</u>
Net community assets		<u>1,545,050,965</u>	<u>1,407,841,913</u>
Community equity			
Asset revaluation surplus	26	858,205,036	730,640,143
Retained surplus		686,845,929	677,201,770
Total community equity		<u>1,545,050,965</u>	<u>1,407,841,913</u>

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

Cassowary Coast Regional Council
Statement of Changes in Equity
For the year ended 30 June 2024

	Asset revaluation surplus	Retained surplus	Total
Note	\$	\$	\$
Balance as at 1 July 2023	730,640,143	677,201,770	1,407,841,913
Net result	-	9,644,159	9,644,159
Other comprehensive income for the year			
Increase in asset revaluation surplus	26 127,564,893	-	127,564,893
Total comprehensive income for the year	127,564,893	9,644,159	137,209,052
Balance as at 30 June 2024	858,205,036	686,845,929	1,545,050,965
Balance as at 1 July 2022	660,898,346	678,502,436	1,339,400,782
Net result	-	(1,300,666)	(1,300,666)
Other comprehensive income for the year			
Increase in asset revaluation surplus	25 69,741,797	-	69,741,797
Total comprehensive income for the year	69,741,797	(1,300,666)	68,441,131
Balance as at 30 June 2023	730,640,143	677,201,770	1,407,841,913

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

Cassowary Coast Regional Council
Statement of Cash Flows
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Cash flows from operating activities			
Receipts from customers		81,964,332	75,304,611
Payments to suppliers and employees		(65,189,334)	(60,909,112)
		<u>16,774,998</u>	<u>14,395,499</u>
Interest received		3,959,254	2,296,303
Rental income		407,778	929,515
Non capital grants and contributions		2,456,819	12,556,988
Borrowing costs		(79,617)	(71,046)
Net cash inflow from operating activities	27	<u>23,519,232</u>	<u>30,107,259</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(47,552,306)	(32,323,563)
Payments for intangible assets		(3,664)	(8,955)
Proceeds from sale of property plant and equipment		277,467	1,003,272
Net movement in cash investments		10,000,000	-
Capital grants, subsidies, contributions and donations		14,672,299	8,878,093
Net cash outflow from investing activities		<u>(22,606,204)</u>	<u>(22,451,153)</u>
Cash flows from financing activities			
Proceeds from borrowings		9,756,920	-
Repayment of borrowings		(400,818)	(436,256)
Repayments made on leases (principal only)		(619,058)	(812,382)
Net cash inflow/(outflow) from financing activities	28	<u>8,737,044</u>	<u>(1,248,638)</u>
Net increase (decrease) in cash and cash equivalents held		<u>9,650,072</u>	<u>6,407,468</u>
Cash and cash equivalents at the beginning of the financial year		36,604,793	30,197,325
Cash and cash equivalents at the end of the financial year	11	<u>46,254,865</u>	<u>36,604,793</u>

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

1 Information about these financial statements

1.A Basis of preparation

The Cassowary Coast Regional Council (Council) is constituted under the Queensland *Local Government Act 2009* and is domiciled in Australia.

These general purpose financial statements are for the period 1 July 2023 to 30 June 2024 and have been prepared in compliance with the requirements of the *Local Government Act 2009* and the Local Government Regulation 2012.

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

These financial statements have been prepared under the historical cost convention except for the revaluation of certain classes of property, plant and equipment.

1.B New and revised Accounting Standards adopted during the year

Council has adopted all standards which became mandatorily effective for annual reporting periods beginning on 1 July 2023. None of the standards had a material impact on reported position, performance and cashflows. The adoption of the revisions to AASB 101 *Presentation of Financial Statements* resulted in disclosure of material accounting policy information only rather than significant accounting policies. This means that accounting policy information is disclosed only if it relates to material transactions, other events or conditions:

- a) Council has changed accounting policy during the reporting period and this change resulted in a material change to the information in the financial statements.
- b) Council chose (or was mandated to use) the accounting policy from one or more options permitted by Australian Accounting Standards.
- c) The accounting policy was developed in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* in the absence of an Australian Accounting Standard that specifically applies.
- d) The accounting policy relate to an area for which a Council is required to make significant judgements or assumptions in applying an accounting policy, and the Council discloses those judgements or assumptions in the financial statements.
- e) The accounting required for them is complex and users of the entity's financial statements would otherwise not understand those material transactions, other events or conditions.

1.C Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2024. These standards have not been adopted by Council and will be included in the financial statements on their effective date. These standards are not expected to have a significant impact for Council.

1.D Estimates and judgements

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

Valuation and impairment of property, plant and equipment	Note 18
Depreciation and amortisation	Note 18
Provisions	Note 23
Commitments for expenditure	Note 25
Contingent liabilities	Note 29

1.E Rounding and comparatives

The financial statements are in Australian dollars and have been rounded to the nearest \$1.

Comparative information is prepared on the same basis as the prior year.

1.F Volunteer services

Council partners with Queensland Correctional Services to provide beneficial works projects for the community and rehabilitates offenders with their return to society. The majority of other volunteers are engaged on a community benefit basis and would not equate to a significant number of full time equivalent employees. The value of these services is not considered material and has not been recognised in the Statement of Comprehensive Income.

1.G Taxation

Council is exempt from income tax, however 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.

2 Analysis of results by function

(a) Components of Council functions

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

Chief Executive

The objective of this function is to co-ordinate Council activities across a range of programs, including internal and external services essential for effective Council operations. This function includes Mayoral, Councillor, Chief Executive Officer support, people and safety management, and corporate governance & records management.

Corporate and Community Services

The Corporate and Community Services portfolio works across all areas of Council to ensure the effective procurement, financial sustainability and technological capability of our operations. It provides essential internal services that support the organisation to deliver services to the community. Whilst the Community focus seeks to celebrate and strengthen our community and improve livability within the Cassowary Coast region. It aims to create opportunities for residents and visitors to be active, informed and involved in our region whilst ensuring our residents are safe, informed and included in design making.

Development & Environmental Services

The Development and Environmental Services Division advances the organisation's contribution to better outcomes for people, places, environment and the economy. It does this by overseeing the planning and development process from end to end with a focus on long-term strategic growth and environmental design, planning, assessment and regulation. This Division has a focus on protecting and enhancing our natural and built environment by planning, monitoring, applying and enforcing compliance with Local, State and Federal regulations and laws.

Infrastructure Services

The Infrastructure Services division is responsible for Council's built environment portfolio, managing all stages of Council's infrastructure program from planning and design through to construction, maintenance, and upgrades.

Commercial Services

The Commercial Services division prioritises and enhances customer experience for Water, Wastewater, Waste and Resource Recovery, and Fleet ensuring value for money for internal and external customers, whilst delivering on educational programs and engagement with ratepayers and the community.

Waste and Resource Recovery

The objective of this function is to protect and support the community and natural environment by sustainably managing refuse. This function includes waste collection, processing and disposal, waste transfer stations, recycling and waste education programs, management of landfill sites and waste contracts.

Water

The objective of this function is to provide a continuous, reliable, and long-term water supply service to a range of residential and commercial customers within the region. This function includes water supply distribution, water pumping station, reticulation mains, water treatment and the provision of property services and water meters.

Waste Water

The objective of this function is to provide a continuous, reliable and long-term sewerage and trade waste disposal service to a range of residential, commercial and industrial customers within the region. This function includes trade waste, sewerage treatment and effluent disposal, mains, manholes, pump stations and the provision of property connections.

**Cassowary Coast Regional Council
Notes to the financial statements
For the year ended 30 June 2024**

2 Analysis of results by function (continued)

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

Year ended 30 June 2024

Functions	Gross program income						Total income	Gross program expenses		Total expenses	Net result from recurring operations	Net result	Assets
	Recurrent		Capital		Grants	Other		Recurrent	Capital				
	Grants	Other	Grants	Other									
Chief Executive	30,000	499	-	-	-	30,499	(5,214,374)	-	(5,214,374)	(5,183,875)	(5,183,875)	\$ -	
Corporate and Community	516,830	44,580,317	-	-	-	45,097,147	(15,685,618)	-	(15,685,618)	29,411,529	29,411,529	105,595,526	
Development & Environmental	480,243	2,616,816	-	6,440	-	3,103,499	(4,990,832)	-	(4,990,832)	(1,893,773)	(1,887,333)	1,789,613	
Infrastructure Services	1,755,310	5,186,111	5,542,885	2,619,243	-	15,103,549	(41,352,958)	(5,936,370)	(47,289,328)	(34,411,537)	(32,185,779)	1,124,829,457	
Commercial	171,803	30,542	-	-	-	202,345	(202,382)	26,580	(175,802)	(37)	26,543	12,051,348	
Waste and Resource Recovery	367,212	9,861,352	-	997,967	-	11,226,531	(10,621,967)	-	(10,621,967)	(393,403)	604,564	12,815,846	
Water	84,448	13,103,993	1,564,143	1,822,090	-	16,574,674	(12,191,070)	(654,324)	(12,845,394)	997,371	3,729,280	177,056,115	
Waste Water	-	11,432,201	9,527,665	3,318,646	-	24,278,512	(8,671,074)	(478,206)	(9,149,282)	2,761,127	15,129,230	166,731,618	
Total Council	3,405,846	86,811,831	16,634,693	8,764,386	-	115,616,756	(98,930,275)	(7,042,322)	(105,972,597)	(8,712,598)	9,644,159	1,600,869,523	

Year ended 30 June 2023

Functions	Gross program income						Total income	Gross program expenses		Total expenses	Net result from recurring operations	Net result	Assets
	Recurrent		Capital		Grants	Other		Recurrent	Capital				
	Grants	Other	Grants	Other									
Chief Executive	-	9,289	-	66,000	-	75,289	(4,528,275)	-	(4,528,275)	(4,518,986)	(4,452,966)	51,788	
Corporate and Community	4,663,797	41,269,155	-	-	-	45,932,952	(13,741,897)	3,636	(13,738,261)	32,191,055	32,194,691	102,456,873	
Development & Environmental	326,947	2,439,783	-	41,280	-	2,808,010	(3,920,624)	-	(3,920,624)	(1,153,894)	(1,112,614)	1,618,766	
Infrastructure Services	6,061,829	5,797,522	7,784,397	99,010	-	19,742,758	(41,450,890)	(8,584,674)	(50,035,564)	(29,591,539)	(30,292,806)	1,001,446,417	
Commercial	136,606	67,647	-	-	-	204,253	460,703	223,201	683,904	664,956	888,157	12,381,772	
Waste and Resource Recovery	179,585	8,978,163	-	52,185	-	9,157,748	(9,190,869)	(3,217,011)	(12,407,880)	(33,121)	(3,250,132)	13,398,511	
Water	176,045	12,193,473	435,857	34,337	-	12,857,560	(10,830,924)	(514,663)	(11,345,587)	1,538,594	1,511,973	168,323,258	
Waste Water	8,697	10,642,170	512,433	34,337	-	11,197,637	(7,885,471)	(99,115)	(7,984,586)	2,765,396	3,213,051	151,943,471	
Total Council	11,553,506	81,397,202	8,732,687	292,812	-	101,976,207	(91,088,247)	(12,188,626)	(103,276,873)	1,862,461	(1,300,666)	1,451,620,856	

Reallocations have been made to prior year figures to be consistent with current year due to a Council restructure.

2024	2023
\$	\$

3 Revenue

(a) Rates, levies and charges

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

General rates	42,598,326	40,597,239
Separate charge - Roads	2,549,332	2,381,395
Separate charge - Environment	3,776,196	3,524,461
Water	8,555,597	7,989,243
Water consumption / excess	4,404,366	4,051,543
Sewerage	11,010,890	10,277,148
Cleansing charges	6,509,068	6,008,496
Total rates and utility charge revenue	79,403,775	74,829,525
Less: Discounts	(1,860,862)	(1,737,081)
Less: Pensioner remissions	(743,493)	(740,361)
	76,799,420	72,352,083

(b) Fees and charges

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

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

Permits and approvals granted by Council are all either short-term or low value and all revenue is recognised at the time that the permit or approval is granted rather than over the term.

Aerodrome landing fees	36,671	33,981
Animal registration and impounding	144,276	88,760
Administration fees	97,477	93,414
Building applications	232,224	225,923
Building approvals	80,618	74,060
Building inspections	256,705	253,241
Camping fees	621,162	625,740
Cemetery reservations and charges	204,956	208,455
Development applications and certificates	374,641	314,034
Fines and infringements	23,682	50,038
Food and health services	129,683	120,077
Hire of equipment and premises	123,736	105,919
Library fees	22,804	33,726
Miscellaneous	10,430	6,910
Permits and approvals	27,465	31,491
Rates searches and associated fees	224,666	220,533
Trade waste fees	397,745	353,302
Transfer station charges	1,252,479	1,022,694
Water and sewerage connections	157,649	164,104
	4,419,069	4,026,402

2024	2023
\$	\$

3 Revenue (continued)

(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 other liabilities and is recognised as revenue in the period when the service is performed. There are no contracts in progress at the year end. The contract work carried out is not subject to retentions.

Rendering of services

Department of Main Roads contract works	363,378	835,009
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Sale of goods

Nursery	39,450	40,795
Information centre	12,221	23,099
Miscellaneous other	2,901	7,673
Total sales revenue	417,950	906,576

(d) Grants, subsidies, contributions and donations

Grant income under AASB 15: Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligation is satisfied. The performance obligations vary in each agreement. Payment terms vary depending on the terms of the grant eg completion of stakeholder engagement, construction, planning or design stages, completion of final reports. Cash is received upfront from 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. 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, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Grant income under AASB 1058: Where Council receives an asset for significantly below fair value, the asset is recognised at fair value, related liability (or equity items) are recorded and income is then recognised for any remaining asset value at the time the asset is received.

Capital grants: Where Council receives funding under an enforceable contract to acquire or construct a specific 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 and with costs incurred.

Contributions and donations: Where assets are donated or purchased for significantly below fair value, the revenue is recognised when the asset is acquired and controlled by Council. The revenue is recognised on receipt of the asset since there are no enforceable performance obligations.

Developer infrastructure charges: Developer infrastructure charges are recognised on receipt of the asset since there are no enforceable performance obligations.

Non-cash contributions of assets: Physical assets contributed to council by developers or community groups are recognised as revenue when Council obtains control of the asset, at the point they become "on maintenance" or when legal title is transferred. 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.

Cassowary Coast Regional Council
Notes to the financial statements
For the year ended 30 June 2024

	2024 \$	2023 \$
3 Revenue (continued)		
(d) Grants, subsidies, contributions and donations (continued)		
(i) Operating		
State government subsidies, grants and rebates	1,567,090	1,792,495
Commonwealth government subsidies and grants	1,798,753	9,714,982
Contributions and donations	40,003	46,029
	<u>3,405,846</u>	<u>11,553,506</u>

In June 2023, Council received an amount of \$5,593,930 equating to 100% of the 2023-24 Commonwealth Financial Assistance Grant allocation. As these grants are considered untied grants, they were recognised upon receipt in the 2022-23 financial year. In the 2022-23 financial year Council also received \$1,594,560 related to that same year. The remaining 2022-23 Financial Assistance Grant allocation was received in the 2021-22 financial year. In the 2023-24 financial year, Council did not receive any such advance grant funding and as such, there is a decrease in Council's revenue.

(ii) Capital		
Capital revenue includes grants and subsidies received which are tied to specific projects for the replacement or upgrade of existing non-current assets and/or investment in new assets. It also includes non-cash contributions which are usually infrastructure assets received from community organisations or developers.		
State government subsidies and grants	9,448,116	2,761,509
Commonwealth government subsidies and grants	7,186,577	5,971,178
Developer infrastructure charges	12,440	49,453
Non-cash contributions of assets	7,651,423	147,406
Contributions and donations	102,556	95,953
	<u>24,401,112</u>	<u>9,025,499</u>

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

Revenue recognised at a point in time

Grants and subsidies	2,012,016	11,507,477
Developer infrastructure charges	12,440	49,453
Non-cash contributions of assets	7,651,423	147,406
Contributions and donations	142,559	141,982
	<u>9,818,438</u>	<u>11,846,318</u>

Revenue recognised over time

Grants and subsidies	17,988,520	8,732,687
	<u>17,988,520</u>	<u>8,732,687</u>

4 Other income

Other income generally includes revenue from non-consistent and irregular sources eg reimbursement from third parties of expenses incurred and insurance claims received. Commissions from third parties and other smaller inconsistent items may also be included.

Commission	242,102	295,008
Concert ticket sales	7,715	27,292
COVID relief	-	1,023
Debtor legal costs recovered	117,898	162,794
Drummuster	10,645	25,841
Educator fees	-	53,764
Expense reimbursements	345,921	251,038
Insurance claims	24,777	16,112
Miscellaneous	32,993	12,167
Sale of small plant and equipment	13,916	27,329
Sugar mill tours	29,350	1,114
Vehicle registration refunds	6,000	12,841
	<u>831,317</u>	<u>886,323</u>

Educator fees relate to Council's Family Day Care operations. In December 2022, Council resolved to dissolve the Family Day Care scheme and as such, no revenue recognised in 2023/24 financial year.

Cassowary Coast Regional Council
Notes to the financial statements
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
5 Interest received			
Interest received from cash and cash equivalents		2,170,816	933,308
Interest received from term deposits		989,525	823,801
Interest from overdue rates and utility charges		775,956	539,194
		<u>3,936,297</u>	<u>2,296,303</u>

6 Other capital income			
Rate adjustments to refuse restoration provision		997,967	-
		<u>997,967</u>	<u>-</u>

7 Employee benefits			
Total staff wages and salaries		25,237,918	22,163,126
Councillors' remuneration		676,825	651,049
Termination benefits		157,283	71,337
Annual, sick and long service leave entitlements		5,054,845	4,246,188
Superannuation	30	3,272,204	2,891,012
		<u>34,399,075</u>	<u>30,022,712</u>
Other employee related expenses		1,415,416	1,169,962
		<u>35,814,491</u>	<u>31,192,674</u>
Less: Capitalised employee expenses		(2,983,996)	(2,770,895)
		<u>32,830,495</u>	<u>28,421,779</u>

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

Total Council employees at the reporting date:

	2024 Number	2023 Number
Elected members	7	7
Administration staff	186	157
Depot and outdoors staff	173	175
Total full time equivalent employees	<u>366</u>	<u>339</u>

8 Finance costs			
		2024 \$	2023 \$
Bank charges		101,925	95,643
Impairment of receivables		492,956	6,894
Interest on leases		23,119	49,799
Interest on borrowings		56,498	21,247
Refuse restoration unwinding of discount		669,502	177,454
		<u>1,344,000</u>	<u>351,037</u>

Cassowary Coast Regional Council
Notes to the financial statements
For the year ended 30 June 2024

	2024	2023
	\$	\$
9 Materials and services		
Advertising and marketing	234,180	270,580
Auditor-General of Queensland *	164,600	156,500
Internal audit and audit committee	98,357	89,938
Chemicals	532,829	531,767
Consultants	672,519	775,157
Contract personnel	2,310,774	1,338,310
Contract services	7,599,407	9,722,464
Donations and contributions	1,082,320	904,245
Election expenses	210,049	-
Electricity	2,307,239	2,166,974
Family day care payments	-	242,790
Fleet registrations and maintenance	1,039,828	974,443
Fuel and oil	1,289,262	1,318,439
Information technology	1,730,057	1,290,059
Insurance	1,857,828	1,773,802
Legal expenses **	415,484	706,618
Library services	157,622	190,941
Other materials and services	1,562,284	1,180,211
Plant contractors	1,985,017	1,865,196
Postage, freight, printing and stationery	236,957	222,204
Property expenses	389,100	325,066
Road materials	689,384	459,761
Short term and low value lease expenses	15,992	35,338
Small plant purchases	262,215	257,695
Subscriptions and memberships	469,787	465,273
Telecommunications	436,209	463,879
Travel and accommodation (conferences)	72,526	99,930
Waste contract	4,474,637	3,933,599
Total waste levy payment	823,601	1,003,482
Waste levy refund***	(823,601)	(1,003,482)
	<u>32,296,463</u>	<u>31,761,179</u>

* External audit fees include the estimated cost of the Queensland Audit Office external audit of the financial statements of the Council for 2024 of \$163,100. An additional \$1,500 was incurred in relation to 22/23 LCRI audit not accrued (2023: \$156,500).

** The legal expenses includes some legal costs which are able to be recovered from third parties. In 2024 Council recovered \$117,898 (2023: \$162,794) - refer to note 4.

*** The State government rebated \$1,190,813 (2023: \$1,183,068) of the state waste levy to mitigate the direct impacts on households.

2024	2023
\$	\$

10 Capital expenses

Capital expense transactions are classified depending on whether the net result of the following transactions is an accounting gain or loss, disposal of non-current assets, discount rate adjustments to restoration provisions, revaluations of property, plant and equipment.

Loss on disposal of non-current assets

Proceeds from the sale of property, plant and equipment	(277,467)	(999,636)
Book value of disposed property, plant and equipment	7,319,789	9,811,291
Write down of non-current asset held for sale	-	244,238
Total loss on disposal of non-current assets	7,042,322	9,055,893

Book value of right of use assets on lease termination	-	159,608
Early termination of lease (lease liability)	-	(33,154)
Total loss on early termination of lease	-	126,454

Proceeds from the sale of land	-	(3,636)
Less: carrying value of land sold	-	-
Total (gain)/loss on disposal of land and site improvements	-	(3,636)

Provision for restoration of land

Rate adjustments to refuse restoration provision	-	3,009,915
	-	3,009,915

The discount rate adjustment to the refuse restoration provision was adjusted against expenses as there was an insufficient asset revaluation surplus in the relevant asset class.

Total capital expenses	7,042,322	12,188,626
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11 Cash and cash equivalents

Cash and cash equivalents

Cash at bank and on hand	45,385,211	36,315,499
Deposits at call	869,654	289,294
Balance per Statement of Financial Position and Statement of Cash Flows	46,254,865	36,604,793

Cash at bank is held in the Commonwealth Bank of Australia in a business cheque account. The bank currently has a short term credit rating of A-1+ and a long term credit rating of AA-. Refer to note 31 for further information about credit risk.

Council may be exposed to credit risk through its investments in the QTC Cash Fund. The QTC Cash Fund is an asset management portfolio that invests with a wide range of high credit rated counterparties. Deposits with the QTC Cash Fund are capital guaranteed. All investments are required to have a minimum credit rating of "A-", therefore the likelihood of the counterparty not having capacity to meet its financial commitments is low.

Cash and cash equivalents	46,254,865	36,604,793
Less: Externally imposed restrictions on cash	(11,487,125)	(11,773,679)
Unrestricted cash	34,767,740	24,831,114

Council's cash, deposits at call and investments are subject to a number of external restrictions that limit amounts available for discretionary or future use. These include:

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

Unspent grants and subsidies (contract liabilities)	2,638,847	1,569,518
Waste levy rebate received in advance (other liabilities)	3,847,243	4,943,983
Unspent developer contributions	5,001,035	5,260,178
Total externally imposed restrictions on cash assets	11,487,125	11,773,679

Council doesn't have a working capital facility with QTC

2024	2023
\$	\$

11 Cash and cash equivalents (continued)

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

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

Unspent funds for specific projects held in reserve	11,496,744	8,017,003
Total internally allocated cash	<u>11,496,744</u>	<u>8,017,003</u>

Trust funds held for outside parties

In accordance with the *Local Government Act 2009* and Local Government Regulation 2012, a separate trust bank account and separate accounting records are maintained for funds held on behalf of outside parties. Funds held in the trust account include those funds for security deposits lodged to guarantee performance and the balance of the Community Christmas Appeal. Council performs only a custodian role in respect of the monies and because the monies cannot be used for Council purposes, they are not considered revenue or brought to account in the financial statements as Council has no control over the assets.

Security deposits	515,783	545,883
Other entity collections	500	532
	<u>516,283</u>	<u>546,415</u>

12 Investments

Term deposits in excess of 3 months are reported as investments. Investments are held with financial institutions, which are rated A-2 based on rating agency Standard and Poors ratings. Whilst not capital guaranteed, the likelihood of a credit failure is assessed as low.

Term deposits	15,000,000	25,000,000
Total investments	<u>15,000,000</u>	<u>25,000,000</u>

13 Receivables

Settlement of receivables is required within 30 days after the invoice is issued.

Receivables are measured at amortised cost which approximates fair value at reporting date.

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

There is a geographical concentration of risk in the Council's jurisdiction, and since the area is largely agricultural, there is a business concentration in that sector.

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

Accounting Policies - Grouping

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

Council has identified 5 distinctive groupings of its receivables: Rates and Utility Charges, Statutory Charges, Grants, Lease Receivables and Other Debtors and relevant judgements in relation to expected credit loss has been made for each group.

Rates and utility charges: This group of receivables possess a credit enhancement. Council is empowered under the provisions of the *Local Government Act 2009* to sell an owner's property to recover outstanding rate debts. Impairment will exist only if arrears are deemed to be greater than the proceeds Council would receive from the sale of the respective property. This has occurred for one particular property and therefore an impairment allowance has been made.

Statutory charges: In some limited circumstances Council may write off impaired statutory charges. This revenue generated through legislative provisions and the amounts are not considered to be material. Council does not calculate ECL for statutory charges.

2024
\$

2023
\$

13 Receivables (continued)

Grants payable by State and Commonwealth governments and their agencies: A credit enhancement exists as these payments are effectively Government guaranteed and both the State and Commonwealth Governments have high credit ratings. Accordingly, Council considers the level of credit risk exposure to be immaterial and therefore doesn't record an ECL for these counterparties.

Lease receivables: These have been identified as a separate debtor group, as the underlying nature of the income streams aren't either statutory receivables or trade receivables. Council has elected to use the simplified approach for lease arrangements. Internal historical data shows that normally defaults for this grouping are immaterial. Accordingly an expected credit loss for lease receivables is not calculated.

Other debtors: Council identifies other debtors as receivables which are not rates and charges, statutory charges, lease arrangements or grants. Internal historical data shows that normally defaults for this grouping are immaterial. Council does not calculate ECL for other debtors.

The exposure to credit risk for receivables by type of counterparty was as follows:

Current receivables

Rateable and utility charges	6,972,395	6,218,264
Lease arrangements	16,557	43,057
Other debtors	1,234,142	1,162,608
	<u>8,223,094</u>	<u>7,423,929</u>
Less:		
Loss allowance	(890,575)	(411,434)
	<u>7,332,519</u>	<u>7,012,495</u>
Statutory charges	219,769	209,701
Grants	1,800,000	24,479
Government entities	94,225	267,745
Total	<u><u>9,446,513</u></u>	<u><u>7,514,420</u></u>

Movement in accumulated impairment losses is as follows:

Opening balance at 1 July	(411,434)	(417,248)
Additional impairments recognised	(479,141)	(12,708)
Less:		
Impairment debts written off during the year	-	12,709
Impairments reversed	-	5,813
Closing balance at 30 June	<u><u>(890,575)</u></u>	<u><u>(411,434)</u></u>

Interest is charged on outstanding rates at 11.64% per annum (2023: 8.17%). No interest is charged on other debtors. There is no concentration of credit risk for rates and utility charges, fees and other debtors receivable.

14 Other assets

Water charges not yet levied	2,609,602	2,216,399
GST recoverable	1,415,061	774,960
Prepayments	1,642,289	1,137,029
Accrued Interest	212,435	235,392
Total other assets	<u><u>5,879,387</u></u>	<u><u>4,363,780</u></u>

	<u>2024</u>	<u>2023</u>
	\$	\$
15 Inventory		
These goods are valued at cost, adjusted, when applicable, for any loss of service potential.		
Inventories held for distribution	1,895,742	1,772,251
Visitor information centre saleable items	-	6,399
Total inventories	<u>1,895,742</u>	<u>1,778,650</u>

16 Non-current assets held for sale		
Buildings	<u>157,619</u>	<u>157,619</u>
	<u>157,619</u>	<u>157,619</u>

Council has undertaken an asset rationalisation project which has resulted in Council identifying 1 property (2023: 1) which it considers surplus to its needs and has been offered for sale. These assets have been classified as a level 3 valuation.

17 Intangible assets		
Intangible values		
Opening gross carrying value	2,702,490	2,658,648
Additions	3,664	43,842
Intangibles	<u>2,706,154</u>	<u>2,702,490</u>
Software in development		
Opening balance	-	34,887
Additions to software in development	-	8,955
Transfer to intangibles	-	(43,842)
	<u>-</u>	<u>-</u>
Closing gross carrying value	<u>2,706,154</u>	<u>2,702,490</u>
Accumulated amortisation		
Opening balance	2,034,721	1,928,828
Amortised in the period	105,206	105,893
Closing balance	<u>2,139,927</u>	<u>2,034,721</u>
Net carrying value of intangible assets at end of year	<u>566,227</u>	<u>667,769</u>

Intangibles are amortised on a straight line basis over an estimated life of 10 years.

Cassowary Coast Regional Council
Notes to the Financial Statements
For the year ended 30 June 2024

18. Property, plant and equipment

Note	Land	Buildings		Plant and equipment		Transport		Stormwater network		Water		Sewerage		Waste		Marine		Recreation and natural areas		Work in progress		Total
		Fair Value Level 2 & 3	Fair Value Level 3	Cost	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Cost	Fair Value Level 3	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	18,466,460	186,024,127	31,194,221	1,027,744,905	97,189,218	354,334,072	228,238,468	17,134,909	41,213,823	31,570,231	20,818,303	46,002,527	2,033,948,737	-	-	-	-	-	-	-	-	46,002,527
	-	-	537,739	7,940,126	412,530	9,399,985	5,116,986	62,671	-	95,158	(24,469,380)	-	-	-	-	-	-	-	-	-	-	-
	199,314	904,185	1,350,467	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,549,781
3	-	-	3,533,828	1,042,863	3,350,721	5,165,361	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13,092,773
	-	(4,625,711)	(884,439)	(3,253,335)	(56,894)	(1,907,723)	(2,614,564)	-	-	(1,675,142)	-	-	(15,017,808)	-	-	-	-	-	-	-	-	-
26	-	9,738,156	246,902,520	246,902,520	-	-	-	-	-	1,499,512	-	-	258,140,188	-	-	-	-	-	-	-	-	-
	-	886	-	(45,947)	32,930	-	-	12,131	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	18,685,774	172,041,643	32,197,988	1,282,822,097	98,620,647	365,177,055	235,906,251	17,209,711	41,213,823	31,489,759	42,351,450	2,337,716,198	-	-	-	-	-	-	-	-	-	-

Accumulated depreciation and impairment

Opening balance as at 1 July 2023	-	55,198,144	12,499,494	246,158,655	42,461,178	194,904,602	83,331,227	4,217,802	15,863,586	8,362,343	-	662,987,031	-	-	-	-	-	-	-	-	-	-	662,987,031
Depreciation expense	-	4,290,715	2,185,867	11,154,955	1,094,296	6,790,956	3,903,555	397,037	896,645	1,021,058	-	31,735,064	-	-	-	-	-	-	-	-	-	-	31,735,064
Depreciation on disposals	-	(1,871,345)	(462,117)	(1,348,184)	(21,865)	(1,253,400)	(2,136,357)	-	-	(604,751)	-	(7,698,019)	-	-	-	-	-	-	-	-	-	-	(7,698,019)
Depreciation on contributed assets	-	-	-	1,727,921	278,429	1,591,952	1,843,048	-	-	-	-	5,441,350	-	-	-	-	-	-	-	-	-	-	5,441,350
Revaluation adjustment to asset revaluation surplus	-	3,457,051	-	126,679,325	-	-	-	-	-	438,919	-	130,575,295	-	-	-	-	-	-	-	-	-	-	130,575,295
Transfers between classes	-	171	-	(8,419)	8,198	-	-	322	-	(272)	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at 30 June 2024	-	61,074,736	14,223,244	384,364,253	43,820,236	202,034,110	86,941,453	4,615,161	16,760,231	9,217,297	-	823,050,721	-	-	-	-	-	-	-	-	-	-	823,050,721

Total carrying amount as at 30 June 2024

18,685,774	110,966,907	17,974,744	898,457,844	54,800,411	163,142,945	12,594,550	148,964,798	22,272,462	24,453,592	42,351,450	1,514,665,477	-	-	-	-	-	-	-	-	-	-	-	1,514,665,477
N/A	5-142	5-100	0-560	24-96	5-121	5-100	7-161	10-148	25,173	5-100	10-148	42,351,450	-	-	-	-	-	-	-	-	-	-	-
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
-	-	1,279,927	-	-	-	-	-	-	-	-	-	21,599,146	-	-	-	-	-	-	-	-	-	-	22,879,073
199,314	-	70,540	-	-	-	-	-	-	-	-	-	24,403,381	-	-	-	-	-	-	-	-	-	-	24,673,235
199,314	-	1,350,467	-	-	-	-	-	-	-	-	-	46,002,527	-	-	-	-	-	-	-	-	-	-	47,552,308

Additions comprise

Renewals	-	-	1,279,927	-	-	-	-	-	-	-	-	21,599,146	-	-	-	-	-	-	-	-	-	-	22,879,073
Other additions	199,314	-	70,540	-	-	-	-	-	-	-	-	24,403,381	-	-	-	-	-	-	-	-	-	-	24,673,235
Total additions	199,314	-	1,350,467	-	-	-	-	-	-	-	-	46,002,527	-	-	-	-	-	-	-	-	-	-	47,552,308

**Cassowary Coast Regional Council
Notes to the Financial Statements
For the year ended 30 June 2024**

18 Property, plant and equipment (continued)

Note	Land	Buildings		Plant and equipment	Transport	Stormwater network		Water	Sewerage	Waste	Marine		Recreation and natural areas		Work in progress	Total
		Fair Value Level 2 & 3	Fair Value Level 3			Fair Value Level 3	Fair Value Level 3				Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3		
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
30 June 2023		17,395,535	158,115,239	29,685,483	960,255,709	90,590,294	329,942,383	213,658,806	12,992,177	38,705,515	27,548,246	19,482,285	27,693,038	1,897,371,533		
Basis of measurement		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fair value category		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Asset values		144,617	691,152	4,465,908	12,243,990	995,291	5,446,139	1,247,449	3,476,455	94,373	2,162,171	(26,357,020)		4,630,525		
Opening gross value as at 1 July 2022		66,000	39,938	-	41,468	-	-	-	-	-	-	-	-	147,406		
Capital expenditure additions to WIP during the year		-	(2,380,860)	(2,216,231)	(7,522,475)	(156,238)	(2,054,395)	(194,428)	(379,515)	(101,463)	(2,033,426)	-	-	(17,039,031)		
Transfer of completed projects from WIP during the year		880,308	9,558,598	239,061	62,726,213	5,759,871	20,999,945	13,526,841	1,045,792	2,515,398	4,132,301	-	-	121,145,267		
Revaluation adjustment to asset revaluation surplus	26	-	-	-	-	-	-	-	-	-	(239,061)	-	-	-		
Transfer between classes	15	-	-	-	-	-	-	-	-	-	-	-	-	-		
Closing gross value as at 30 June 2023		18,466,460	166,024,127	31,194,221	1,027,744,905	97,189,218	354,334,072	228,238,468	17,134,909	41,213,823	31,570,231	20,818,303	2,033,948,738			
Accumulated depreciation and impairment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Opening balance as at 1 July 2022		-	48,520,317	11,844,003	207,498,862	39,020,126	178,645,987	74,983,471	3,756,506	14,068,604	10,727,427	-	-	569,065,303		
Depreciation expense		-	4,188,567	2,152,228	10,310,395	1,021,353	6,246,415	3,505,404	376,647	846,673	1,108,317	-	-	29,755,999		
Depreciation on disposals		-	(697,940)	(1,514,748)	(2,125,197)	(96,762)	(1,539,061)	(96,375)	(172,422)	(19,891)	(965,645)	-	-	(7,227,741)		
Revaluation adjustment to asset revaluation surplus	26	-	3,186,900	18,011	30,474,595	2,516,461	11,551,261	4,938,727	257,071	968,200	(2,468,745)	-	-	51,403,470		
Transfers between classes	15	-	-	-	-	-	-	-	-	-	(18,011)	-	-	-		
Accumulated depreciation as at 30 June 2023		-	55,198,144	12,489,494	246,158,655	42,461,178	194,904,602	83,331,227	4,217,802	15,863,566	8,362,343	-	-	662,997,031		
Total carrying amount as at 30 June 2023		18,466,460	110,825,983	18,694,727	781,586,250	54,728,040	159,429,470	144,907,241	12,917,107	25,350,237	23,207,888	20,818,303	1,370,951,707			

18 Property, plant and equipment (continued)

(a) Recognition

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

The asset capitalisation threshold for Council is:

- Land \$0
- All other assets \$5,000

(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.

(c) Depreciation

Land, work in progress, certain cultural and heritage assets with heritage listing, road formations and formation work associated with the construction of sediment ponds and aerodrome runways are not depreciated.

Depreciation, where applicable, is calculated on a straight-line basis. Management believe that the straight-line basis appropriately reflects the pattern of consumption of all Council assets.

Key judgements and estimates:

Management reviews its estimate of the useful lives of depreciable assets at each reporting date based on the expected utility of the assets. Uncertainties in these estimates relate to technical or physical obsolescence that may change the utility of infrastructure assets.

(d) Valuation

Key judgements and estimates:

Some of the Council's assets and liabilities are measured at fair value for financial reporting purposes.

In estimating the fair value of an asset or a liability, Council uses market-observable data to the extent it is available and other inputs as necessary.

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 5 years, Council performs a full comprehensive revaluation by engaging an external professionally qualified valuer. Council has a cyclical approach to full comprehensive revaluations with only specific asset classes revalued each year. This is outlined in the following table - Valuation techniques used to derive fair values.

In the intervening years, Council undertakes a "desktop" valuation for all assets not being comprehensively revalued. This involves providing an external valuer details of the asset class and any changes in assumptions such as useful life and condition rating. The valuer then determines suitable indices which are applied to each of these asset classes.

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

Fair values are classified into three levels as follows:

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

There were no transfers between levels during the year.

18 Property, plant and equipment (continued)

Valuation techniques used to derive fair values

Asset class	Fair value hierarchy	Valuation approach	Last comprehensive valuation date	Next estimated comprehensive valuation date	Valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in index recognised this year)	Other interim valuation adjustment
Land	Level 2 2024 - \$ 545,738 2023 - \$ 545,738	Market value	30 Jun 21	30 Jun 26	Cardno Pty Ltd	- Those assets from which prices and other relevant market data derived from observed transactions for the same or similar assets		
	Level 3 2024 - \$18,140,036 2023 - \$17,940,722	Market value	30 Jun 21	30 Jun 26	Cardno Pty Ltd	- Sales transactions for similar assets with reference to observable market data derived from property sales data subscription services (Domain PriceFinder) - Queensland's Valuer-General land valuations (Department of Natural Resources) - Land valuation data on the Queensland Globe - Sales listings and property data generally available online and with local real estate agents - Land vested in and under control of Council held for public benefit (community service obligations) have been valued based on assumptions market participants would use when pricing the asset.	N/A	N/A
Buildings	Level 2 2024 - \$1,485,197 2023 - \$1,519,476	Market value	30 Jun 21	30 Jun 26	Cardno Pty Ltd	- Sales transactions for similar assets with reference to observable market data derived from property sales data subscription services (Domain PriceFinder) - Queensland's Valuer-General land valuations (Department of Natural Resources) - Land valuation data on the Queensland Globe - Sales listings and property data generally available online and with local real estate agents.	Assessed Pickles Auctions Pty Ltd under instruction from Slattec Pty Ltd - Building Price Index (BPI) - Rawlinsons Australian Construction Handbook Building Price Index - Queensland Government Asset Revaluation Index for Non-residential construction 6% indexation applied 30/06/2024	N/A
	Level 3 2024 - \$109,481,710 2023 - \$109,306,506	Current replacement cost	30 Jun 21	30 Jun 26	Cardno Pty Ltd	- Cardno cost databases - Scheduled rates for construction of assets or similar assets - Cost curves derived by Cardno - Building Price Index tables - Recent contract and tender data - Rawlinsons Rates for Building and Construction - Suppliers quotations - Asset condition and remaining service potential		
Transport	Level 3	Current replacement cost	30 Jun 24	30 Jun 29	Council engineers in association with the Roads and Transport Alliance and Lemmah Pty Ltd	- Average unit rates applied to each asset subclass - Direct inputs of labour and raw materials - Soil, climatic and topographic factors - Verified against recent projects - Staff consultation and additional regional Council data - Asset condition and remaining service potential	Full Revaluation	N/A

18 Property, plant and equipment (continued)

Valuation techniques used to derive fair values (continued)

Asset class	Fair value hierarchy	Valuation approach	Last comprehensive valuation date	Next estimated comprehensive valuation date	Valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in index recognised this year)	Other interim valuation adjustment
Stormwater	Level 3	Current replacement cost	30 Jun 22	30 Jun 27	Cardno Pty Ltd	<ul style="list-style-type: none"> - Cardno databases - Scheduled rates for construction of asset or similar assets - Cost curves derived by Cardno - Building Price Index tables - Rates from Rawlinson's Australian construction Handbook - Supplier's quotations - The Cardno model for developing unit rates includes factors such as excavation, soil disposal, formwork, concrete, soil type, depth and overheads - Useful lives were based on industry standards, Cardno data base and Council's data 	N/A	N/A
Water and Sewerage	Level 3	Current replacement cost	30 Jun 20	30 Jun 25	Aurecon Group Pty Ltd	<ul style="list-style-type: none"> - Plant hire and labour rates where available - Rates obtained from local suppliers - Contract schedules for works recently carried out throughout the Far North Queensland and South East Queensland region - Analysis of the rates from project cost estimates from Aurecon's record of construction projects in the Far North Queensland and South East Queensland region - Rawlinson's 2020 edition of the "Australian Construction Handbook" 	N/A	N/A
Waste	Level 3	Current replacement cost	30 Jun 22	30 Jun 27	Cardno Pty Ltd	<ul style="list-style-type: none"> - Cardno databases - Scheduled rates for construction of asset or similar assets - Cost curves derived by Cardno - Building Price Index tables - Rates from Rawlinson's Australian construction Handbook - Supplier's quotations - Useful lives were based on industry standards, Cardno data base and Council's data 	N/A	N/A

18 Property, plant and equipment (continued)

Valuation techniques used to derive fair values (continued)

Asset class	Fair value hierarchy	Valuation approach	Last comprehensive valuation date	Next estimated comprehensive valuation date	Valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in index recognised this year)	Other interim valuation adjustment	
Marine	Level 3	Current replacement cost	30 Jun 21	30 Jun 26	Cardno Pty Ltd	<ul style="list-style-type: none"> - Cardno cost databases - Scheduled rates for construction of assets or similar assets - Cost curves derived by Cardno - Building Price Index tables - Recent contract and tender data - Functional and economic obsolescence - Rawlinsons Rates for Building and Construction - Suppliers quotations - Asset condition and remaining service potential 	N/A	N/A	
Recreation and natural areas	Level 3	Current replacement cost	30 Jun 23	30 Jun 28	Stantec Australia Pty Ltd	<ul style="list-style-type: none"> - Rates from Rawlinson's Australian Construction Handbook - Scheduled rates for construction of asset or similar assets - Supplier's quotations - Local Government Association of Queensland (LGAQ) database - Asset condition and remaining service potential 	<ul style="list-style-type: none"> Assessed by Stantec Pty Ltd - General economic conditions - Specific industry or market segment conditions relevant for the assets under review - Changes to relevant legislation, standards, construction techniques or inputs - Building Price Index - Implicit Price - Producer Price Index 	N/A	5% indexation applied 30/06/2024

	2024	2023
	\$	\$

19 Payables

Creditors

Creditors are recognised upon invoice of the goods or services ordered and are measured at the invoiced price net of applicable discounts other than contingent discounts. Amounts owing are unsecured and generally settle on 30 day terms.

Accrued salary and wages

A liability for salaries and wages is recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

Current

Creditors	2,982,173	1,883,133
Prepaid rates	3,900,058	3,853,707
Accrued expenses	5,371,995	3,984,519
Accrued salary and wages	487,364	614,761
	12,741,590	10,336,120

20 Contract balances

(a) Contract assets

Obligations to construct Council assets	4,225,647	3,046,246
Non-capital obligations	1,783,127	642,302
	6,008,774	3,688,548

(b) Contract liabilities

Grant funding received up front to construct Council assets	2,340,582	1,438,572
Non-capital performance obligations not yet satisfied	298,265	130,946
	2,638,847	1,569,518

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

Grant funding received up front to construct Council assets	927,141	1,626,456
Non-capital performance obligations	95,762	1,145,885
	1,022,903	2,772,341

Satisfaction of contract liabilities

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

(c) Significant changes in contract balances

The major movements in contract balances are in relation to Tropical Cyclone Jasper which was a declared event in December 2023 together with continued work on the Port Hinchinbrook normalisation project.

21 Borrowings

Interest is expensed as it accrues. No interest has been capitalised during the current or comparative reporting period. Expected final repayment dates vary from 15 March 2028 to 15 March 2044.

Council adopts an annual debt policy that sets out Council's planned borrowings for the next 10 years. Council's current policy is to endeavour to fund capital renewal projects from operating cash flows and to borrow for new or upgrade capital projects only, and this will usually be for a term no longer than the expected life of the asset. 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	765,628	441,349
	765,628	441,349

Non-current

Loans - QTC	10,723,549	1,691,726
	10,723,549	1,691,726

The QTC loan market value at the reporting date was \$11,491,173. This represents the value of the debt if Council repaid it at that date. At 30 June 2024 it was the intention of Council to hold the debt for its term, no provision is required to be made in these accounts. See note 32.

No assets have been pledged as security by Council for any liabilities, however all loans are guaranteed by the Queensland Government. There have been no defaults or breaches of the loan agreement during the 2024 financial year.

Council has borrowed \$7 million in 2023/24 financial year as part funding for the normalisation of Port Hinchinbrook project which includes the construction of the Sewerage Treatment Plant. The remainder of the funding for this project is from the Commonwealth and the State governments.

Council also borrowed \$2,756,920 in 2023/24 financial year for the construction of a new reservoir in Tully. The remainder of the funding for this project is from the State government.

22 Leases

Council as a lessee

Council has a small number of leases in place over buildings and land. Council has applied the exception to lease accounting for leases of low-value assets and short-term leases.

Council does not separate lease and non-lease components for any class of assets and has accounted for lease payments as a single component.

The right of use asset is measured using the cost model.

The right of use is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the Asset Accounting Policy.

Exceptions to lease accounting

Council has applied the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. Council recognises the payments associated with these leases as an expense over the lease term.

Leases at significantly below market value or concessionary leases

Council has elected to measure the right of use asset arising from any concessionary leases at cost which is based on the associated lease liability at initial recognition.

Terms and conditions of leases

Buildings

Council leases building space for the purpose of archive storage. The original lease commenced in 2014 for 3 years with an additional 2 renewal options, each of 3 years. Payments have been made on a monthly basis until new lease arrangements commenced on 1st December 2022. The revised lease is for a 3 year term with 3 renewal options, each of 3 years. The lease payments are subject to annual CPI.

Council leases building space for the purpose of a medical facility. The lease commenced on 1 March 2024 for 3 years with an additional renewal option of 3 years. A lease incentive of 3 months rent free was provided with payments to continue on a monthly basis. The lease payments are subject to 5% annual increase.

Land

Council leases land from the State Government at 3 sites. The land is used for a water intake and reservoirs. Lease payments for the intake are calculated on the 3 year average rental value of the land. The reservoirs are subject to annual CPI.

Plant

Council manages the operations of the waste transfer facilities and as such a number of plant items were acquired to undertake these operations. The lease term of the plant items is for 3 years ceasing in August 2024. The arrangement will continue on a monthly basis until June 2025.

Right of use assets

	Building \$	Land \$	Plant \$	Total \$
Balance at 1 July 2023	51,788	231,531	610,251	893,570
Additions to right of use	162,523	-	-	162,523
Remeasurement	1,786	17,529	538,558	557,873
Depreciation charge	(40,007)	(15,731)	(563,309)	(619,047)
Balance at 30 June 2024	176,090	233,329	585,500	994,919
Balance at 1 July 2022	26,969	197,635	1,427,055	1,651,659
Remeasurement	44,811	49,068	-	93,879
Depreciation charge	(19,992)	(15,172)	(657,196)	(692,360)
Lease termination	-	-	(159,608)	(159,608)
Balance at 30 June 2023	51,788	231,531	610,251	893,570

Lease liabilities

The table below shows the maturity analysis of the lease liabilities based on contractual cashflows and therefore the amounts will not be the same as the recognised lease liability in the statement of financial position.

	< 1 year \$	1-5 years \$	>5 years \$	Total \$	Total as per statement of financial position \$
2024	698,946	202,778	220,924	1,122,648	1,031,245
2023	636,701	144,616	214,124	995,441	929,905

22 Leases (continued)

Liabilities not recognised - extension options

At each reporting date, Council assesses whether it is reasonably certain that the extension options will be exercised based on current operations and Council strategy.

There is \$290,507 in potential future lease payments which are not included in the lease liability as the exercise of the option has been assessed as not reasonably certain.

Amounts included in the statement of comprehensive income related to leases

The following amounts have been recognised in the statement of comprehensive income for leases where Council is the lessee.

	2024	2023
	\$	\$
Interest on lease liabilities	23,119	49,799
Total loss on early termination of lease	-	126,514
Depreciation of right of use assets	619,047	692,360
Expenses relating to short-term leases and low-value lease	15,992	35,338
	<u>658,158</u>	<u>904,011</u>
Total cash outflows for leases	<u>658,169</u>	<u>897,519</u>

Leases at significantly below market value - concessionary or peppercorn leases

Council does not have any leases that are below market value.

Council as a lessor

Lease income is recognised on a straight-line basis over the lease term.

Properties leased by Council to other parties are considered operating leases. Council does not own any investment properties which are subject to further disclosures.

2024
\$

2023
\$

23 Provisions

Sick leave entitlements

Council has an obligation to pay sick leave on termination to employees who have held a minimum of five years service. The payment is for 50% of the leave balance at termination. A liability has been recognised for this obligation based on current pay rates.

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. The provision is discounted using the Commonwealth Bond yield rates published on the Department of State Development, Infrastructure, Local Government and Planning website.

Refuse restoration

A provision is made for the cost of restoring refuse dumps where it is probable the Council will have an obligation to rehabilitate the site when the use of the facilities is complete.

The calculation of the provisions uses 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.

Current

Annual leave entitlement	3,520,869	3,209,832
Sick leave entitlements	627,822	657,355
Long service leave	2,618,779	2,607,647
Other entitlements	231,620	197,932
Refuse restoration	59,017	59,017
	<u>7,058,107</u>	<u>6,731,783</u>

Non-current

Long service leave	646,840	510,212
Refuse restoration	16,191,759	16,538,197
	<u>16,838,599</u>	<u>17,048,409</u>

Movements in non-employee benefit provisions:

Refuse restoration

Balance at beginning of financial year	16,597,214	13,446,360
Increase (decrease) in provision due to unwinding of discount	669,502	177,454
Amounts used	(17,973)	(36,514)
Increase (decrease) in provision due to change in inflation rate	(1,302,836)	2,515,272
Increase (decrease) in provision due to change in discount rate	(411,164)	(606,290)
Additional provisions	716,033	1,100,932
Balance at end of financial year	<u>16,250,776</u>	<u>16,597,214</u>

24 Other liabilities

Current

Contract retentions	173,750	86,150
Waste levy refund received in advance	1,230,071	1,190,813
	<u>1,403,821</u>	<u>1,276,963</u>

Non-current

Waste levy refund received in advance	2,617,172	3,753,170
	<u>2,617,172</u>	<u>3,753,170</u>

The State government has made an advance payment to Council in June 2022 and June 2023 to mitigate the impacts on households of the State Waste levy for the financial years 2022/23 through to 2026/27.

	2024	2023
	\$	\$

25 Commitments for expenditure

Contractual commitments at the end of the financial year but not recognised in the financial statements. Expiry dates relate to current year contracts:

Major Contracts	Expiry range		
Caretaker operations	01 Feb 25 to 31 Mar 25	173,799	113,423
Cleaning		428,576	979,601
Concept designs and strategies	31 Jan 25	-	126,867
Consultants	14 June 25 to 30 Jun 26	786,379	1,141,655
Traineeships		-	1,364,085
Pool operations and swimming enclosures	25 Aug 24 to 26 Aug 29	5,894,157	3,223,649
Internal audit services	8 Aug 24	4,846	53,720
Call Centre	2 Jun 25	11,660	26,184
Waste disposal	02 Aug 24 to 03 Aug 34	56,773,374	7,503,039
IT support and maintenance	29 Jun 26 to 30 Jun 28	3,724,123	1,532,322
Lift maintenance	1 Jan 26	30,833	59,869
Pest control	30 Sep 24	34,863	-
		<u>67,862,610</u>	<u>16,124,414</u>
Miscellaneous purchase orders			
Materials and services - various		5,904,708	4,134,024
Total		<u>73,767,318</u>	<u>20,258,438</u>

These expenditures are payable as follows:

Within one year	16,373,132	13,300,609
Within 1-5 years	34,879,854	6,957,829
Greater than 5 years	22,514,332	-
Total	<u>73,767,318</u>	<u>20,258,438</u>

Capital Commitments

Commitment for the construction of the following assets contracted for at the reporting date but not recognised as liabilities:

Asset Class		
Buildings	136,447	156,741
Marine	4,477	-
Plant and equipment	475,588	530,919
Recreation and natural assets	222,610	118,665
Sewerage	6,052,164	17,902,126
Stormwater	4,432,470	2,655,918
Transport	15,648,874	1,194,491
Waste	24,145	159,922
Water	2,571,015	8,483,063
Total	<u>29,567,790</u>	<u>31,201,845</u>
Major contracts	18,550,962	29,442,697
Miscellaneous purchase orders	11,016,828	1,759,148
Total	<u>29,567,790</u>	<u>31,201,845</u>

These expenditures are payable as follows:

Within one year	29,567,790	6,500,570
Within 1-5 years	-	24,701,275
Total	<u>29,567,790</u>	<u>31,201,845</u>

	2024	2023
	\$	\$
26 Asset revaluation surplus		
The asset revaluation surplus comprises revaluation movements on property, plant and equipment. Movements in the asset revaluation surplus are disclosed in note 18.		
Land	2,381,346	2,381,346
Buildings	67,125,949	60,844,844
Transport	576,826,238	456,603,043
Stormwater network	35,904,505	35,904,505
Water	83,061,842	83,061,842
Sewerage	73,635,704	73,635,704
Waste	2,826,734	2,826,734
Marine facilities	8,089,958	8,089,958
Recreation and natural areas	8,352,760	7,292,167
	<u>858,205,036</u>	<u>730,640,143</u>

27 Reconciliation of net result for the year to net cash inflow from operating activities		
Net result	9,644,159	(1,300,666)
Non cash items:		
Depreciation and amortisation	32,459,317	30,554,252
Impairment of receivables	492,956	6,894
Unwinding discount provisions	669,502	177,454
	<u>43,265,934</u>	<u>29,437,934</u>
Investing and development activities:		
Loss on disposal of non-current assets	7,042,322	12,188,626
Rate adjustments to refuse restoration provision	(997,967)	-
Capital grants and contributions	(24,401,112)	(9,025,499)
	<u>(18,356,757)</u>	<u>3,163,127</u>
Changes in operating assets and liabilities:		
(Increase)/ decrease in receivables	(625,050)	1,979
(Increase)/ decrease in other assets	(1,515,607)	(415,241)
(Increase)/ decrease in contract assets	(1,140,825)	(1,798,719)
(Increase)/decrease in inventory	(117,092)	(120,397)
Increase/(decrease) in payables	2,405,470	1,481,339
Increase/(decrease) in contract liabilities	167,319	(1,509,387)
Increase/(decrease) in other liabilities	(1,009,140)	457,542
Increase/(decrease) in provisions (excl. refuse provision)	444,980	(590,918)
	<u>(1,389,945)</u>	<u>(2,493,802)</u>
Net cash inflow from operating activities	<u>23,519,232</u>	<u>30,107,259</u>

28 Reconciliation of liabilities arising from financing activities			
	Lease liabilities	Borrowings	Total
	\$	\$	\$
2024			
Balance at beginning of financial year	902,335	2,133,075	3,035,410
Cash flows	(619,058)	9,356,102	8,737,044
Non-cash changes	747,968	-	747,968
Balance at end of financial year	<u>1,031,245</u>	<u>11,489,177</u>	<u>12,520,422</u>
2023			
Balance at beginning of financial year	1,681,563	2,569,331	4,250,894
Cash flows	(812,382)	(436,256)	(1,248,638)
Non-cash changes	33,154	-	33,154
Balance at end of financial year	<u>902,335</u>	<u>2,133,075</u>	<u>3,035,410</u>

29 Contingent liabilities

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

Local Government Mutual

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

As at 30 June 2024 the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

The latest audited financial statements for LGM Queensland are as at 30 June 2023 and show accumulated member funds (equity) of \$71,860,112.

Local Government Workcare

Council is a member of the Queensland local government worker's compensation self-insurance scheme, Local Government Workcare. Under this scheme the Council has provided an indemnity towards a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled and there were insufficient funds available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise. The Council's maximum exposure to the bank guarantee is \$1,080,516 (2023: \$969,406). The latest audited financial statements for Local Government Workcare are as at 30 June 2023 and show accumulated member funds (equity) of \$3,295,253.

30 Superannuation

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

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

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

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

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

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

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

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

• Investment risk

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

• Salary growth risk

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

	Note	2024 \$	2023 \$
Superannuation contributions made to the Regional Defined Benefits Fund		58,555	92,056
Other superannuation contributions for employees		3,213,649	2,798,956
Total superannuation contributions paid by Council for employees:	7	<u>3,272,204</u>	<u>2,891,012</u>

31 Financial instruments and financial risk management

(a) Financial assets and financial liabilities

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

- credit risk
- liquidity risk
- market risk

Risk management framework

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

Council's Enterprise Risk Management Committee approves policies for overall risk management, as well as specifically managing credit, liquidity and market risk.

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. Council aims to manage volatility to minimise potential adverse effects on the financial performance of Council. 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 Council. The audit committee is assisted in its oversight role by the internal audit function. 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.

Council does not enter into derivatives.

Credit risk

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

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

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

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

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

Liquidity risk

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

Exposure to liquidity risk

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

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

Council has an overdraft facility with a limit of \$150,000 approved with the Commonwealth Bank. This facility remained fully undrawn at 30 June 2024 and is available for use in the next reporting period.

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

	0-1 year	1 to 5 years	Over 5 years	Total contractual cash flows	Carrying amount
	\$	\$	\$	\$	\$
2024					
Trade and other payables	12,741,590	-	-	12,741,590	12,741,590
Loans - QTC	1,295,324	4,535,165	12,056,222	17,886,711	11,489,177
	14,036,914	4,535,165	12,056,222	30,628,301	24,230,767
2023					
Trade and other payables	6,482,413	-	-	6,482,413	6,482,413
Loans - QTC	460,248	1,725,929	-	2,186,177	2,133,075
	6,942,661	1,725,929	-	8,668,590	8,615,488

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

31 Financial instruments and financial risk management (continued)

(a) Financial assets and financial liabilities (continued)

Market risk

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

Interest rate risk

Council is exposed to interest rate risk through investments with QTC and other financial institutions. The Council has access to a mix of variable and fixed rate funding options through these institutions so that interest rate risk exposure can be minimised.

Sensitivity

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

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

	Net carrying amount	Effect on Net Result		Effect on Equity	
		1% increase	1% decrease	1% increase	1% decrease
	\$	\$	\$	\$	\$
2024					
Cash and cash equivalents	46,254,865	462,549	(462,549)	462,549	(462,549)
Loans - QTC	(11,489,177)	-	-	-	-
Net total	34,765,688	462,549	(462,549)	462,549	(462,549)
2023					
Cash and cash equivalents	36,604,793	366,048	(366,048)	366,048	(366,048)
Loans - QTC	(2,133,075)	-	-	-	-
Net total	34,471,718	366,048	(366,048)	366,048	(366,048)

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

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

(b) Fair value

The fair value of trade and other receivables and payables is assumed to approximate the value of the original transaction, less any allowance for impairment.

Measurement of fair value

The valuation technique used in measuring other financial liabilities is discounted cash flows. This valuation model considers the present value of expected payments, discounted using a risk-adjusted discount rate.

32 Events after the reporting period

There were no material adjusting events after the balance date.

On 25 August 2024, Council announced that it had secured additional funding of \$7 million from the State Government for the construction of the sewerage treatment plant at Port Hinchinbrook. As a result, this funding results in the early payout of loan funds secured for that purpose during 2023/24 financial year. An early payout fee will be incurred as a result of this transaction. This fee and the debt reduction will occur in the 24/25 financial year.

Council has resolved to apply the competitive code of conduct to Water and Sewerage activities for the 2023/24 financial year.

This required the application of full cost pricing, identifying the cost of community service obligations (CSO) and eliminating the advantages and disadvantages of public ownership within that activity.

The CSO value is determined by Council, and represents an activity's costs which would not be incurred if the primary objective of the activity was to make a profit. The Council provides funding from general revenue to the business activity to cover the cost of providing non-commercial community services or costs deemed to be CSOs by the Council.

The following activity statements are for activities subject to the competitive code of conduct;

<u>Water and Sewerage Activity Statement</u>	2024	2023
	\$	\$
Revenue for services provided to Council	25,612,578	25,022,126
Community service obligations	271,920	226,162
	<u>25,884,498</u>	<u>25,248,288</u>
Less Expenditure	23,361,772	21,858,714
Surplus	<u>2,522,726</u>	<u>3,389,574</u>

Description of CSOs provided to water and sewerage activities:

CSO Description	2024 Net Cost \$	2023 Net Cost \$
Water		
Initial call out and inspection for water leak not charged	27,436	29,028
Concession for water consumption	181,837	140,669
Sewerage		
Initial call out and inspection for water leak not charged	4,651	2,185
Sewerage concessions to Not for Profit organisations	57,996	54,280
	<u>271,920</u>	<u>226,162</u>

2024 is the first year reporting is required as it is the first year it has exceeded the threshold as defined by the Local Government Regulations 2012 and as such a 2023 comparative will not be disclosed.

<u>Waste Activity Statement</u>	2024
	\$
Revenue for services provided to Council	11,278,920
Community service obligations	396,078
	<u>11,674,998</u>
Less Expenditure	11,137,678
Surplus	<u>537,320</u>

Description of CSOs provided to waste activities:

CSO Description	2024 Net Cost \$
Waste	
Free Green Waste	332,754
Illegal Dumping	236
Pre cyclone cleanup	12,383
TC Jasper Debris Cleanup	50,705
	<u>396,078</u>

34 Transactions with related parties

(a) Entities related to Council

Council does not have any subsidiaries or joint ventures with other parties and therefore no related parties of this kind to declare. Council does have representation on the Cassowary Coast River Improvement Trust (CCRIT). Council is represented in the membership of the Trust pursuant to the *River Improvement Act 1940* and legislated to provide an annual precept.

Cassowary Coast River Improvement Trust

Details of transactions	2024 \$	2023 \$
Annual precept	130,000	130,000

Cassowary Coast River Improvement Trust is a trust constituted in 1973 under the *River Improvement Trust Act 1940* to protect and improve rivers, repair and prevent damage to rivers and prevent or mitigate flooding of land by riverine floods.

Significant influence is exercised by Council over the operations of the trust. Of the three membership positions of the trust, two are currently filled by Council representatives. Council is legislated to provide an annual precept.

(b) Transactions with key management personnel (KMP)

KMP include the Mayor, Councillors, Council's Chief Executive Officer and Directors. The compensation paid to KMP comprises:

Details of transactions	2024 \$	2023 \$
Short-term employee benefits	1,796,081	1,580,027
Post-employment benefits	207,298	177,734
Long-term benefits	29,406	43,027
Total	2,032,785	1,800,788

Detailed remuneration disclosures are provided in the annual report.

There has been no legal expenses (2023: \$298) or Councillor Conduct Tribunal (CCT) Hearing related legal expenses associated with KMP's or former KMPs for this reporting period.

(c) Transactions with other related parties

Other related parties include the close family members of KMP and any entities controlled or jointly controlled by KMP or their close family members. Close family members include a spouse, child and dependent of a KMP or their spouse. Details of transactions between Council and other related parties are disclosed below:

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

Fees and charges	2024 \$	2023 \$
Plumbing and drainage applications, building applications	2,900	3,221
TOTAL	2,900	3,221

ii) All close family members of key management personnel were employed through an arm's length process. They are paid in accordance with the award for the job they perform. Council employs 359 FTE employees (2023: 332) of which only 3 (2023: 4) are close family members of key management personnel.

Employee expenses	2024 \$	2023 \$
Close family members of key management personnel TOTAL	199,761	255,904

iii) The following materials and services were purchased from entities controlled by KMP. All purchases were at arm's length and were in the normal course of Council operations.

Materials and services	Relationship	Related Party	Position Held	2024 \$	2023 \$
DRM Plumbing FNQ Pty Ltd	Director	Renee McLeod	Councillor	17,965	-
TOTAL				17,965	-

34 Transactions with related parties (continued)

(d) Outstanding balances

There were no outstanding receivables balances outstanding in relation to transactions with other parties.

No expense has been recognised in the current year or prior year for bad or doubtful debts in respect of amounts owed by related parties.

(e) Loans and guarantees to/from related parties

Council does not make loans to or receive loans from related parties. No guarantees have been provided.

(f) Commitments to other related parties

There were no commitments recorded in relation to transactions with other related parties.

(g) Transactions with related parties that have not been disclosed

Most of the entities and people that are related parties of Council live and operate within the Cassowary Coast Regional Council area. Therefore, on a regular basis ordinary citizen transactions occur between Council and its related parties. Some examples include:

- payment of rates
- use of public swimming pools within the region
- dog registrations
- fines on normal terms and conditions
- purchase of tickets to public functions
- borrowing books from the Council libraries

Council has not included these types of transactions in its disclosures where they are made on the same terms and conditions available to the general public.

Management Certificate
For the year ended 30 June 2024

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

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

- (i) the prescribed requirements of the *Local Government Act 2009* and Local Government Regulation 2012 for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the general purpose financial statements, as set out on pages 1 to 34, present a true and fair view, in accordance with Australian Accounting Standards, of Council's transactions for the financial year and financial position at the end of the year.



Mayor

Cr. Teresa Millwood



Chief Executive Officer

Mr. Andrew Graffen

Date: 09/10/2024

Date: 09/10/2024

INDEPENDENT AUDITOR'S REPORT

To the councillors of Cassowary Coast Regional Council

Report on the audit of the financial report

Opinion

I have audited the financial report of Cassowary Coast Regional Council.

The financial report comprises the statement of financial position as at 30 June 2024, 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.

In my opinion, the financial report:

- a) gives a true and fair view of the council's financial position as at 30 June 2024, and of its financial performance for the year then ended; and
- b) complies with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards.

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 (including Independence Standards)* (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

The councillors are responsible for the other information.

The other information comprises the information included in the entity's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

At the date of this auditor's report, the available other information in Cassowary Coast Regional Council's annual report for the year ended 30 June 2024 was the current year financial sustainability statement, current year financial sustainability statement - contextual ratios and unaudited long-term financial sustainability statement.

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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

[If the auditor's report includes a Key Audit Matters section]:

https://www.auasb.gov.au/auditors_responsibilities/ar6.pdf

[If the auditor's report does not include a Key Audit Matters section]:

https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of my auditor's report.

Report on other legal and regulatory requirements

In accordance with s. 40 of the *Auditor-General Act 2009*, for the year ended 30 June 2024:

- 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

11 October 2024

Queensland Audit Office
Brisbane

FINANCIAL SUSTAINABILITY

- * Current Year Financial Sustainability Statement
- * Certificate of Accuracy - for the Current Year Financial Sustainability Statement

- * Independent Auditor's Report

- * Current-year Financial Sustainability Statement - Contextual Ratios
- * Certificate of Accuracy - for the Current Year Financial Sustainability Statement - Contextual Ratios

- * Unaudited Long-Term Financial Sustainability Statement
- * Certificate of Accuracy - for the Unaudited Long-Term Financial Sustainability Statement

Cassowary Coast Regional Council
Current-year Financial Sustainability Statement
For the year ended 30 June 2024

Measures of Financial Sustainability

Type	Measure	Target (Tier 4)	Actual	5 Year Average	Council Narrative
Audited Ratios					
Liquidity	Unrestricted Cash Expense Cover	Greater than 4 months	9	NA	Externally restricted cash remains low with the waste levy rebate received in advance continuing to reduce. The result indicates Council has sufficient unrestricted cash available to contribute to planned and unplanned expenditure.
	Operating Surplus Ratio	Greater than 0%	(8.95)%	(2.44)%	Financial Assistance Grant not received in 23/24 financial year, increased employee costs as vacant positions are filled and EBA wage increases; depreciation expenses due to revaluation of recreation and natural area assets and indexation of other classes have contributed to the deficit.
	Operating Cash Ratio	Greater than 0%	25.41%	30.86%	The result reflects positively Councils ability to cover its operational expenses.
Asset Management	Asset sustainability ratio	Greater than 80%	73.10%	88.89%	Increases in depreciation expense exceeds Council's capacity to deliver a capital program to meet renewal requirements together with other approved capital projects. Long term estimates indicate a ratio increase.
	Asset Consumption ratio	Greater than 60%	63.98%	67.36%	Council assets are being consumed in line with their estimated useful lives.
Debt Servicing Capacity	Leverage Ratio	0-3 times	0.48	0.15	Council has low debt levels with no debt in 2019/20. The result indicates that Council has a higher capacity to support additional borrowings. The repayment of \$5.34m in 2024/25 will see the ratio return to levels in previous years (refer to Note 32 Events after the reporting date)

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 2024. The amounts used to calculate the 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 2024.

Certificate of Accuracy

For the year ended 30 June 2024

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.

A Millwood

Mayor

Cr. Teresa Millwood

A Graffen

Chief Executive Officer

Mr. Andrew Graffen

Date: 09/10/2024

Date: 09/10/2024

INDEPENDENT AUDITOR'S REPORT

To the councillors of Cassowary Coast Regional Council

Report on the Current-Year Financial Sustainability Statement

Opinion

I have audited the accompanying current year financial sustainability statement of Cassowary Coast Regional Council for the year ended 30 June 2024, 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 Cassowary Coast Regional Council for the year ended 30 June 2024 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 (including Independence Standards)* (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 the basis of accounting described in the current year financial sustainability statement. The current year financial sustainability statement has been prepared in accordance with the Financial Management (Sustainability) Guideline 2024 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

The councillors are responsible for the other information.

The other information comprises the information included in the entity's annual report for the year ended 30 June 2024, but does not include the financial sustainability statement and our auditor's report thereon.

At the date of this auditor's report, the available other information in Cassowary Coast Regional Council's annual report for the year ended 30 June 2024 was the general-purpose financial statements, current-year financial sustainability statement - contextual ratios, and the unaudited long-term financial sustainability statement.

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 sustainability statement, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial sustainability statement 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.

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.



11 October 2024

Sri Narasimhan
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

Cassowary Coast Regional Council
Current-year Financial Sustainability Statement - Contextual Ratios
For the year ended 30 June 2024

Measures of Financial Sustainability

Type	Measure	Target (Tier 4)	Actual	5 Year Average	Council Narrative
Unaudited Ratios (contextual)					
Financial Capacity	Council Controlled Revenue Ratio	NA	90.03%	84.77%	The result indicates Rates, Fees and Charges contribute significantly to the total operating revenue allowing Council a stronger ability to generate revenue without relying on external sources, such as grant funding. Council can respond to unexpected financial obligations if necessary
	Population Growth Ratio	NA	0.32%	0.11%	The result indicates that population growth within the Cassowary Coast Region is low and is expected to remain low.

The current-year financial sustainability statement - Contextual Ratios is prepared in accordance with the requirements of the Local Government Regulation 2012 and the Financial Management (Sustainability) Guideline 2024. The amounts used to calculate the 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 2024.

Certificate of Accuracy

For the unaudited current-year financial sustainability statement - Contextual Ratios prepared as at 30 June 2024


This unaudited current-year financial sustainability statement - Contextual Ratios 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 unaudited current-year financial sustainability statement - Contextual Ratios has been accurately calculated.


 Mayor

Cr. Teresa Millwood

Date: 09/10/2024


 Chief Executive Officer

Mr. Andrew Graffen

Date: 09/10/2024

Cassowary Coast Regional Council
Unaudited Long-Term Financial Sustainability Statement
 For the year ended 30 June 2024

Type	Measure	Target (Ter 4)	Actuals as at 30 June 2024	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028	30 June 2029	30 June 2030	31 June 2031	30 June 2032	30 June 2033	30 June 2034
			9	N/A for long-term sustainability statement										
Liquidity	Unrestricted Cash Expense Cover	Greater than 4 months	9											
Operating Performance	Operating Surplus Ratio	Greater than 0%	(9.0)%	(1.0)%	(0.5)%	(1.7)%	(2.5)%	(2.6)%	(2.4)%	(2.4)%	(2.4)%	(1.1)%	(1.2)%	(1.1)%
	Operating Cash Ratio	Greater than 0%	26%	35%	36%	36%	38%	36%	37%	37%	37%	38%	39%	39%
Asset Management	Asset sustainability ratio	Greater than 80%	73%	171%	123%	114%	98%	88%	90%	90%	84%	84%	80%	76%
	Asset Consumption ratio	Greater than 60%	64%	72%	74%	78%	80%	71%	84%	84%	87%	89%	91%	89%
Debt Servicing Capacity	Leverage Ratio	0-3 times	0.48	0.36	0.31	0.28	0.27	0.24	0.22	0.22	0.20	0.18	0.16	0.14
	Council Controlled Revenue Ratio	NA	90%	84%	84%	85%	85%	86%	86%	86%	86%	86%	86%	86%
Financial Capacity	Population Growth Ratio	NA	0.3%	0.6%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%

Cassowary Coast Regional Council's Financial Management Strategy
 Council's long term financial management strategy is set out below and is consistent with Council's long term forecast.

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 unaudited long-term financial sustainability statement prepared as at 30 June 2024
 This unaudited 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 unaudited long-term financial sustainability statement has been accurately calculated.

Mayor *A Millwood*
 Cr. Teresa Millwood
 Date: 09/10/2024

Chief Executive Officer *A. Giffen*
 Mr. Andrew Giffen
 Date: 09/10/2024



-  1300 763 903
-  enquiries@cassowarycoast.qld.gov.au
-  cassowarycoast.qld.gov.au
-  70 Rankin Street, Innisfail
38-40 Bryant Street, Tully
4 Balliol Street, Cardwell