

Cloncurry Shire Council

Annual Report

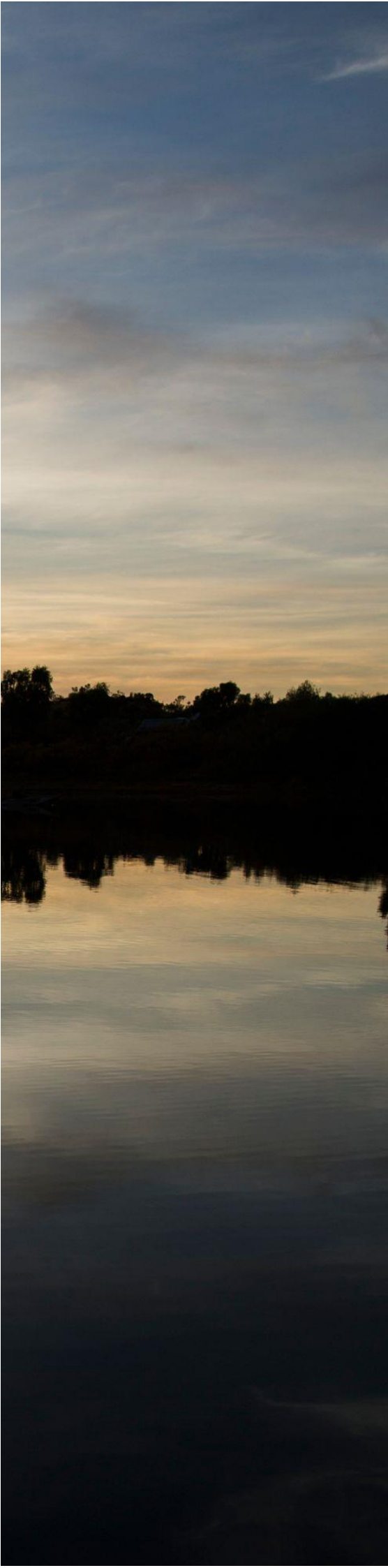
2022-2023





Acknowledgement of Country

The Cloncurry Shire Council acknowledges the Mitakoodi, Kalkadoon, Yulluna, Waluwarra and Pitta Pitta peoples as the Traditional Owners and custodians of Council's Local Government Area. We recognise their connection to land and community. We pay our respects to them, their cultures and their Elders, past, present, and emerging.



Introduction

This report highlights Council's achievements over the past 12 months and is prepared primarily for residents, ratepayers, businesses and visitors to our Shire.

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Message from the Mayor

The 2022-23 financial year was another solid year for the Cloncurry Shire Council and the Shire as a whole.



Our Shire continues to be the powerhouse of North West Queensland and Council is performing well to harness that momentum for the benefit of our residents, ratepayers and businesses. The commitment and hard work of Council, local businesses, support agencies, community groups and our people are the key element to our success.

The 2022-23 Council budget was built on a modest rate increase, a substantial Capital Works program and controlled spending. The last two terms of Council have seen a probable record for the lowest rate increases to the majority of ratepayers, for this Shire and notably below other councils in the region. Our financial sustainability is trending well in all areas measured by the State Government. The Council is in a strong position to continue to provide stability and opportunity for our people and businesses.

Council's Capital Works program continues to build on the commitment to maintain our existing assets as well as develop new projects.



Chinaman Creek Dam Recreation Area

This year saw the completion of the Chinaman Creek Dam Recreation Area. This project took a beautiful slice of our Shire and made it truly amazing. My commitment to secure more source water has meant Chinaman Creek Dam can be prioritised for recreation only, which adds to the significance of the new recreation area. Construction continued on the pathway to Chinaman Creek Dam over the year. Both these major projects were proudly undertaken by local company Auzscot and local sub-contractors.



Auzscot Constructions continue work on the Path to Chinaman Creek Dam

Planning work continued on major projects including the airport, saleyards, Scarr Street, recreation grounds/John Flynn Place and Curry Kids Early Learning Centre.

Council was successful in securing grant funding for the replacement of Coppermine Creek Bridge and sealing 16km of Kajabbi Road. The total grant funding received for this year was \$28,767,789.

The year saw the refinement of key policies, such as the very successful Urban Renewal and Revitalising Policy. It enables Council to assist businesses invest in their street appeal and the opportunity to encourage the purchase

of old buildings to make way for new ones is good for the owner and the community.

Council continues to increase our support of community groups, events and individuals through the grants program over \$348,137 was shared through the Shire. This support has increased year on year.



Cloncurry and District Races

Our expectation on service delivery remains high and even when we do well, we will continue to aim to do better.

The Cloncurry Prize Poetry Competition, one of the country's richest poetry prizes, was won by

Penny Lane with her poem Remembering Mary.

It is always an honour to convey citizenship to new Australians, and this year we welcomed 12 new people to our Australian family.



The Cloncurry Westpac Branch looked likely to close.

One of the most significant advocacy campaigns, for the year was the fight to reverse the decision by Westpac to close their Cloncurry Branch. I am very proud that the campaign I led, supported by our community, saved our branch (as well as others) and sent a loud and clear message that "our town matters."

Greg Campbell
MAYOR

Chief Executive Officer's Report

The Annual Report of a Local Government has a number of requirements in relation to content. Foremost among these are reporting on Council's financial position to the residents and ratepayers of the Cloncurry Shire and commenting on Council's progress in delivering the goals outlined in its Corporate and Operational Plans.



FINANCIALS

With respect to the financials, I am pleased to once again present an unqualified set of Financial Statements to the community. The Financial Statements provide an overview of Council's financial position. The process of compiling the statements also speaks to the quality of Council's financial data and internal processes. Each year, Council seeks to improve both.

The full audited financials can be found on page 67. The Community Financial Report attempts to present this information in a more digestible format than the audited financials in order to make these figures more accessible to non-specialists. This report can be found at page 58.

KEY HIGHLIGHTS

- Operating surplus of \$6.337m delivered
- Cash at bank as at 30 June 2023 of \$24.682m, an increase of \$3.506m
- Reduction in total borrowings from \$12.955m to \$12.166m
- All financial sustainability indicators met

These figures indicate that Council's financials are in a robust position. This is extremely important in the lead up to a very exciting investment horizon for Cloncurry, which will include delivery of a new childcare, upgrades to the airport, replacement of the Coppermine Creek Bridge, revitalisation of Scarr Street, renewals and upgrades for John Flynn Place and so on.



Curry kids are excited about the new centre.

CORPORATE AND OPERATIONAL PLAN DELIVERABLES

An annual report is also required to provide an assessment of Council's progress against its Corporate and Operational Plans. FY 2022-23 represented the second year of our 5-year corporate planning cycle for Cloncurry (2021-2026). Council's Corporate Plan 2021-26 is the key strategic document governing this planning cycle and informs Council's Operational Plans and budgets over the five-year period to 30 June 2026.

The Plan is built around our values, our five strategic pillars (and associated deliverables), and our Priority Projects and Initiatives. While the balance of the Annual Report outlines our progress to date in delivering on the commitments made in the Corporate and Operational Plans, I will take the opportunity to identify a couple of highlights below.

PILLAR 1 → INVESTING IN OUR COMMUNITIES, PEOPLE AND LIFESTYLE

Chinaman Creek Dam Recreation Area Upgrade

Council's commitment to investing in liveability continued in 2022-23 with the completion of one of the Corporate Plan Priority Projects: The Upgrade to the Chinaman Creek Dam Recreation Area (February 2023).

Not only has the venue proven to be incredibly popular with residents – a new favourite for birthdays, barbeques and sundowners – it is also being used to showcase Cloncurry at a wide range of events. This includes hosting Opera Queensland, a Council Community Forum, and the inaugural Meeting of the Mines conference to name just a few.

Housing

Council has also been working hard on what it can do to alleviate issues associated with housing availability, affordability and suitability. This included: progressing the Perkins Street Subdivision, adopting a Local Housing Action Plan, adopting an Urban Renewal & Revitalisation Program, increasing the Remote Area Housing Assistance package in Council's Certified Agreement and initiating a major amendment to Council's Planning Scheme.



The site for the Perkins Street Subdivision

PILLAR 2 → STRENGTHENING OUR ECONOMY AND SUPPORTING GROWTH

Council owns and operates two assets of regional and state significance: the Cloncurry Saleyards and the Cloncurry Airport. Both assets deliver operating surpluses to Council and help to offset a range of services that deliver operating losses. The two assets also speak to Cloncurry's importance as a freight and logistics hub and to the centrality of agriculture and mining to the region's economy.

The Cloncurry Saleyards continue to function as one of the nation's preeminent transit yards, with over 224,000 movements in 2022-23. This represented a decline on last year's throughput, though this was largely driven by reduced cattle prices and reduced cattle numbers coming out of the Gulf Country after some of the worst flooding in recorded history.



Cloncurry Saleyards

\$500k was spent on building additional pens in 2021-22, \$230k was allocated to replacing the cattle weighbridge at the dirty yards, and \$1.2m budgeted for renewing the rail load out facility in 2023-24. Council also completed its Saleyards Masterplan in 2022-23, which will help shape Council's investments over the next 10 years.

Cloncurry Saleyards' Transit Numbers

Year	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Transit No.	216,580	208,224	286,058	229,638	266,488	224,649



Cloncurry's Airport went from strength to strength in 2022-23, following on from a comparatively strong performance during COVID-19. 2022-23 saw an increase in

passengers of 7.23% and an increase in revenue of 21.88%. Council also substantially progressed its master planning for the airport.

Cloncurry Airport Statistics

Year	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Passengers	59,814	59,211	54,911	57,165	69,531	74,561
Revenue (\$)	2,837,124	2,987,965	2,693,928	2,917,262	3,718,712	4,532,260

PILLAR 3 → BUILDING AND MAINTAINING OUR INFRASTRUCTURE

Council has invested in a range of intensive and highly detailed asset assessments. The first of these was the comprehensive asset revaluation, a process which provides an opportunity to review every Council asset, its condition, and its value. This is a cyclical requirement (once every four years) and a significant undertaking. The outputs of this process help to determine Council's longer-term asset, operating and financial sustainability. The good news is that Council is meeting all of these long-term sustainability requirements.

The second of these asset assessments focused on the Chinaman Creek Dam and has been undertaken with financial support from the Queensland Reconstruction Authority. Owners of referable dams such as Chinaman Creek Dam are required to complete a detailed Failure Impact Assessment every 5 years, which includes dissecting every component of the asset in great detail. So far, exacting the Dam to this level of scrutiny looks like it will save >\$10m in avoided upgrade costs in the future.



Chinaman Creek Dam, Cloncurry

The third of these assessments focused on the Cloncurry Airport (still underway) and is being used to inform Council's master plan for the airport, which will shape our short-, medium-, and long-term investments into this asset as

this relates to runways, aprons, taxiways, drainage, electrical systems and lighting.

PILLAR 4 → VALUING OUR ENVIRONMENT

A special thank you to our waste and wastewater management teams who continue to meet all of their compliance requirements as vetted by the Department of Environment and Science. The management of our landfills, sewerage treatment plant and water treatment plant have taken another step forward in 2023-24, building on important works over the last eight years.

In an unusually constrained funding environment for pest management, Council continued to invest own-source revenue into biosecurity. This included continued investment in clearing the Cloncurry Riverbank and initial forays into weed removal in the Chinaman Creek Dam, assisted through the acquisition of a Queensland Rural and Industry Authority (QRIDA) funded aquatic weed harvester. Council also completed its biannual 1080 baiting program of wild dogs.



Weed harvester on Chinaman Creek Dam

PILLAR 5 → EFFECTIVE GOVERNANCE

Council continues to invest in its people, its systems and its processes to ensure our organisation is well governed and well administered. Some highlights from 2022-23 worth noting include:

- Continued investment in good governance:
 - Internal audits completed for Fraud & Corruption Management, Plant & Fleet Management
 - Completed review of Council to CEO delegations.
 - Completion of IPWEA's Pro Cert in Asset Management and subsequent development and adoption of asset management plans for our Transport, Water, Wastewater, and Building Assets.
- Continued investment in good systems to drive efficiency, effectiveness and consistency:
 - Venues management: Bookable
 - Cemetery management: Chronicle
 - Strategic planning and performance management: Envisio
 - Agenda and minutes management: Resolve

All of this investment in people, processes and systems is designed to ensure that we meet

one of the most important mantras of local government: that we seek continual improvement in everything we do.



Cloncurry Shire Council All Staff Session

FINAL WORDS

All of the work detailed herein would not be possible without our residents and ratepayers, the support of state and federal governments, the support of businesses and volunteer organisations, clubs and committees, the drive of our elected members and the hard work of Council's staff. I extend my appreciation and thanks to all those who continue make the Cloncurry Shire an amazing place to be.

Philip Keirle
CHIEF EXECUTIVE OFFICER

History of Cloncurry

The traditional owners, being the Mitakoodi, Kalkadoon, Yulluna and Waluwarra and Pitta Pitta people, were the original inhabitants of the area now known as Cloncurry Shire.

In 1861 Burke and Wills, with King and Grey, were the first known Europeans to come into the area on their ill-fated expedition to the Gulf of Carpentaria. Burke named the river 'Cloncurry' for his cousin, Lady Elizabeth Cloncurry of County Galway in Ireland. In May 1867, Ernest Henry came this way searching for grazing land and instead discovered the vast mineral wealth of the district; he named this 'The Great Australia'. The town was surveyed in 1876 and named after the river.

Over the years Cloncurry has been the focal point for many of Australia's greatest innovations. Cloncurry was involved with the beginnings of QANTAS, and the original QANTAS Hanger is still in use at the aerodrome, where 'Queensland and Northern Territory Aerial Service' is still displayed above the hanger door. The Royal Flying Doctor Service was founded here in 1928 and is now recognised worldwide.

A visit to the Cloncurry Unearthed Visitor Information Centre and Museum or John Flynn Place Museum and Art Gallery will open the eyes of any budding historian to the richness of Cloncurry.



FAST FACTS

CLONCURRY IN NUMBERS

Queensland Regional Profile: Cloncurry Local Government Area
Information correct as of 22 November 2022



Population

3,705



Median Age

34.7



Median Annual
Income (\$/week)

1,190



Area (square km)

47,971



Annual Rainfall (mm)

425





Average Temperature
(degrees Celsius)

18 - 32



Priority Projects & Initiatives

Council's Corporate Plan 2021-26 also incorporates a number of Priority Projects and Priority Initiatives. Progress to date as well as projected progress over the 5-year planning cycle is outlined below.

PRIORITY PROJECTS (COUNCIL)	
 Development of signature multi-purpose tourism, recreation and community facility in Cloncurry	
2021-22	<ul style="list-style-type: none"> Budget adopted in June 2022 to progress the John Flynn Place (JFP) / Sport & Recreation Precinct Master Plan (contract awarded in November 22).
2022-23	<ul style="list-style-type: none"> Strategic assessment review completed. Options analysis substantially progressed but not completed as scheduled. Additional options developed and reviewed.
2023-24 2024-25 2025-26	<ul style="list-style-type: none"> Completion of options analysis and master plan of preferred option. Progressive implementation of master plan investments (e.g. tourism/cultural precinct, Police and Community Youth Club (PCYC) facility, skate park, pump track etc.).
 Upgrade to the Cloncurry Saleyards Precinct	
2021-22	<ul style="list-style-type: none"> Completion of upgrades to the clean yards (ramps, asphalt pavement etc.). Acquisition of Aurizon lease initiated (completed in September 2022). Installation of 40 new bull/cattle pens. Contract awarded for the Saleyards master planning process. Budget adopted in June 2022 to replace cattle weighbridge at dirty yards.
2022-23	<ul style="list-style-type: none"> Completion of saleyards master plan. Seek funding/lobby for rail load-out upgrade.
2023-24	<ul style="list-style-type: none"> Upgrade to rail load-out facility. Replacement of weighbridge at dirty yards. Award new saleyards management agreement.
2024-25 2025-26	<ul style="list-style-type: none"> Progressive implementation of master plan investments (e.g. shade infrastructure, additional yards, washdown bay installation).



Scarr Street Upgrade

2021-22	<ul style="list-style-type: none"> • Concept planning progressed and presented to stakeholders for review, informing subsequent design stages.
2022-23	<ul style="list-style-type: none"> • Progress to final concept design → detailed design.
2023-24 2024-25	<ul style="list-style-type: none"> • Complete detailed design. • Deliver Scarr Street upgrade.



Chinaman Creek Dam Recreation Area Upgrade / Walkway Upgrades

2021-22	<ul style="list-style-type: none"> • Design, procurement and contract award completed for the Upgrade to the Chinaman Creek Dam Recreation Area.
2022-23	<ul style="list-style-type: none"> • Complete Recreation Area Upgrade Construction (completed).
2023-24	<ul style="list-style-type: none"> • Complete Stage 2 of the Chinaman Creek Dam Pathway project (completed).





Acquisition of Corella Park Dam

2021-22	<ul style="list-style-type: none"> • Discussions with Department initiated on a paired-back version of acquisition, focused on land and water rather than the dam infrastructure.
2022-23	<ul style="list-style-type: none"> • Progress to formal offer for purchase and sub-lease of part of Corella Dam.
2023-24	<ul style="list-style-type: none"> • Complete acquisition, subject to receipt of failure impact assessment from the Department of Natural Resources and Mines.



Rural Road Sealing

2021-22	<ul style="list-style-type: none"> • Sir Hudson Fysh Drive pavement widening and upgrade, installation of drainage and pathways.
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2022-23	<ul style="list-style-type: none"> • Submission of betterment funding for Kajabbi seal. • Completion of rehabilitation and reseal of Sedan Dip Road (~\$1.5m). • Completion of stabilisation and seal for 7.5km of Corella Park Road. • Formalise rural road reseal program for 2023-24 to 2025-26.
2023-24	<ul style="list-style-type: none"> • 16km Upgrade to Seal Program for Kajabbi Road. • Completion of stabilisation and seal for 7km of Corella Park Road. • Deliver balance of 2023-24 Street seal and reseal program (Railway, Fred McKay, Miles, Dutton, Henry, Transmission, and Saleyards Entrance).
2024-25 2025-26	<ul style="list-style-type: none"> • Reseal 53km of Duchess to Phosphate Road. • Secure betterment funding for additional seal to Granada Road.
 Coppermine Creek Bridge Upgrade	
2021-22	<ul style="list-style-type: none"> • All work required to inform detailed design completed (survey, geotechnical, scope).
2022-23	<ul style="list-style-type: none"> • Completion of detailed design and complete funding applications.
2023-24 2024-25	<ul style="list-style-type: none"> • Secure funding and deliver project.
 Delivery of Betterment (Resiliency) projects in partnership with QRA	
2021-22	<ul style="list-style-type: none"> • No eligible event to enable betterment project.
2022-23	<ul style="list-style-type: none"> • Submission of betterment funding application for Kajabbi road (arising from northern and central western Queensland rainfall and flooding event 21 April – 12 May 2022).
2023-24	<ul style="list-style-type: none"> • Deliver Kajabbi Road upgrade to seal betterment project. • Submit betterment project application where eligible (northern and central Queensland monsoon and flooding, 20 December 2022 – 30 April 2023) for Granada Road.
2024-25 2025-26	<ul style="list-style-type: none"> • Seek funding where eligible.



Perkins Street Sub-division

2021-22	<ul style="list-style-type: none"> • Complete procurement and commence sub-division development. • Initiate procurement for construction of housing.
2022-23 2023-24	<ul style="list-style-type: none"> • Subdivision and subdivision civil works completed.
2023-24	<ul style="list-style-type: none"> • Lease off the plan. • Commence and complete construction of 9 houses.



Urban Renewal and Enhancement Program

2021-22	<ul style="list-style-type: none"> • Delivery of final year of Shopfront Revitalisation Grant, which delivered ~\$100,000 in Council co-contributions toward shopfront upgrades for businesses across Cloncurry.
2022-23	<ul style="list-style-type: none"> • Adoption of relevant policy framework to progress other renewal and revitalisation initiatives: <ul style="list-style-type: none"> ○ Urban Renewal & Revitalisation Program. ○ Investment Attraction & Incentive Program. ○ Woodham Petroleum signage upgrade co-contribution.
2023-24 2024-25 2025-26	<ul style="list-style-type: none"> • Continue to advertise and co-contribute to urban renewal and investment attraction opportunities.



Waste management, reduction and recycling initiatives

2021-22	<ul style="list-style-type: none"> • Completion of whole-of-Shire scrap metal recycling program (Cloncurry, Kajabbi, Quamby). • Completion of joint procurement program for long-term kerbside waste collection contract with Mount Isa. Nine plus one year contract awarded, commencing in October 2022. • Improved compliance of operations against Environmental Authority (EA).
2022-23	<ul style="list-style-type: none"> • Conclusion of whole-of-Shire scrap metal program • New long-term contract with JJ Richards commenced (October 2022)
2023-24	<ul style="list-style-type: none"> • Potential to enact recycling pending Mount Isa City Council's decision on Material Recovery Facility and cost of receivals.



Improved access to childcare

2021-22	<ul style="list-style-type: none"> • Investment in improved scheduling systems increased utilisation rates and had a positive (but modest) impact on reducing wait list pressures. • Concept designs for new/expanded facility completed. • Funding applications submitted to expand place numbers at the Curry Kids Early Learning Centre.
2022-23	<ul style="list-style-type: none"> • Progress detailed design and development application for new development.
2023-24 2024-25	<ul style="list-style-type: none"> • Acquisition of land for site (completed). • Commence and complete construction of new childcare facility.




Delivery of Biosecurity Program

2021-22	<ul style="list-style-type: none"> • \$100,000 mesquite control and eradication program delivered. • \$100,000 weed control program along the eastern bank of the Cloncurry River, targeting rubber vine and calotrope. • Revival of 1080 aerial baiting program.
2022-23	<ul style="list-style-type: none"> • Two aerial 1080 baiting programs delivered for rural properties. • Wild dog bounty / feral cat bounty program continued. • Prioritised weed control programs, including weed control along the western bank of the Cloncurry River in 2022-23 and associated burn-off. • Aquatic Weed Harvester procured for mitigating weed growth in Chinaman Creek Dam.
2023-24 2024-25 2025-26	<ul style="list-style-type: none"> • Prioritise investment based on need and availability of funding.



Progressive Increase in use of Renewable Power Sources

2022-23	<ul style="list-style-type: none"> • Completion of Net Zero project in association with MITEZ. • Solar built into design of new Curry Kids Early Learning Centre (construction to be completed in 2024-25).
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<p>2023-24</p>	<ul style="list-style-type: none"> • Submission of funding application to Regional Economic Futures Fund for 4MW array in Cloncurry. • Solar array to be installed as part of Heat Pump upgrade at Cloncurry Swimming Pool. • Scoping completed for Airport and Precinct solar upgrade and renewal and funding applications under Community Energy Upgrade Fund.
<p>2024-25 2025-26</p>	<ul style="list-style-type: none"> • Continue to seek investment opportunities.
 <p>Cloncurry as a base for innovative industries: drone and aviation, film and TV production etc.</p>	
<p>2021-22</p>	<ul style="list-style-type: none"> • Budget adopted for Airport Master Planning process. • Film and TV incentive package developed and first contract negotiated.
<p>2022-23</p>	<ul style="list-style-type: none"> • Unmanned Aerial Vehicle (UAV) testing at drone facility to re-commence following protracted Covid-19 related hiatus. • Commencement of Airport Master Planning. • One short film and one pilot episode shot in 2022-23. • Hosting of Road and Rail Transport. • Commenced planning for September 2023's Meeting of the Mines Conference.
<p>2023-24</p>	<ul style="list-style-type: none"> • Explore options in relation to siting a cotton gin in Cloncurry. • Acquisition of Corella Dam. • Hosting of Business Forums/Events, including Meeting of the Mines.
<p>2024-25 2025-26</p>	<ul style="list-style-type: none"> • Continue to seek investment opportunities.

Our Elected Members

Mayor Greg Campbell



Mayor Greg Campbell was born and grew up in Cloncurry and is proud to call Cloncurry home. Mayor Campbell and his wife Ana have 3 children, Caleb, Cooper, and Scarlett. Mayor Campbell completed his schooling years at the Cloncurry State School, finishing his final year as School Captain. Mayor Campbell's family runs a beef cattle operation in the area and is very passionate about promoting the strength and importance of the industry and the high quality of the product produced. Having a thorough knowledge of this industry places Mayor Campbell in a prime position to lobby for funding and grants to assist growing the agricultural industry.

Mayor Campbell has been heavily involved in the community for many years including being a Rotarian, a Merry Muster Committee member, and a regular volunteer of the Cloncurry races, Show and school events. Mayor Campbell founded the Cloncurry Fish Stocking Committee in 2005 successfully stocking Barra in Chinaman Creek Dam (CCD). He was also one of the Co-Founders of the Cloncurry Football Club in 2006-07, becoming the Inaugural Treasurer and Junior Coach. All the above committees are still as strong today as they were when they were first initiated. Receiving the Cloncurry Shire Citizen of the Year Award in 2009 was a very proud moment, and Mayor Campbell gave credit to his family for their support and long-term community service.

Mayor Campbell was first elected to Council in 2004 as a Councillor and again in 2008, when he was honoured to be elected Deputy by his

fellow Councillors. Mayor Campbell was fully committed to these roles whilst working in various technical and managerial roles with Ergon. An understanding of this industry also proving valuable when lobbying for funding and being a member on the current Mount Isa to Townsville Economic Zone (MITEZ) and CopperString 2032 projects. In 2016 Cr Campbell was elected as Mayor of Cloncurry. His first term was full of achievements that set the Cloncurry Shire up for long term prosperity. Cloncurry celebrating 150 years was a major highlight. A focus on financial consolidation and improving the quality of services to residents has always been a focus. Approximately 80% of all sealed roads across the Shire have been rebuilt or resealed.

Making Cloncurry a 'destination' is a key priority to Mayor Campbell. To be able to showcase the fantastic history and landscapes the Shire has to offer will continue to benefit Cloncurry's economy. Outdoor exercise equipment and the new waterpark playground are initiatives to make the town even healthier and more family-friendly. The revitalisation of Florence Clark Park is proving a great place for tourists to stop and have a break, whilst learning a little about Cloncurry's strong history.

Cr Campbell is now proudly serving his second term as Mayor of the Cloncurry Shire Council. He has been successful in lobbying for a youth worker, dialysis service, road funding, bridge upgrades and water and sewerage upgrades.

The 2019 Flood event was one of the biggest natural disasters to hit the North West and Mayor Campbell capably and sensibly steered the Shire through this period. His efforts were

recognised by the Prime Minister, who requested he be the first Mayor to become a member of the Flood Recovery Agency.

Deputy Mayor Sam Daniels



Councillor Sam Daniels was born and raised in Cloncurry. He is a third-generation resident of the town. He attended Cloncurry State School for his primary years and finished his secondary education at All Souls in Charters Towers.

Cr Daniels has a long association with the pastoral industry. He has worked in his family's agri-businesses for over 30 years. He is currently the Managing Director of his family's stock and station agency and cattle pastoral

Cr Vicky Campbell



Councillor Vicky Campbell was elected to Council in April 2016.

The volunteer committees, facilities, events and especially the people are what make the Cloncurry Shire a standout for her. Cr Vicky feels the spirit of community is the lifeblood of Cloncurry. Having raised and educated seven children here with her husband over the last 30 years, Cr Vicky is a proud local.

From her employment as a mail contractor delivering post to a large number of rural residents across the Shire, Cr Vicky knows

Mayor Campbell is committed to continuing to ensure Cloncurry gets 'our fair' share and that the prosperity that has been created continues to grow.

company. Through their family business they have supported many events and committees in the Northwest. Cr Daniels and his wife Sue are proud to have three sons; Jesse, Nicholas, and Ben.

Cr Daniels and his extended family have been long-term supporters and members of the Cloncurry and District Race Club. Cr Daniels was elected to council in 2020 and is proud to represent the residents in the Cloncurry Shire. He is committed to supporting local business, improving infrastructure, and enhancing the 'liveability' within the Shire.

firsthand the importance of a good working relationship between both the rural and town ratepayers of the Shire.

Cr Vicky has great involvement with Council's Community Development Team delivering events and activities to engage the community and enhance the Cloncurry lifestyle.

Cr Vicky is an active member of Council's Audit and Risk Committee, the Community Advisory Network and is also the Councillor Tourism Representative. It is with this knowledge of hard work and community unity that Cr Vicky works to build and progress the Shire of Cloncurry.

Cr Nathan Keyes



Since finishing his schooling, Councillor Nathan Keyes has only ever been employed in the Cloncurry Shire. He worked as a station hand on local cattle properties before obtaining his helicopter licence in 2003. From there he began aerial mustering on properties from the Gulf of Carpentaria all the way down to the channel country, so is fortunate to have a broad knowledge of the area from both air and land.

Cr Keyes and his brother have managed the Cloncurry Saleyards on behalf of CSC since 2015, and also run their own beef cattle enterprise. In doing so, they are fortunate to be able to talk to many people in the transport and

beef cattle industries.

Having had a long history with the Cloncurry Shire, Cr Keyes is keen to see it grow and reach further development. Cloncurry is a standout town for him because of its geographical location and being known as the 'hub of the North-West' - all roads lead to the Curry.

He's a strong supporter of local businesses in our Shire - we must support them as they support our community events, create jobs, stimulate the economy and bring pride to our community. Cr Keyes believes everyone in our Shire should be looked after, from our children to our seniors and he wants to help improve our health care, education and day care facilities.

Cr Janessa Bidgood



Councillor Bidgood grew up in the Cloncurry Shire and has a long family history here. She has a strong passion for the growth of Cloncurry and believes she

can best help achieve this through her role as a Councillor.

Cr Bidgood loves living in the Cloncurry Shire because of the great people, diverse industries, range of opportunity and family connections.

Cr Dane Swalling



Councillor Dane Swalling is proud to be a Cloncurry local, having lived here his whole life.

Cr Swalling is following a proud family tradition of being involved in Local Government and is extremely thrilled to have been elected to work for the community of Cloncurry.

After completing a plumbing apprenticeship locally, Cr Swalling progressed to establishing his own plumbing business and provides a service for Cloncurry and surrounding districts. The flexibility of owning his own business provides an enhancement to his role as Councillor as he is able to organise his time to fulfil both roles.

Cr Swalling is married with children and has always supported a wide variety of community groups through his business and personally.

Our Workforce

Council employs an experienced and diverse team. The day to day running of the Shire is the responsibility of the Chief Executive Officer, who, along with Directors and staff, act on the Council's decisions by developing and putting into practice the Council policies and resolutions.





2023



AUSTRALIA DAY AWARDS

Citizen of the Year **Jan Schneckloth**, Young Citizen of the Year **Lila-Rose Watson**, Achievement Awards **Nick Johnson**, **Alistair Sheahan**, **Ben Daniels**, **Kash Harrison-Douglas**, Arts & Culture Award **Jill Smith**, Community Event of the Year **Masquerade Ball**, Senior Sports Award **Justin Sealy**, Dave Watt Memorial Junior Sport Award **Grace Abdy**, Mayors Community Spirit Award **Cloncurry Police Liaison Officers**, Southern Gulf NRM Sarus Crane Award **Wendy Baker**.

Our Community

Strategic Direction 1: Investing in our Communities, People & Lifestyle

Our family-friendly Shire and supportive community spirit are underpinned by sustainable facilities and institutions that promote positive community, health, educational and recreational outcomes.

	<p>INVESTMENT PRIORITIES Liveable Communities Active Lifestyles Strong Service Network</p>		<p>HOW OUR COMMUNITY ASSISTS Volunteering Active Participation</p>
	<p>KEY SERVICES Community Events Disaster Response and Recovery Community Development Library Services Sport and Recreation Aged and Youth Services Community Facilities (Swimming Pool, Equestrian Centre, Art Gallery, Early Learning Centre, Airport, Cemeteries)</p>		

Achievements and Highlights

- ✓ Council continued its strong advocacy to the State Government on the need to plan and progress upgrades to the Cloncurry Hospital, with a number of deputations to Brisbane and visits from Ministers to Cloncurry.
- ✓ Council continued to assist in subsidising GP clinic operations in Cloncurry to the tune of \$115,000 to ensure Cloncurry retains its enviable record of attracting and retaining quality health care professionals.
- ✓ Council achieved its second year of supplying Dajarra with treated water in accordance with the Australian Drinking Water Guidelines parameters (2021-22 and 2022-23), with Dajarra being incorporated into Council’s Drinking Water Quality Management Plan (DWMP) for the first time in December 2022.
- ✓ Council completed construction of the Chinaman Creek Dam Recreation Area, a new signature recreational facility for the community and for visitors to Cloncurry.
- ✓ Stage 1 of the Pathway to Chinaman Creek Dam Completed. Stage 2 substantially progressed (completed in October 2023), with the aim of connecting one of Council’s premier liveability and tourism attractions to town via footpath and cycle path.
- ✓ Council secured funding for the design (Queensland Reconstruction Authority) and construction (Resources Community Infrastructure Fund Round 2) of a new 109-place child-care facility to help address extensive waiting lists and position Cloncurry as a child care oasis in the region. Progressive reviews of daily/weekly fees will also see the Curry Kids facility push toward a break-even operating result in 2023-24 (excluding depreciation).

- ✓ Council advocacy in support of Health Vision deliverables continued with frequent engagement of the North West Hospital and Health Service (NWHHS) and key State Government representatives.
- ✓ Council committed \$150,000 to its community grants program in 2022-23, which helps to support signature events (Cloncurry & District Show, the Stockman's Challenge, the Australian Stockman's Challenge, the Cloncurry Merry Muster), regular events (Cloncurry & District Races) as well as a host of other events (such as the Quamby Rodeo, Rockhana Gem Festival), grants to community organisations and bursaries to individuals to assist with travel to participate in sporting events.
- ✓ Cloncurry's Senior's programming covered meditation, tech workshops, art classes, craft sessions, and cooking demonstrations during 2022-23, as well as regular morning teas and themed lunches. Events like the Stuart McIntosh Memorial Garden Competition have added diversity to these gatherings, showcasing the breadth of experiences offered to seniors within our community.
- ✓ Extension of the opening hours of the Cloncurry Swimming Pool through school holidays and on weekends was continued in 2022-23 and funding was secured for a heat pump to further improve the levels of service offered at the facility (to be delivered in 2023-24).
- ✓ Bob McDonald Library delivered a diverse range of programming aimed at fostering community connections and social interactions and promoting continuous learning. Our array of initiatives has successfully engaged a wide range of demographics, catering specifically to mums and bubs, tweens, and seniors leading to increased patronage of the library.
- ✓ Programs such as Baby Rhyme Time and themed Storytimes have demonstrated significant success in facilitating these connections and encouraging learning experiences. The Seniors Sessions have generated remarkable enthusiasm among participants. Stakeholders such as Outback Futures, Lives Lived Well, and North West Regional Health have also partnered with Council using the Library for the delivery of events and initiatives.
- ✓ In 2022-23 the Regional Arts Development Fund (RADF) in partnership with Council has funded several programs throughout the year including but not limited to Resin Art Workshops, the Queensland Ballet, The Story Players and Jally Productions. RADF also supports local groups such as the Cloncurry Quilters and Branches Performing Arts with the delivery of their Christmas Dance Performance.
- ✓ In 2022-23 the Harvey Sutton Art Gallery showcased a number of exhibitions, including the Stockman's Challenge, Landcruiser exhibition and works by Curry Kids Early Learning Centre.



THE BANK MANAGER

Mayor Greg Campbell with Quamby Studios founders **Madeleine** and **Luke Chaplain**, who shot their first film project 'The Bank Manager' in Cloncurry in 2022.

Our Economy

Strategic Direction 2: Strengthening our Economy & Supporting Growth

Our local economy is built upon its strengths. Innovation and good planning support prosperity in existing businesses attracts new businesses and maximise opportunity for local employment.

	<p>INVESTMENT PRIORITIES</p> <p>Attracting population growth at a sustainable rate</p> <p>Experience Cloncurry</p> <p>North West Transport Hub</p>		<p>HOW OUR COMMUNITY ASSISTS</p> <p>Friendliest Spirit</p> <p>Buy Local</p> <p>Create opportunities for traineeships, work experience and apprenticeships</p>
	<p>KEY SERVICES</p> <p>Tourism & Events Economic Development Planning & Development Regional Collaboration Cloncurry Unearthed Cloncurry Airport John Flynn Place Saleyards Building Services Marketing, Communication & Media</p>		

Achievements and Highlights

- ✓ 2021 Census Data identifies the estimated resident population for Cloncurry as 3,705. This represented a growth of 3.8% per annum over the five-year period from 2016. This compares favourably against population growth/decline data for regional Queensland generally. It also represents a 600+ increase from population data from the 2016 Census, an almost 20% increase in the five-year period to 30 June 2021.
- ✓ Council established an Economic Development Strategy Advisory Committee and progressed the EDS to final draft / public feedback stage in 2022-23.
- ✓ Cloncurry Saleyards throughput dropped during 2022-23 off the back of one of the biggest floods in living memory in the Gulf Country. Loss of stock, difficulty in transiting cattle on a disaster-impacted road network plus lower beef prices all contributed to a decline in throughput from 266,488 head in 2021-22 to 224,649 head in 2022-23.

Cloncurry Saleyards' Transit Numbers						
Year	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Transit No.	216,580	208,224	286,058	229,638	266,488	224,649

- ✓ Council's airport operations in Cloncurry continued to deliver an important service to the region, State and Nation, breaking through the 70,000 passenger barrier for the first time off the back of significant mining activity in Cloncurry.

Cloncurry Airport Statistics						
Year	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Passengers	59,814	59,211	54,911	57,165	69,531	74,561
Revenue (\$)	2,837,124	2,987,965	2,693,928	2,917,262	3,718,712	4,532,260

- ✓ Council continued to play a major role as an accommodation provider in town, maintaining its stock of 39 houses and 27 aged-care units.
- ✓ Perkins Street Sub-division (9 new houses) procurement and design were completed in 2022-23, with construction kicking off late in 2022-23 and scheduled for completion by April 2024.
- ✓ Council further advanced planning for the construction of a new and expanded Curry Kids Early Learning Centre. Council was able to secure initial funding for this project in 2021-22 (design), with detailed design commencing in the 2022-23 financial year. The aim of this project is to expand Council's current offering from 58 places to 109 places.
- ✓ Council has continued to support our Local Business Network and invest in their recommendations throughout the year. This has included continued support for:
 - The Shop Local Campaign
 - Local Business Networking Functions
- ✓ Council initiated its film incentive program and substantially progressed its first agreement during 2021-22 with Quamby Studios for the filming of a short film titled, The Bank Manager. The agreement that was executed in early 2022-23 and led to filming in Cloncurry during September 2022.
- ✓ Council continued to operate and maintain Registers of Prequalified Suppliers for Trades & Services, Quarry Materials, and Plant Hire (Wet). Council also introduced a Register of Prequalified Suppliers (ROPS) for Mechanical, Auto-electrical and Tyre Services. These

registers provide for more efficient engagement processes for local suppliers as well as for Council.

- ✓ Council secured funding from QRIDA to construct 50 new pens at the Cloncurry Saleyards to enable bull/cattle sales. The project was substantially progressed in 2021-22 and completed early in 2022-23.
- ✓ Council commenced construction and installation of a new weighbridge at the Dirty Yards, a project that will be completed mid 2023-24.
- ✓ Council's Saleyards hosted the second bull sale in April 2023 since recommencement of sales in April 2022.
- ✓ Council continues to play an active role in local and regional organisations, keeping Cloncurry issues and opportunities front and centre. This includes membership of the North West Queensland Regional Organisation of Council (NWQROC) and Regional Roads and Transport Group (RRTG), Western Queensland Alliance of Councils (WQAC), MITEZ, Outback Queensland Tourism Association (OQTA), Overlanders Way Committee, and Matilda Way Committee.






Chinaman Creek Dam **RECREATION AREA**

The Chinaman Creek Dam Recreation Area project was completed in February 2023.

Our Infrastructure

Strategic Direction 3: Building and Maintaining our Infrastructure

Our infrastructure is strategically planned and well maintained to ensure the delivery of quality services to our community and to facilitate growth opportunities where viable.

	<p>INVESTMENT PRIORITIES</p> <p>Asset Management Township Renewal & Enhancement Strong Transport Network</p>		<p>HOW OUR COMMUNITY ASSISTS</p> <p>Water Wise Waste Reduction Civic Participation</p>
	<p>KEY SERVICES</p> <p>Road, Drainage & Footpath Construction & Maintenance Parks & Gardens Construction & Maintenance Water & Sewer Treatment & Supply Workshop and Fleet Management Project Management</p>		

Lowligh

- ✘ Sir Hudson Fysh Drive rectification works were finally completed in April 2023, bringing to an end an incredibly frustrating project that was delivered outside of original budget and time estimates. Legal action and negotiations in relation to this project will continue in 2023-24.

Achievements and Highlights

- ✓ Cloncurry and Dajarra Drinking Water Quality parameters met.
- ✓ RMPC and Rural Road maintenance programs delivered.
- ✓ Flood Damage assessment, procurement and works associated with the Northern and Central Western Queensland Rainfall and Flooding Event, 21 April - 12 May 2022 progressed. This includes works valued at \$19,921,889 across the majority of Council's transport network.
- ✓ 7.5km reseal of Corella Park Road (Ch 7.00 to 14.5), including substantial stabilisation.
- ✓ 13km of pavement rehabilitation and reseal works completed on Sedan Dip Road with funding assistance from Roads to Recovery and the Transport Infrastructure Development Scheme.
- ✓ Disaster Recovery Funding Arrangements (DRFA) Betterment funding secured for upgrading the Kajabbi Road to seal, with intent to increase the scope to be delivered with additional Council, Transport and Infrastructure Scheme (TIDS) and Roads to Recovery (R2R) funding. Betterment funding was unlocked via the Northern and Central Western Queensland Rainfall and Flooding event, 21 April - 12 May 2022.

- ✓ Detailed design for Coppermine Creek Bridge Upgrade completed and Bridges Renewal Program funding application submitted (successful, per November 2023 funding announcements).
- ✓ Flood Warning Infrastructure Network project completed.
- ✓ Chinaman Creek Dam Recreation Area Upgrade Project completed.
- ✓ Council substantially progressed the Main Well project, a water security/supply project that will deliver >40L p/s of water for the Cloncurry water treatment system. However, persistently high river levels continued to prevent access to the Main Well chamber, thus precluding practical completion of this project.
- ✓ Council completed water production capability upgrades in Dajarra, increasing daily production from 120kL to 150kL.
- ✓ Perkins Street Housing Sub-division: civil works and final designs completed and civil construction contract awarded in 2022-23, with construction to commence early in 2023-24.
- ✓ Council staff completed the Professional Certificate in Asset Management Planning and developed Asset Management Plans for all Council's major asset classes as final assessment deliverables. These formed the basis of the AMPs adopted by Council in May 2023.
- ✓ Completion of stage 1 of the Chinaman Creek Dam Footpath Project (Sheaffe to Isley Street)
- ✓ Commencement of Stage 2 of the Chinaman Creek Dam Footpath Project (Isley Street to Dam), a project now completed (October 2023).
- ✓ Sir Hudson Fysh Drive shared path to Hensley Drive completed (2.5m wide)
- ✓ Sheaffe Street footpath replacement project completed.
- ✓ Stage 1 of Council's CCTV project completed and Stage 2 scoped for delivery in January 2024.
- ✓ Curry Kids Early Learning Centre design progressed. Funding to deliver the project secured via the Resources Communities Infrastructure Fund Round 2.
- ✓ Council commenced construction of new seating, shelter and grandstand infrastructure at the Cloncurry Sport and Recreation Grounds in 2022-23 with funding from the Resource Community Infrastructure Fund Round 1, with all works to be finalised in 2023-24.
- ✓ Council secured funding to design, install and commission an electro-chlorination system at the Cloncurry Water Treatment Plant via the State Governments Building Our Regions (BoR) program for delivery in 2023-24.
- ✓ Council concluded a Road User Agreement (RUA) with True North Copper for a haulage campaign. Council was unable to secure entry into an RUA with Copper Resources Australia, which remains a source of frustration.
- ✓ Cloncurry Airport Masterplan substantially progressed with funding from the Preparing Australian Communities Fund.

- ✓ The Chinaman Creek Dam Comprehensive Risk Review was all but completed in 2022-23 (with funding assistance via the Queensland Resilience and Risk Reduction Fund). An absence of satisfactory construction records meant that additional scope and budget had to be added to the project (concrete shear strength testing of the wall and abutments), which means the project will now be finalised in 2023-24.
- ✓ Major amendment to the Cloncurry Planning Scheme substantially progressed.
- ✓ Dajarra Dual Reticulation Project placed on hold based on degree to which tendered prices exceeded initial budget estimates.
- ✓ Three year building maintenance program developed for Council housing.
- ✓ Budget allocated to progressing options analyses for key Cloncurry Water Treatment infrastructure (second rapid mixing tank, clarifier, clear water storage) and water distribution network.



WEED HARVESTER

In 2022 Council purchased an aquatic weed harvester to assist in managing weed growth at the Chinaman Creek Dam.

Our Environment

Strategic Direction 4: Valuing Our Environment

Our natural resources are valued, our cultural heritage is protected, and our landscape amenity is improved.

	<p>INVESTMENT PRIORITIES</p> <p>Biosecurity Cultural Heritage Landscape Amenity</p>		<p>HOW OUR COMMUNITY ASSISTS</p> <p>Animal Care Waste Reduction Civic Participation</p>
	<p>KEY SERVICES</p> <p>Regulation & Compliance Waste Management Recycling & Reuse Environmental Health Biosecurity Program Rural Land Management Environmental Services</p>		

Achievements and Highlights

- ✓ The Regional Biosecurity Plan for North-West Queensland was adopted in 2022-23, superseding Cloncurry’s Biosecurity Plan 2019-2023.
- ✓ Following on from works completed on the eastern bank of the Cloncurry River in 2021-22, Council progressed works on the western bank of the Cloncurry River in late 2022-23. The planned burn to complete this work was frustrated in second quarter of 2023 as Little Red Flying Foxes had taken roost in key areas of the planned burn zone. Unplanned fires in December 2023 appear to have completed much of the work intended by the earlier burn, albeit in much more testing circumstances.
- ✓ Council reinstated 1080 aerial baiting in June 2021 and concluded another two aerial baiting programs in 2022-23. Participation rates were high and the program appears to be meeting stakeholder requirements.
- ✓ Council progressed and awarded a new nine plus one year contract for kerbside waste collection with JJ Richards, with the contract commencing in October 2022 (Q2 2022-23). Importantly, this contract sees all front-lift/commercial waste taken to Mt Isa for disposal, reducing the waste volume received at the Cloncurry Landfill.
- ✓ Council’s landfill operations were compliant with EA requirements. Council also concluded a round of scrap metal recycling commenced in 2021-22, which saw >450t of scrap metal removed from various locations.

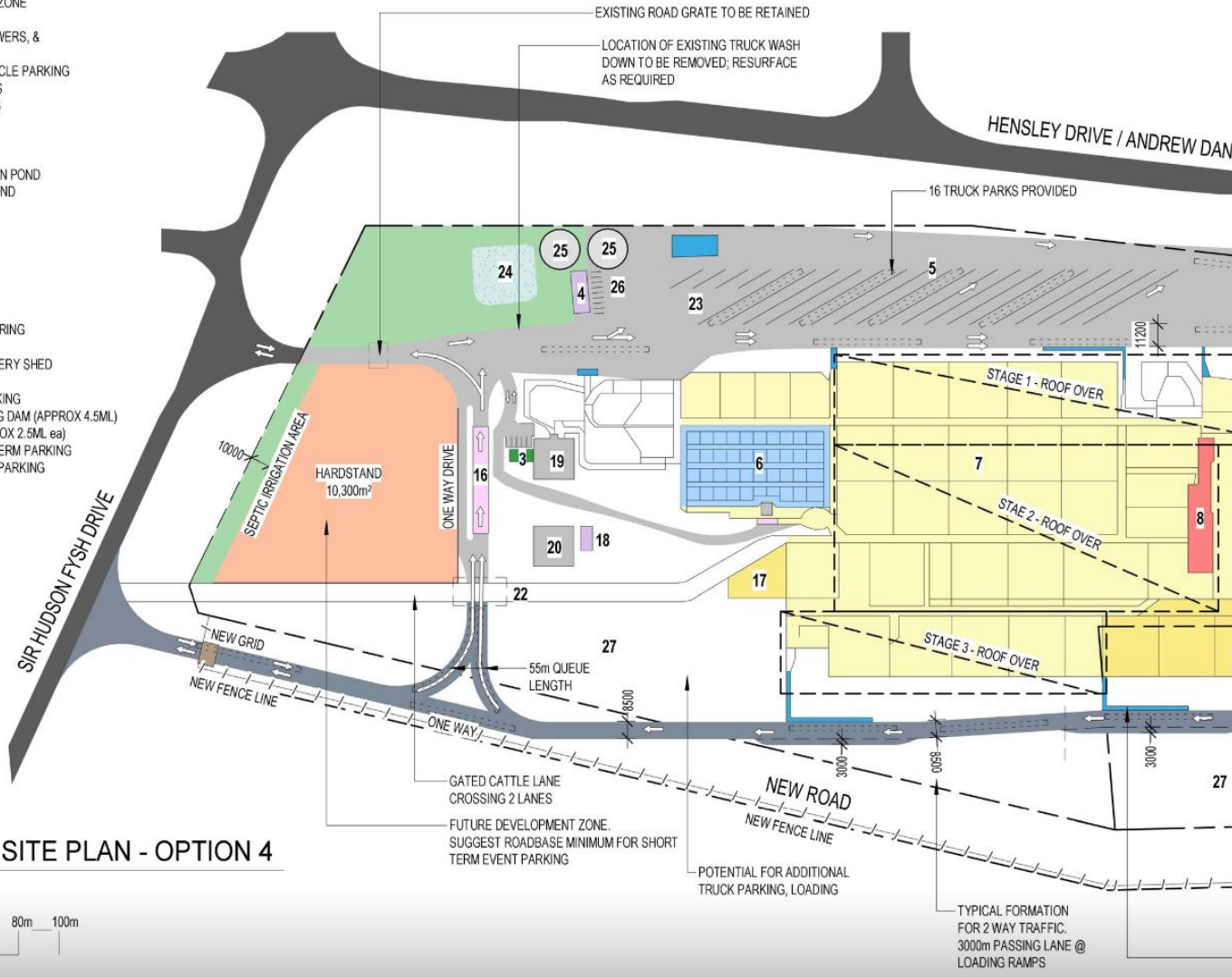
- ✓ Cloncurry's Saleyards continued to pass all Department of Agriculture & Fisheries audits in 2022-23.
- ✓ Council applied for registration as a Recycled Water Scheme provider in 2022-23, securing registration in September 2023. This will allow Council to derive additional benefits from its Class A recycled water.
- ✓ Council's release to land program for treated effluent in Cloncurry met all EA parameters in 2022-23.
- ✓ Council's Drinking Water Quality Management Plan, incorporating the Dajarra and Kajabbi schemes for the first time, was approved on 15 December 2022, paving the way for the dedication of Dajarra as a potable water scheme in 2023.
- ✓ Council recorded zero water quality complaints for Cloncurry and Dajarra in 2022-23.
- ✓ Council's annual SWIM data (reporting on water and wastewater data) was submitted in October 2023.
- ✓ Council secured QRIDA funding to purchase an aquatic weed harvester to assist in managing weed growth at the Chinaman Creek Dam.
- ✓ Two mosquito fogging operations conducted for Cloncurry.

- TRUCK WASH DOWN
- HOLDING YARDS
- SLUDGE PIT
- WEIGHBRIDGE
- SHEDS / WORKSHOP
- AMENITIES
- FUTURE DEVELOPMENT ZONE
- SELLING PENS
- OFFICE
- LOADING RAMP
- SOLID WASTE MANAGEMENT

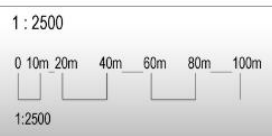


STAGE 1 ROOF: L:232m x W:45m 10440m²
 STAGE 2 ROOF: L:191m x W:83m 15853m²
 STAGE 3 ROOF: L:162m x W:41m 6642m²

- 1 FUTURE DEVELOPMENT ZONE
- 2 FUTURE DEVELOPMENT ZONE
- 3 ADMIN OFFICE
- 4 EXISTING TOILET & SHOWERS, & NEW LAUNDROMAT
- 5 LONG TERM HEAVY VEHICLE PARKING
- 6 NEW BULL SELLING PENS
- 7 EXISTING HOLDING PENS
- 8 EXISTING DIP
- 9 NEW HOLDING PENS
- 9a NEW RECEIVING PEN
- 10 EXISTING TRANSPIRATION POND
- 11 NEW TRANSPIRATION POND
- 12 SEDIMENT POND
- 13 NEW TRUCK WASH
- 14 SLUDGE PIT
- 16 NEW WEIGHBRIDGE
- 17 NEW VET PEN
- 18 NEW AMENITIES
- 19 EXISTING BULL SELLING RING
- 20 EXISTING CANTEEN
- 21 NEW STORAGE / MACHINERY SHED
- 22 EXISTING CATTLE LANE
- 23 CAR AND CARAVAN PARKING
- 24 RAINWATER HARVESTING DAM (APPROX 4.5ML)
- 25 RAINWATER TANK (APPROX 2.5ML ea)
- 26 LIGHT VEHICLE SHORT TERM PARKING
- 27 NEW SOUTHERN TRUCK PARKING



PROPOSED SITE PLAN - OPTION 4



PROJECT NAME:
CLONCURRY SALEYARDS
 CLIENT:
AEC GROUP
 ADDRESS:
SIR HUDSON FYSH DRIVE, CLONCURRY QLD



Cloncurry SALEYARDS MASTER PLAN

Council continued with the master planning process for the Cloncurry Saleyards in 2022-23.

Our Governance

Strategic Direction 5: Effective and Inclusive Governance

Council decision-making processes are efficient, effective, transparent, and inclusive. Decision-making promotes and balances the long-term sustainability of our community, our environment, our assets, and our finances. As an organisation, we are committed to quality customer service and continuous improvement.

	<p>INVESTMENT PRIORITIES</p> <p>Communication Tools Continuous Improvement System Training & Development</p>		<p>HOW OUR COMMUNITY ASSISTS</p> <p>Supportive Engagement Timely Payments</p>
	<p>KEY SERVICES</p> <p>Workplace, Health & Safety Human Resource Management Financial Services Information Technology Customer Service Governance Grant Management Property Management Business Improvement Disaster Management</p>		

Achievements and Highlights

- ✓ Council's community engagement continued to feature Community Forums (x 2), monthly "Smoko with the Mayor", as well as a number of project-based engagements with key stakeholder and advisory groups and the general public (e.g., via master planning processes for Saleyards, Airport and JFP/Sport and Recreation).
- ✓ Council's targeted advocacy to the State Government on investing in upgrades to the Cloncurry Hospital continued.
- ✓ Two new policies developed and adopted to drive Council's strategic agenda:
 - Urban Renewal & Revitalisation Policy & Program
 - Investment Attraction Incentive Policy & Program
- ✓ Council partnered with the Department of State Development to update its Tourism and Economic Development Strategy, working alongside the Economic Development Advisory Committee.
- ✓ Council developed and adopted its first Asset Management Plans for Water & Wastewater Assets, Transport Assets and for Buildings and Other Structures.
- ✓ Council completed two internal audits in the 2022-23 financial year, focusing on Plant & Fleet Management Practices and on Fraud & Misconduct Management Practices.
- ✓ Council's Audit Committee met three times in 2022-23, reviewing interim financials, corporate risk registers, work health safety audits, internal audit outputs and other statutory content.
- ✓ Improvement Plans derived from AMPs and Council's DWQMP developed and incorporated into 2023-24 budget for all asset classes.

- ✓ Masterplans to drive short-, medium-, long-term investments substantially progressed for the Cloncurry Saleyards (completed) and Cloncurry Airport (substantially progressed).
- ✓ Masterplan initiated for JFP/Sport & Recreation Grounds
- ✓ Council completed a detailed review of rates and charges in the fourth quarter of 2022-23 to inform the 2022-23 budget utilising Mead Perry, long-term rates management consultants to Council.
- ✓ All 2022-23 rates levied in line with proposed schedules
- ✓ Monthly Council meeting reports track rates revenue and arrears
- ✓ Council successfully navigated the challenges of being down one Councillor through suspension (from December 2022 through June 2023)
- ✓ Council's insurance policies reviewed with substantial savings realised for the financial year ending 2023-24.
- ✓ Council's Local Disaster Management Plan and Emergency Action Plan for the Chinaman Creek Dam reviewed.
- ✓ Emergency Activation Plan for the Chinaman Creek Dam completed in November 2022.
- ✓ Council initiated and substantially progressed a Comprehensive Risk Review of the Chinaman Creek Dam (with funding from QRA's Queensland Resilience and Risk Reduction Funding (QRRRF) 2022-23 grant funding program). While scheduled for completion in 2022-23, additional concrete shear strength testing of the dam wall has meant this will be completed in 2023-24 (March 2024).
- ✓ Corporate and Operational Risk Registers updated quarterly.
- ✓ Drinking Water Quality Management Plan updated and endorsed, including inclusion of the Dajarra and Kajabbi systems for the first time.

Statutory Requirements

The following information includes the legislative disclosure requirements of the Local Government Act 2009 and related regulations for the 2022-23 Annual Report.

LOCAL GOVERNMENT ACT 2009

1.1 Beneficial Enterprises

In accordance with section 41 of the *Local Government Act 2009*, Council advises that it did not engage in any beneficial enterprises during the report period.

1.2 Significant Business Activities

A business activity is defined in Schedule 4 of the *Local Government Act 2009* as the 'trading in goods and services by the local government'.

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

- Curry Kids Early Learning Centre
- Cloncurry Airport
- Cloncurry Saleyards
- Waste Management
- Water and Sewerage Supply

However, in accordance with the threshold of expenditure and the methodology prescribed by section 19 and 20 of the Local Government Regulation, none of the above activities satisfied the statutory threshold for classification as a significant business activity.

In accordance with section 45(b) of the *Local Government Act 2009*, Council is required to state whether or not the competitive neutrality principle was applied to the significant business activities, and if the principle was not applied, the reason why it was not applied.

As Council has no significant business activities, the competitive neutrality principle was not applied.

In accordance with section 45(c) of the *Local Government Act 2009*, Council must state whether any of the significant business activities were not conducted in the preceding financial year, i.e. whether there are any new significant business activities.

Council did not undertake any significant business activities in 2022/23 or the previous financial year.

1.3 Remuneration of Senior Management and Councillor Advisors

Section 201 requires the Annual Report to state the total of all remuneration packages that are payable to the senior management of the Local Government and the number of employees in senior management who are being paid each band of remuneration (each band of remuneration is an increment of \$100,000).

Total Remuneration for these positions from 1 July 2022 to 30 June 2023 was \$1,091,406.

Salary Band	Number of Senior Management Employees
\$100,000 - \$200,000	6
\$200,000 - \$300,000	1

LOCAL GOVERNMENT REGULATION 2012

s183 Financial Statements

This Annual report contains the general-purpose Financial Statements for 2022-23 which include the current-year financial sustainability statement for the Financial Year, audited by the Auditor-General, the long-term financial sustainability statement for the Financial Year and the Auditor-General's audit reports about the general purpose financial statement and the current-year financial sustainability statement as required under Section 183 of the *Local Government Regulation 2012*.

Refer to relevant section in Financial Statements (from page 67 of this report).

s184 Community Financial Report

As presented starting on page 58 of this report.

s185 Particular Resolutions

Section 185 of the *Local Government Regulation 2012* requires the Annual Report to contain a copy of the resolutions made during the Financial Year under (a) Section 250 (1) Requirement to adopt expenses reimbursement policy or amendment, and a list of any resolutions made during the Financial Year under (b) Section 206 (2) Valuation of non-current physical assets.

- a. Expenses Reimbursement Policy

The current Expenses Reimbursement Policy was adopted by Council on 18 August 2021.

- b. Valuation of non-current physical assets

No amendments were made to the Asset Capitalisation thresholds and remain as follows:

Each class of property, plant and equipment is stated at cost or fair value. Items of plant and equipment with a total value of less than \$5,000 and infrastructure assets and buildings with a total value of less than \$10,000 are expensed in the year of acquisition. All other items of property, plant and equipment are capitalised.

COUNCILLOR REMUNERATION

Under Section 186 (a), (b), (c) of the *Local Government Regulation 2012* Council is required to report on details relating to the total remuneration, including superannuation contributions, paid to each Councillor during the Financial Year, the expenses incurred by, and the facilities provided to each Councillor during the Financial Year under Council's Expenses Reimbursement Policy and the number of Local Government meetings that each Councillor attended during the Financial Year.

The table below outlines the remuneration received by Councillors in 2022-23.

(a) Councillor remuneration

Name	Remuneration	Superannuation
Cr Greg Campbell (Mayor)	\$110,385.96	Nil
Cr Sam Daniels (Deputy Mayor)	\$63,684.00	Nil
Cr Dane Swalling	\$45,873.30	Nil
Cr Vicky Campbell	\$55,191.96	Nil
Cr Nathan Keyes	\$56,151.96	Nil
Cr Janessa Bidgood	\$55,191.96	Nil

(b) Expenses Reimbursement Policy

In accordance with section 186(1)(b) of the *Local Government Regulation 2012*, the total expenses incurred by, and the facilities provided to each Councillor during the financial year under the Council's Reimbursement of Expenses and Provision of Facilities for Councillors Policy are as follows:

Councillor Expenses and Facilities Schedule

Name	Mobile devices/iPad	Phone Allowance*	Internet Allowance*
Cr Greg Campbell (Mayor)	✓	\$900	\$0
Cr Sam Daniels (Deputy Mayor)	✓	\$600	\$0
Cr Dane Swalling		\$300	\$480
Cr Vicky Campbell	✓	\$600	\$0
Cr Janessa Bidgood		\$600	\$960
Cr Nathan Keyes		\$600	\$960

*Figures exclude GST.

**Only Mayor Campbell is provided with a vehicle

***No Expenses were reimbursed to any Councillor

Attendance at Council meetings | July 2022 – 30 June 2023

Name	Ordinary	Special	Total
Cr Greg Campbell (Mayor)	12 of 12	4 of 4	16
Cr Sam Daniels (Deputy Mayor)	12 of 12	3 of 4	15
Cr Nathan Keyes	12 of 12	4 of 4	16
Cr Dane Swalling	6* of 12	2 of 4	8

Attendance at Council meetings | July 2022 – 30 June 2023

Name	Ordinary	Special	Total
Cr Janessa Bidgood	12 of 12	3 of 4	15
Cr Vicky Campbell	12 of 12	4 of 4	16

*Note: Cr Swalliing suspended from duties as at December 2022

COUNCILLOR CONDUCT

The *Local Government Act 2009* (the Act) sets out the roles, responsibilities and obligations of Councillors. In accordance with reporting requirements, the table below outlines actions and outcomes relating to the conduct and performance of Councillors for the 2022-23 financial year. The Code of Conduct Policy is incorporated into the induction process of new staff.

Section of Act	Type of order/complaint	No.
Section 150I(2)	Orders made by the chairperson about unsuitable meeting conduct	0
Section 150AH (1)	Orders made by Council that: No action be taken against the Councillor; An order be taken against the Councillor about inappropriate conduct.	0
Section 150AR(1)	Orders made by the conduct tribunal that: No action be taken against the Councillors; An order be taken against the Councillor about misconduct and connected inappropriate conduct.	0

Section of Act	Type of order/complaint	No.
About the sections mentioned above:	<p>Name of each Councillors for whom a decision, order or recommendation under section 150I(2), 150AH(1) or 150 AR(1) of the LGA was made;</p> <p>A description of the unsuitable meeting conduct, inappropriate conduct or misconduct engaged in by each of the Councillors; and</p> <p>A summary of the decision, order or recommendation made for each Councillor.</p>	Refer Table below
Section 150P(2)(a)	Complaints referred to the assessor under section 150P(2)(a) of the LGA by the local government, a councillor of the local government or the chief executive officer of the local government	0
Section of Act	Type of order/complaint	No.
Section 150P(3)	Matters about corrupt conduct of a Councillor (mentioned in section 150P(3) of the LGA) notified to the Crime and Corruption Commission	0
Section 150R(2)	Notices given to the assessor about Councillor misconduct (under section 150R(2) of the LGA)	0
Section 150R(2)(a)	<p>Notices given to the assessor about Councillor misconduct (under section 150R(2) of the LGA).</p> <p><i>Discipline Councillor on 3 occasions within 1 year or Councillor has engaged in the same conduct again</i></p>	0
Section 150W(1)(a)	Decision made by the assessor to dismiss the complaint about the conduct under section 150X.	0
Section 150W(1)(b)	Decision made by the assessor to refer the suspected inappropriate conduct to Council to deal with.	0

Section of Act	Type of order/complaint	No.
Section 150W(1)(e)	Decision made by the assessor to take no further action in relation to the conduct under section 150Y.	1
Section 150AC(3)(a)	Referral notice accompanied by a recommendation about how Council may investigate or deal with the conduct – conduct should be referred to another entity for consideration.	0
Section 150AF(4)(a)	Occasions where Council is investigating inappropriate conduct, information was given to the assessor for further investigation under Division 4	0
Chapter 5A, Part 3, Division 5	Occasions where Council asked another entity to investigate the suspected inappropriate conduct of a Councillor	0
Chapter 5A, Part 3, Division 6	Applications heard by the conduct tribunal about whether a Councillor engaged in misconduct or inappropriate conduct.	0

Councillor Name	Summary of Complaint	Decision Summary
	No matters reported for 2022-23	

s187 Administrative action complaints

Under Section 187 (1) the Annual Report must contain a statement about the Local Government's commitment to dealing fairly with administrative action complaints; and a statement about how the Local Government has implemented its complaints management process (CMP), including an assessment of the Local Government's performance in resolving complaints under the process.

Cloncurry Shire Council acknowledges the right of customers to provide feedback, both positive and negative, on the services it provides and the decisions it makes. It also understands that there are occasions when people may wish to lodge a complaint. Our Council will deal with complaints fairly, promptly and professionally and is committed to building the capacity of staff to effectively manage complaints in an environment of continuous improvement. Council adopted its Administrative Actions Complaints Management Policy in October 2019 which established a Complaints Process that

ensures compliance with the provisions Local Government Act 2009 and Regulations. This Policy aims to achieve an effective and transparent method of responding to complaints regarding Council services, administrative actions and competitive neutrality.

Section 187 (2) of the *Local Government Regulation 2012* requires Council to report the particulars of:

- a. The number of the following during the Financial Year:
 - i. Administrative action complaints (AAC) made to the local government;
 - ii. Administrative action complaints resolved by the Local Government under the complaints management process;
 - iii. Administrative action complaints not resolved by the Local Government under the complaints management process; and
- b. The number of administrative action complaints made under paragraph (a) (iii).

Item	No.
Number of AACs made to Council in 2022-23	3
Number of AACs resolved by Council under the CMP in 2022-23	2
Number of AACs not resolved by Council under the CMP in 2022-23	1
Number of AACs made and not resolved by Council under the CMP in the previous financial year	0

s188 Overseas Travel undertaken by Councillors or Employees

Section 188 of the *Local Government Regulation 2012* requires Council to report on overseas travel made by a Councillor or Council employee in an official capacity during the Financial Year.

No overseas travel was taken by any Councillors or employees on behalf of the Cloncurry Shire Council in the year ending 30 June 2023.

s189 Grants or Discretionary Funds to Community Organisations

In accordance with Section 195 of the *Local Government Regulation 2012*, Council has an established Community Grants Policy.

Council is required under Section 189 of the *Local Government Regulation 2012* to provide a summary of the expenditure for the Financial Year on grants to community organisations and from each Councillor's discretionary funds.

Council provides assistance to community organisations by way of donations, sponsorship or the provision of in-kind support.

Total expenditure incurred on assistance to community organisations by Cloncurry Shire Council during the year ended 30 June 2023 was \$348,137.

Pursuant to section 189(2) of the Local Government Regulation 2012, there was no discretionary fund expenditure by Councillors for community organisations in 2022-23.

**All figures are rounded to the nearest dollar*

Community Donations and Sponsorship			
Community Organisation	Donation excluding GST	Community Organisation	Donation excluding GST
Ramsay Street General Practice (RSGP) Rental	\$100,766	Curry Merry Muster Festival	\$25,000
RSGP Provision of vehicle	\$10,000	Quamby Allsports Association	\$15,000
Cloncurry State School Chaplaincy	\$30,000	Cloncurry Stockman's Challenge & Campdraft Association	\$25,000
Cloncurry Show Society	\$25,000	Cloncurry Stockman's Challenge & Campdraft Assn – ACA National Finals	\$15,000
Cloncurry Race Club	\$15,000	Mitakoodi Corporation	\$1,000
Branches Performing Arts	\$11,120	Krishaylah Anderson	\$1,000
Cloncurry Rugby Union Club	\$5,195	Daniel Carstairs	\$1,000
Dajarra Sports Club	\$5,000	Cody O'Keefe	\$1,000
AFL Auskick	\$5,000	Dajarra State School	\$960
Cloncurry State School P & C	\$4,731	Ryan Young	\$900
St Joseph's Catholic School	\$4,500	Keira Young	\$900

Community Donations and Sponsorship

Community Organisation	Donation excluding GST	Community Organisation	Donation excluding GST
Cloncurry ATRA	\$3,636	Cloncurry Quilters Club	\$591
Mount Isa Landcare	\$3,182	Cloncurry Kindergarten	\$109
Southern Cross Group	\$3,036	Rating Concession - Gun Club	\$3,331
LifeFlight Foundation	\$2,358	Rating Concession - Scouts	\$2,989
Cloncurry Touch Association	\$2,164	Cade Ferguson	\$2,000
Amanda Condren	\$2,160	Australian Junior Rodeo Association	\$1,132
Cloncurry Soccer Club	\$1,132	Cloncurry ATRA	\$1,097
QCWA - Rental	\$11,068	Rating Concession - Historical Society	\$2,006
Cloncurry State School Bursary	\$100	Rating Concession - RSL	\$3,743
		Total	\$348,137

*All figures are to the nearest dollar.

CONCESSIONS TO RATEPAYERS FOR 2022-23

Concessions from General Rates		
Assessment No.	Owner Names	Property Address
A1	Cloncurry Pony Club	Zingari Road Cloncurry
A12	Cloncurry Golf & Sports Club Inc.	Sir Hudson Fysh Drive Cloncurry
A188	Roman Catholic Trust Corporation for the Diocese of Townsville	20 Sheaffe Street Cloncurry
A364	Trustees of the Returned Services League of Australia	15 Scarr Street Cloncurry

Concessions from General Rates		
Assessment No.	Owner Names	Property Address
A382	Cloncurry Christian Church	38 Ramsay Street Cloncurry
A386	Roman Catholic Trust Corporation for the Diocese of Townsville	44 Ramsay Street Cloncurry
A388	The Trustees Cloncurry Bowling Club	52 Ramsay Street Cloncurry
A460	The Uniting Church in Australia Property Trust – Cloncurry (QLD)	19 Meldrum Street Cloncurry
A2055	Mitakoodi Juhnjar Aboriginal Land Trust as TTE	Landsborough Street Cloncurry
A863	Reserve for Strategic Land Management The State of Queensland (Represented by Department of Natural Resources, Mining & Energy)	73 Uhr Street Cnr Cloncurry
A907	Corporation of the Synod Diocese of Nth Qld	94 Uhr Street Cloncurry
A944	Cloncurry Kindergarten Association Inc.	31 Seymour Street Cloncurry
A1207	Roman Catholic Trust Corporation for Diocese of Townsville	8 Matheson Street Dajarra
A1226	Dajarra Sports Club	Luck Street Dajarra
A1257	The Uniting Church in Australia Property Trust (QLD)	McKellar Street Duchess
A2130	Airservices Australia	Sir Hudson Fysh Drive Cloncurry
A2391	North West QLD Water Pipeline P/L	New Zingari Road Cloncurry
A2392	North West QLD Pipeline P/L	New Zingari Road Cloncurry
A2501	Cloncurry Gun Club	Hensley Drive Cloncurry
Various	State of Queensland	State owned facilities, land, dwellings

Concessions from General Rates		
Assessment No.	Owner Names	Property Address
Various	Cloncurry Shire Council	Council facilities, land, dwellings

Assessments Exempt from General Rates & Utility Charges		
Assessment No.	Owner Name	Property Address
A953	The Scout Association of Australia Queensland Branch	9 Seymour Street Cloncurry

s190 Other Contents

The annual report for a Financial Year must contain the following information:

A	The Chief Executive Officer's assessment of the local government's progress towards implementing its 5-year corporate plan and annual operational plan;	Pages 13-18
B	Particulars of other issues relevant to making an informed assessment of the local government's operations and performance in the Financial Year; <ul style="list-style-type: none"> • Message from CEO • Community Financial Report 	Page 6 Page 58
C	An annual operations report for each commercial business unit;	Not applicable
D	Details of any action taken for, and expenditure on, a service, facility, or activity; <ul style="list-style-type: none"> (i) Supplied by another Local Government under an agreement for conducting a joint government activity; and (ii) For which the Local Government levied special rates or charges for the Financial Year; 	Page 50

E	The number of invitations to change tenders under section 228(7) during the Financial Year;	Page 50
F	A list of the registers kept by the local government;	Page 54
G	A summary of all concessions for rates and charges granted by the local government;	Page 49
H	The report on the internal audit for the Financial Year;	Page 57
I	A summary of investigation notices given in the Financial Year under section 49 for competitive neutrality complaints;	Nil
J	The local government's responses in the Financial Year on the QCA's recommendations on any competitive neutrality complaints under section	Nil

s190 (c) Annual Operations Report for each Commercial Business Unit

Council has no commercial business units to report on.

s190 (d) (i) Arrangements and Contracts with other Local Governments

Council has no matters to report under this section.

s190 (d) (ii) Details of any action taken for, and expenditure on, a service, facility or activity for which the Local Government levied special rates or charges for the Financial Year

PALMER STREET CLONCURRY

In accordance with s92 of the Local Government Act 2009 and s94 of the Local Government Regulation 2012 the Council resolved to levy the following special charge on the rateable land identified to provide for the special benefit to such land in accordance with the Overall Plan adopted at the budget meeting for the 2011-12 financial year. In relation to the rateable land described as Lot 5 RP743006, located at 19 Palmer Street, assessment 00663-00000-000, Council resolved at the budget meeting for 2011/12 that the old pump station be removed and a new pump station and fence installed. The total cost of these works was \$46,350. Council will continue to undertake maintenance to such works. Given that the work required specially benefited such land, Council, commencing in the 2011-12 financial year, levied a special charge on land at 19 Palmer Street Cloncurry being Assessment No. 00663-00000-000 to recover the costs incurred by Council to remove and install the new facility.

OVERALL PLAN

In relation to the rateable land described as Lot 5 RP743006, located at 19 Palmer Street, assessment 00663-00000-000, the special facility to be provided by Council is the removal of the old pump station

and the installation of a new pump station and fence. The total cost of these works was \$46,350 and Council will continue to undertake maintenance to such works. The Special Charge shall be \$3,978.75 to be levied annually for a period of 20 years until 2030/31 so that Council may recover the cost of providing this facility. This will cover the initial capital costs incurred by Council to remove and install the new pump station, interest charges and redemption costs to service such capital outlay by Council. Council does and will continue to own and operate this pump station at its cost. If this facility in the future services more than this property, Council shall amend the special charge in accordance with the changed circumstances and the costs still to be recovered will be apportioned across all benefitted rateable lots.

ANNUAL IMPLEMENTATION PLAN

In relation to the rateable land described as Lot 5 RP743006, located at 19 Palmer Street, assessment A781 - Special Charge of \$3,978.75 to be levied annually for a period of 20 years starting from the 2011-12 financial year as set out in the 2011-12 Revenue Statement. The final Special Charge will be levied in the 2030/31 financial year. This Annual Implementation Plan for the 2021-22 financial year comprises continuation of the recovery of the costs of the capital outlay, interest charges and redemption costs identified in the Overall Plan.

MINE ACCESS ROADS

On 29 August 2001 Council resolved to levy a special charge pursuant to s971 of the Local Government Act 1993 and to adopt an Overall Plan with respect to the following:

- Mining Lease 90068 (bearing Assessment No. A1554); and
- Mining Lease 5543, 5551 and 5556 (bearing Assessment No. A1604);

Council now intends to amend the Overall Plan pursuant to s94(9) of the Local Government Regulation 2012 and to adopt an Annual Implementation Plan pursuant to s94(6) of the Local Government Regulation 2012 for the 2021-22 financial year. The above Mining Leases will be referred to in this Overall Plan as amended collectively as the "Rateable Land". The Rateable Land is rateable land pursuant to section 93 of the Local Government Act 2009.

AMENDMENT TO OVERALL PLAN

Council intends to amend the Overall Plan as set out below for the ongoing maintenance of the Duchess/Phosphate/Trekkelano Road ("the Road") pursuant to s94(2)(b) of the Local Government Regulation 2012.

Service, facility or activity

The tenement holders of the Rateable Land use the Road in association with their activities on the Rateable Land. The service, facility or activity provided by Council under this special charge is increased maintenance to the Road, including bitumen seal application. The Road is approximately 53 kilometres in length and is approximately six (6) metres wide along its entire length. The use that the tenement holders make of the Rateable Land means that the tenement holders specially contribute to the need for greater than usual maintenance of the Road. The tenement holders also

specially benefit from the ongoing additional maintenance undertaken by Council as this includes more frequent application of bitumen seals than would normally be required for average usage of the Road over the term of the Mining Leases. Council will undertake the additional annual maintenance of the Road which will include bitumen seal applications on the Road approximately every 8 years or sooner as required giving consideration to the damage caused to and impact on the roads as a result of use of the Road by the tenement holders over the term of the Mining Leases.

Estimated cost for carrying out Overall Plan as amended

The estimated cost of carrying out the amended Overall Plan is \$1,855,000. Council has considered the likely impacts of all Mining Leases and has decided to allocate the cost outlined above in the following way:

- Assessment No. A1554: to pay 60% of the overall cost;
- Assessment No. A1604: to pay 40% of the overall cost.

Council reserves the right to conduct a market review every 3 years of this estimated cost in its discretion, and, should the estimated cost change as a result of any such market review, Council shall further amend this Overall Plan pursuant to s94(9)(a) of the Local Government Regulation 2012.

The above amount has been estimated in reliance on engineering advice to Council and based on past expenditure to maintain similar roads for a similar purpose within the Cloncurry Shire local government area.

AMENDED OVERALL PLAN	
Activity	Annual Allowance (\$)
Description of service	
Bitumen Reseal of Duchess/ Phosphate/ Trekelano Road total kilometres - 53 @ forecast cost of \$35,000 per km in 2023-24	\$ 1,855,000
Total cost of work	
Bitumen Reseal (annual allowance for reseal in eight years, commencing 2016-17 – per annum up to and including 2023-24	\$231,875
Total for 2022-23	\$231,875

Estimated time for carrying out the Overall Plan as amended

The estimated time for carrying out the Overall Plan as amended is 8 years commencing in 2016-17.

ANNUAL IMPLEMENTATION PLAN

Council intends to adopt the Annual Implementation Plan for the 2023-24 financial year as follows, pursuant to s94(6) of the Local Government Regulation 2012. The expected cost of the Annual Implementation Plan for each year of the Overall Plan as amended is set out below:

Work required	Expected cost of work in the financial year
Maintenance activities, being local bitumen seal application and crack sealing, bitumen seal application as required as pavement surface deteriorates, and additional works incidental to same which are required because the activities of the tenement holders on the Rateable Land specifically contributes to the additional costs incurred by Council to undertake the maintenance of the Road.	\$231,875

ANNUAL IMPLEMENTATION PLAN

Year	Assessment Annual Allocation	A1604 40%	A1554 60%	Total
1	2016-17	\$92,750	\$139,125	\$231,875
2	2017-18	\$92,750	\$139,125	\$231,875
3	2018-19	\$92,750	\$139,125	\$231,875
4	2019-20	\$92,750	\$139,125	\$231,875
5	2020-21	\$92,750	\$139,125	\$231,875
6	2021-22	\$92,750	\$139,125	\$231,875
7	2022-23	\$92,750	\$139,125	\$231,875
8	2023-24	\$92,750	\$139,125	\$231,875

The costs to implement the Annual Implementation Plan will be allocated as follows:-

- Assessment No. A1554 to pay 60% of the overall Annual Implementation Plan cost;
- Assessment No. A1604 to pay 40% of the overall Annual Implementation Plan cost.

Pursuant to s95 of the Local Government Regulation 2012, Council shall carry any unspent special charges forward to a later financial year, should there be surplus funds after the annual implementation plan for each year of the Overall Plan (as amended) is carried out.

s190 (1)(e) Invitations to Tenderer's to change their Tender s222

There were no instances during 2022-23 financial year where persons who had submitted a tender to Council were invited to change their tenders.

s190 (1)(f) Registers and Public Documents

The following registers and publications are held by Council and are available for viewing by members of the public on request; charges may be applicable for copies:

- Register of Interests – Councillors and their Related Persons
- Register of Interests – Chief Executive Officer and Senior Executive Employees
- Register of Councillor Conduct
- Register of Contact with Lobbyists
- Register of Roads
- Register of Regulatory Fees and Charges
- Register of Cost-Recovery fees
- Asset Register
- Register of Delegations – Council to the Chief Executive Officer
- Local Laws Register
- Policy Register
- Contracts and Leases Register
- Grants Register
- Register of Gifts and Benefits
- Register of Pre-Qualified Suppliers
- Land Records

Other information available to the public can be downloaded electronically from www.cloncurry.qld.gov.au

- Minutes of Ordinary and Special Meetings
- Corporate Plan
- Operational Plan
- Annual Budget
- Annual Report / Financial Statements

s190 (1)(g) Summary of all concessions for rates and charges granted by the local government

The Revenue Policy was adopted at the Ordinary Meeting held on 17 May 2022.

11.3 Budget 2022-23 - Policies - Adoption of Revenue Policy Report

RESOLUTION 19.220517

Moved: Cr Janessa Bidgood

Seconded: Cr Nathan Keyes

That Council adopt Revenue Policy COR 1005 v4.5 as presented, in accordance with Section 193 of the *Local Government Regulation 2012* for the 2022/23 financial year.

CARRIED

The Revenue Statement was adopted at the Special Meeting held on 28 June 2022.

REBATE OF RATES TO PENSIONERS (AS PER REVENUE STATEMENT)

At Council's discretion, a rebate of 20% (to a maximum of \$200 per annum) of the gross rates and charges levied may be granted to aged, widowed, invalid or other pensioners who are eligible to receive the State Government Pensioner Rate Subsidy. They must reside on the land in question and use it only as their principal place of residence. The land in question must not be used for any other purpose such as for commercial or agricultural purposes. This rebate/concession compliments the subsidy that is offered under the State Government's Pensioner Rate Subsidy Scheme.

CONCESSION FROM GENERAL RATES (AS PER REVENUE STATEMENT)

Council will upon written application, consider the remission of whole or part of the general rate levied upon entities or organisations who meet the criteria detailed in Section 120 of the Local Government Regulation 2012. Further details are included in Council Donations to Community Organisations Policy.

s190 (h) Report on the internal audit for the Financial Year

The internal audit engagements for Cloncurry Shire Council for the 2022-23 financial years were as specified in the Internal Audit Plan developed by Council prior to the engagement of the Internal Auditors. The internal Audit Plan addressed two areas – Fraud and Misconduct and Plant and Fleet Management Processes.

Council's Internal Audit complies with Queensland Government legislative requirements for the conduct of internal auditing.

s190 (i) A summary of investigation notices given in the financial year under section 49 for competitive neutrality complaints

Competitive Neutrality requires Council to operate on a level playing field with the private sector. No investigation notices relating to competitive neutrality complaints were issued by the Queensland Competition Authority during the reporting period. Consequently, no reportable recommendations were made by the completion authority in relation to a competitive neutrality complaint.

Community Financial Report

Section 184 of the *Local Government Regulation 2012* requires Council to prepare a Community Financial Report which summarises Council's financial performance and position for the reporting period 1 July 2022 to 30 June 2023.

The purpose of the Community Financial Report is to reduce the complexity of the formal reporting so as to present the same information in a format that is less technical and easily understood by members of the community.

To obtain a full appreciation of the Council's overall financial performance and financial position, the Community Financial Report should be read in conjunction with the Audited Annual Financial Statements (refer Annexure A) for the period 1 July 2022 to 30 June 2023.

A SNAPSHOT OF THE FINANCIAL YEAR 2022/23

Cloncurry Shire Council has had a respectable 2022/23 financial year.

The operating result for 2022-23 was a surplus of \$6,337,298. The major impact was the increase in the Federal Governments General Purpose Grant of \$3,659,986 for the year.

Total fixed assets increased by \$13,998,657 following the completion and capitalisation of upgrades to the Chinaman Creek Dam Recreation Area, Sir Hudson Fysh Drive and Corella Park Road.

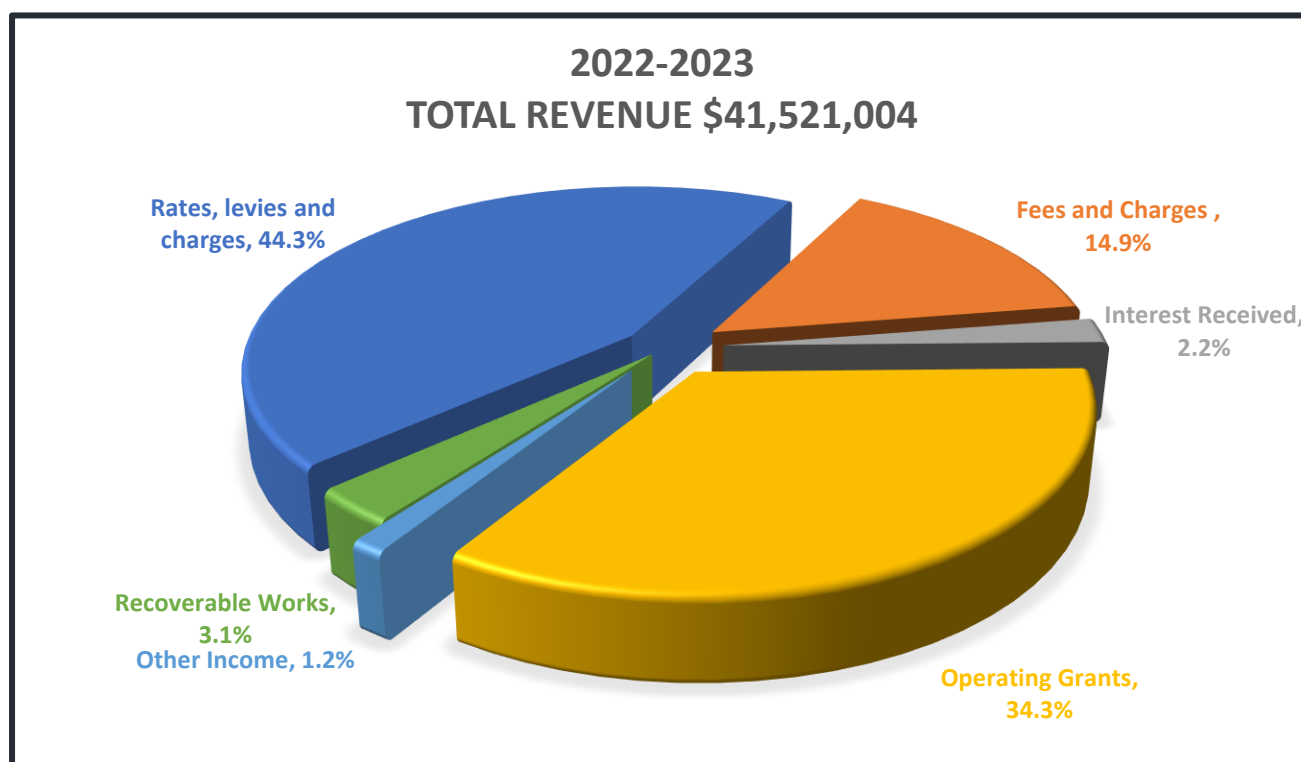
Cash reserves at 30 June 2023 are \$24,682,399, an increase of \$3,506,319 on previous years.

Below is a summary of Cloncurry Shire Council's financial statements (Operating) for the year ended 30 June 2023.

Comprehensive Income 2022-23			
	2022-23		2021-22
Operating Revenue	41,521,004		33,338,474
Operating Expenses	(39,682,680)		(38,336,330)
Operating Surplus/(Deficit)	1,838,324		(4,997,856)
Capital Income	14,525,940		7,154,120
Capital Expenses	(10,026,966)		(10,998,421)
Capital Surplus/(Deficit)	4,498,974		(3,844,301)
Net Result	6,337,298		(8,842,157)
Increase in Asset Revaluation Reserve	11,642,756		24,520,249
Total comprehensive income	17,980,054		15,678,092

REVENUE – WHERE DID THE MONEY COME FROM?

Council received \$41,521,004 in operating revenue and other income for the 2022-23 financial year.



Rates, Levies and Charges

Revenue from rates and charges contributed 44.3% of Council's revenue. This includes the levy for general rates, as well as charges for the provision of the water, sewer and refuse collection. The total amount received from rates, levies and charges was \$18,399,645. Council has continued to maintain a minimum overall increase in residential rates charges in the 2022-23 financial years. Average increases in residential rates for the last 10 years are as follows:

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Increase	11.6%	4.8%	6.6%	4.2%	4.7%	3.9%	3.7%	3.8%	4.0%	3.8%

Fees and Charges

This includes revenue from Council owned businesses such as the Saleyards, Airport, Curry Kids Childcare Centre and Council functions where fees are charged for services such as development applications, service connection fees, venue hire fees, airport usage fees and various registration fees. The total amount received from fees and charges was \$6,172,300 for 2022-23. This was 14.9% of total operating revenue.

Interest Received

Council earned \$904,896 in interest representing 2.2% of operating revenue in the 2022-23 financial year.

Operating Grants and Subsidies

Revenue sourced from grants and subsidies totalled \$14,241,849 or 34.3% of total operating revenue. Grants and subsidies flow to Council from various entities including State and Federal Governments. The Federal Government Grants Commission Financial Assistance Grant of \$11,605,677 was received and this was \$3,659,986 more than the 2021-22 payment. Over a number of financial years, the Grants Commission financial assistance grant has been prepaid to Council by the Federal Government out of future year allocations which has a significant impact on Councils' operating results. Because these grants are untied, this revenue must be recognised upon receipt in the income year in which they are received. The early payment of the Grants Commission financial assistance grant for the previous four financial years is shown in the table below:

	Early Payment Received	Annual Allocation		Difference
2020-21	\$3,045,105	\$5,679,342	+	\$2,634,237
2021-22	\$2,842,765	\$5,949,692	+	\$3,106,927
2022-23	\$4,838,764	\$7,376,709	+	\$2,537,945
2023-24	\$9,067,732	\$9,398,016	+	\$330,284

Other Income

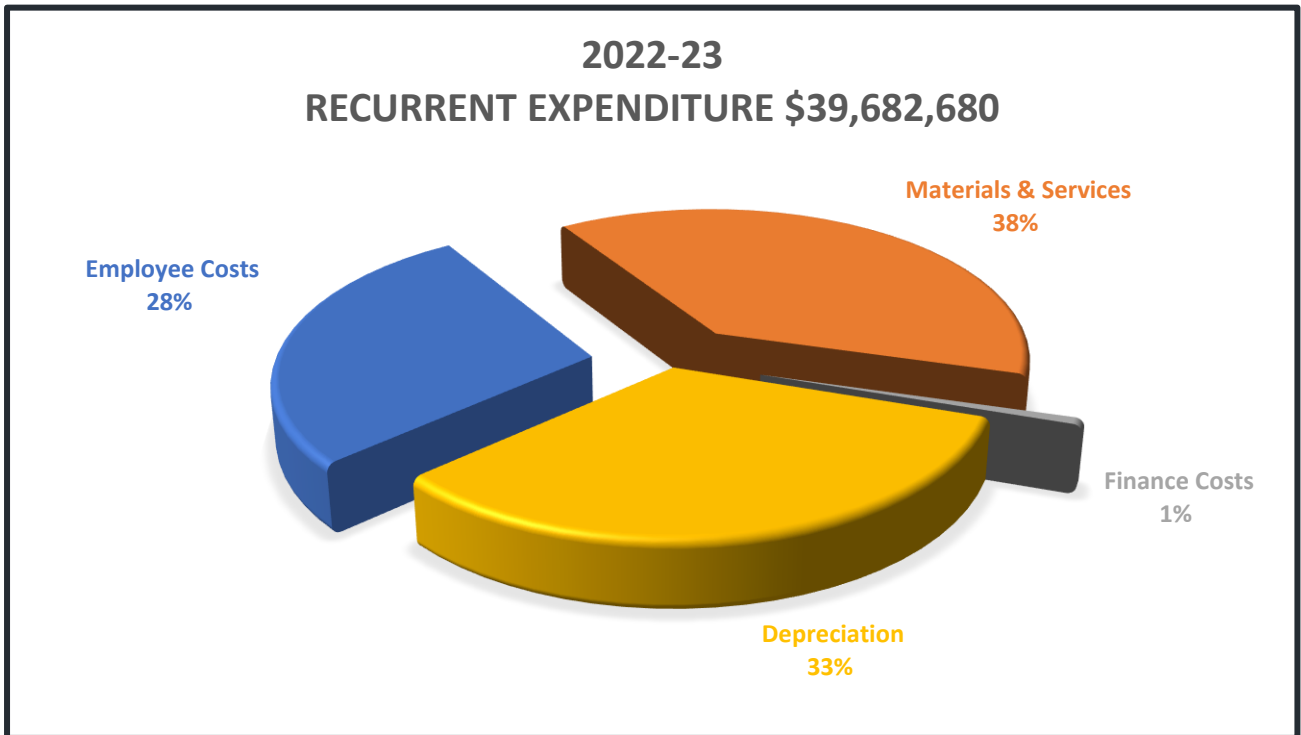
Consists of revenue from rental and lease income from Council owned and maintained properties. This revenue stream includes St Andrews Garden Settlement, Council staff housing and commercial leasing arrangements. The amount totalled \$508,888.

Recoverable works

A secondary source of income for Council is sales and recoverable works totalling \$1,293,426.

EXPENSES – WHERE WAS THE MONEY SPENT?

Council's total expenditure for the 2022-23 financial year was \$39,682,680. The largest impact was an increase of \$1,284,484 in material and services costs.



Employee Costs

Employee benefits are the third largest cost to Council. For the year ended 30 June 2023 these costs totalled \$10,996,303 which consists of staff wages and salaries, leave entitlements and superannuation.

Materials and Services

Material and services costs are the largest expense item for Council. For the year ended 30 June 2023 these costs totalled \$15,249,327 an increase of \$1,284,484 (9.2%) attributable to the increase in costs for maintaining critical Council infrastructure.

Finance Costs

To take advantage of the lower rates, and at the invitation of the Queensland Treasury Corporation, Council refinanced five of its' loans in 2020-21, reducing the loan interest rate from an average 6.3% to 2.3%. This reduced Council's annual interest repayments by \$22,291 in 2022-23.

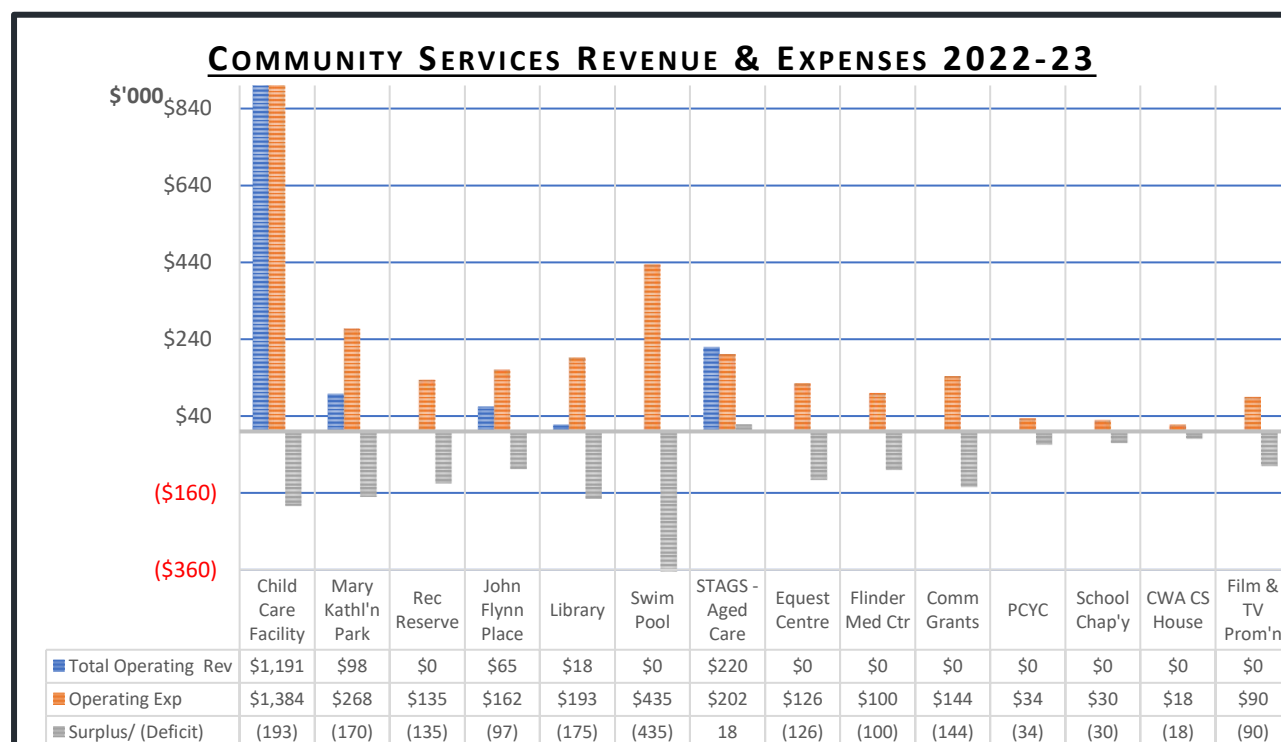
Depreciation

Depreciation is an accounting expense based on spreading the cost of an asset over its useful life to account for its decline in value. Useful lives will vary depending on the type and age of an asset and how well the asset is maintained. As depreciation costs are applied against the majority of assets it

forms the largest non-cash cost to Council. For the year ended 30 June 2023 depreciation costs totalled \$13,161,774, an increase of \$236,041 over the previous year.

Services to Community

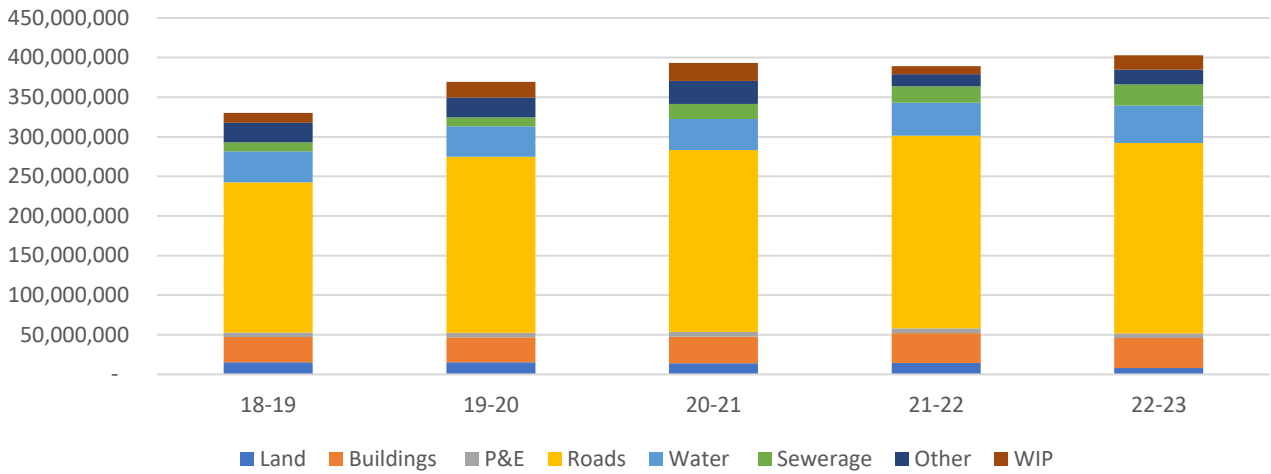
In accordance with the Corporate Plan 2021-2026, the key strategic directive of our family friendly Shire and supportive community spirit are underpinned by sustainable facilities and institutions that promote positive community, health, educational and recreational outcomes. Council provided \$1.729m in financial support for community facilities and programs including Parks and Recreation reserves, John Flynn Place, Swimming Pool, Equestrian Centre, Library, Flinders Medical Centre, STAGs Independent Living Facility, Child Care Facility and PCYC.



Capital Expenditure

In 2022-23 Council's spend on capital works totalled \$25,594,641. This includes \$3,942,864 on Chinaman Creek Recreation Area Upgrade, \$6,365,331 in Flood Damage (NDRRA) works, Sedan Dip Road Improvement Works of \$1,491,730, Pathways to Chinaman Creek Dam and along Sir Hudson Fysh Drive of \$3,629,065, Grandstand Replacements and Improvements of \$1,188,816, Master planning for John Flynn Place & Recreation Grounds and the Cloncurry Airport of \$571,711, Flood Mitigation and Risk Review for Chinaman Creek Dam of \$537,667 and Plant & Equipment Replacements of \$811,311. A comprehensive revaluation of Council's land and buildings, water and sewerage assets resulted in an increase of \$10,769,430 in asset values.

Council Written Down Values of Assets 5 Year Trend (\$)



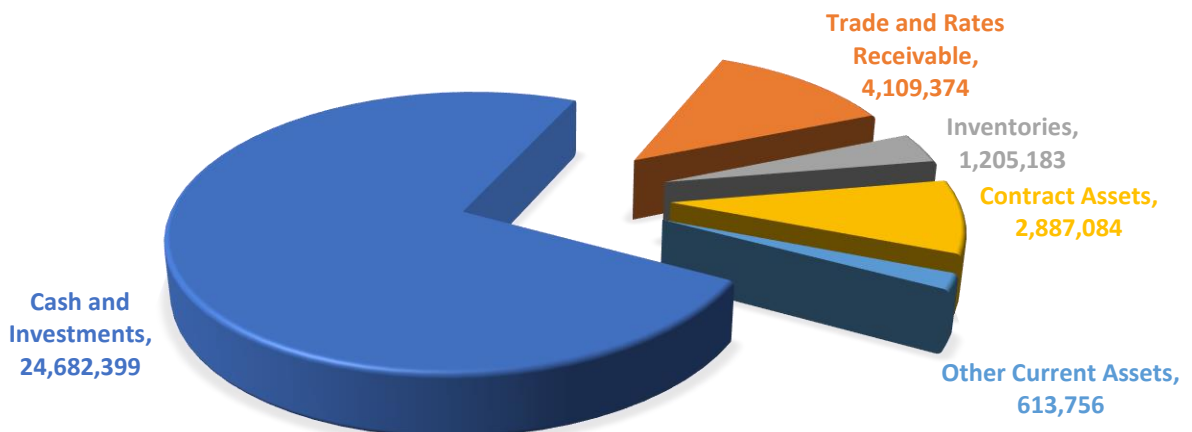
ASSETS - WHAT WE OWN?

Community Assets comprise of physical and non-physical assets and include cash, trade and other receivables, land, buildings, machinery, water, sewerage and road infrastructure.

For the year ended 30 June 2023 the value of Council’s assets was \$436,550,450 of which \$33,497,796 are current assets (cash, receivables and inventory) and \$403,052,654 in non-current assets (Council’s service delivery infrastructure).

Contract assets totalling \$2,887,084 is the amount receivable in grants equal to the amount of eligible costs expended on funded projects less grants received to 30 June 2023.

TOTAL CURRENT ASSETS AT 30 JUNE 2023



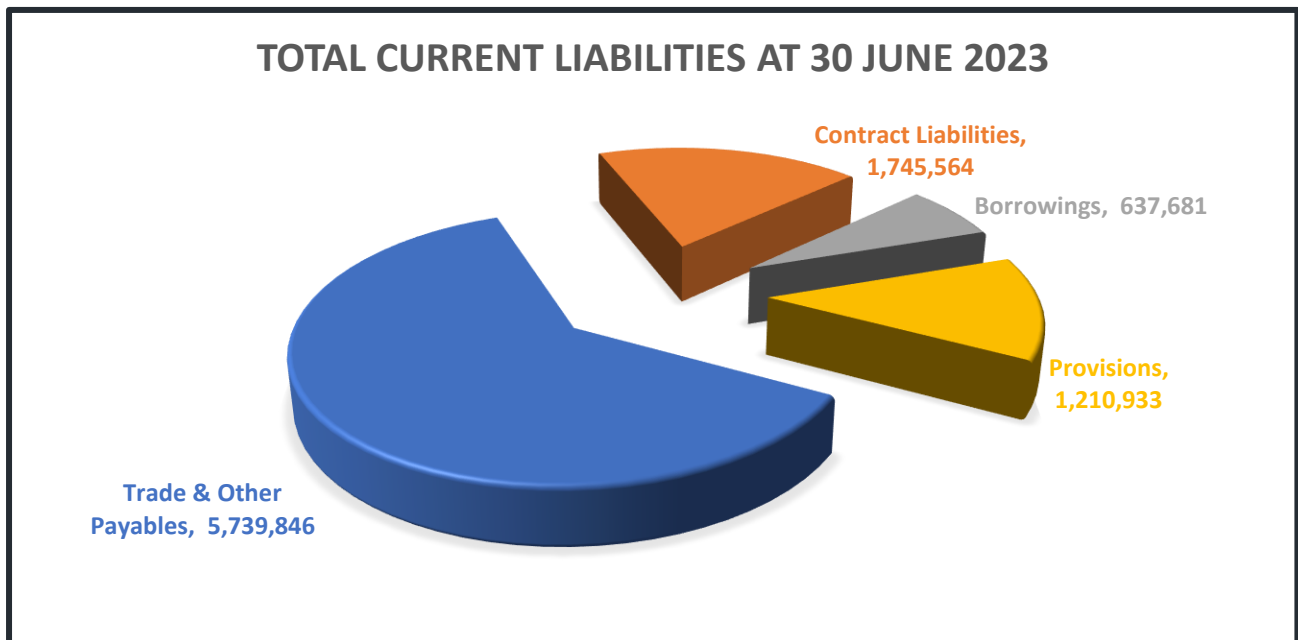
LIABILITIES - WHAT WE OWE?

Community Liabilities are comprised of borrowings, monies owed to suppliers and provisions to meet employee entitlements such as long service leave and annual leave.

For the year ended 30 June 2023 liabilities totalled \$21,768,670 which are split into:

Current liabilities of \$9,334,024 which include \$5,739,846 in payables to suppliers, \$637,681 in loans payable in the next financial year and employee entitlements of \$1,210,933 and contract liabilities of \$1,745,564. These are grants received in advance where eligible expenditure has yet to match the upfront amount received.

Non-current liabilities of \$12,434,646 include the balance of Council's loans payable at 30 June 2023, provisions for gravel pits and refuse rehabilitation and employees long service leave.

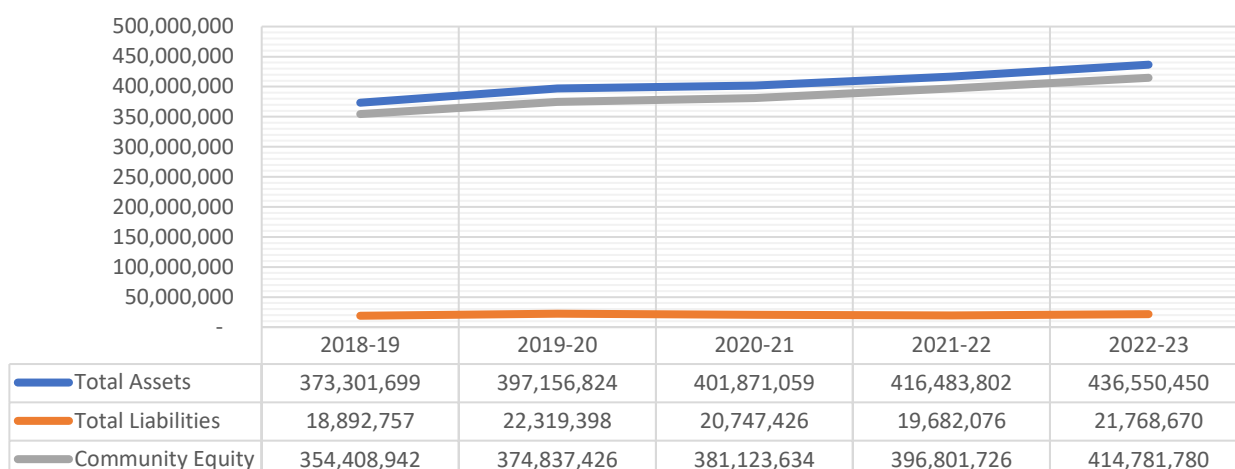


COMMUNITY EQUITY – COUNCIL'S NET WORTH

Council's community equity is defined as its net worth – what we own less what we owe.

Cloncurry Shire Council's community equity at 30 June 2023 was \$414,781,780 which includes an asset revaluation surplus of \$138,554,247.

Community Equity Five Year Trend



MEASURES OF FINANCIAL SUSTAINABILITY

The Audited Financial Statements support this Community Financial Report - refer Annexure A. With a cash balance of \$24,682,399 Council is in a sound financial position and by maintaining low levels of serviceable debt, additional funds have been freed up to invest in the Shire's infrastructure.

Cloncurry Shire Council will continue its' commitment to sound financial management through long term financial planning to ensure its ongoing financial sustainability.

FINANCIAL SUSTAINABILITY RATIOS

Indicator	2022-23 Ratio	Target	Description
Asset sustainability ratio	161.73%	Greater than 90%	The extent to which infrastructure assets are being renewed as they reach the end of their useful lives.
Operating surplus ratio	4.43%	Between 0% – 10%	The extent to which revenues raised cover operational costs; this includes depreciation expenses and the cost of refinancing Council borrowings.
Net financial liabilities ratio	-28.25%	Not greater than 60%	An indicator of the extent to which the net financial liabilities of Council can be serviced by its operating revenues.

Cloncurry Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2023

Cloncurry Shire Council

General Purpose Financial Statements

for the year ended 30 June 2023

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Cloncurry Shire Council

General Purpose Financial Statements

for the year ended 30 June 2023

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Cloncurry Shire Council

Statement of Comprehensive Income

for the year ended 30 June 2023

	Notes	2023 \$	Restated 2022 \$
Income			
Revenue			
Recurrent revenue			
Rates, levies and charges	3a	18,399,645	16,843,036
Fees and charges	3b	6,172,300	5,270,312
Sales revenue	3c	1,293,426	1,335,518
Grants, subsidies, contributions and donations	3d(i)	14,241,849	9,087,103
Total recurrent revenue		40,107,220	32,535,969
Capital revenue			
Grants, subsidies, contributions and donations	3d(ii)	14,525,940	7,154,120
Total capital revenue		14,525,940	7,154,120
Other income			
Rental income	15	508,888	501,827
Interest received	4	904,896	300,678
Total other income		1,413,784	802,505
Total income		56,046,944	40,492,594
Expenses			
Recurrent expenses			
Employee benefits	5	10,996,303	11,064,091
Materials and services	6	15,249,327	13,964,843
Finance costs	7	275,276	381,663
Depreciation:			
- Property, plant and equipment	13	13,161,774	12,925,733
Total recurrent expenses		39,682,680	38,336,330
Other expenses			
Capital Expenses	8	10,026,966	10,998,421
Total other expenses		10,026,966	10,998,421
Total expenses		49,709,646	49,334,751
Operating result		6,337,298	(8,842,157)
Net Result		6,337,298	(8,842,157)
Other comprehensive income			
Amounts which will not be reclassified subsequently to the operating result			
Increase/(decrease) in asset revaluation surplus	19	11,642,756	24,520,249
Total other comprehensive income for the year		11,642,756	24,520,249
Total comprehensive income for the year		17,980,054	15,678,092

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

Cloncurry Shire Council

Statement of Financial Position

as at 30 June 2023

	Notes	2023 \$	Restated 2022 \$
Assets			
Current assets			
Cash and cash equivalents	9	24,682,399	21,176,080
Receivables	10	4,109,374	3,083,434
Inventories	11	1,205,183	1,365,766
Contract assets	14(a)	2,887,084	1,219,763
Other assets	12	613,756	584,762
Total current assets		33,497,796	27,429,805
Non-current assets			
Property, plant and equipment	13	403,052,654	389,053,997
Total non-current assets		403,052,654	389,053,997
Total Assets		436,550,450	416,483,802
Liabilities			
Current liabilities			
Payables	16	5,739,846	3,102,494
Contract liabilities	14(b)	1,745,564	2,062,793
Borrowings	17	637,681	788,841
Provisions	18	1,210,933	1,059,539
Total current liabilities		9,334,024	7,013,667
Non-current liabilities			
Borrowings	17	11,528,722	12,166,403
Provisions	18	905,924	502,006
Total non-current liabilities		12,434,646	12,668,409
Total Liabilities		21,768,670	19,682,076
Net community assets		414,781,780	396,801,726
Community equity			
Asset revaluation surplus	19	138,554,247	126,911,491
Retained surplus		276,227,533	269,890,235
Total community equity		414,781,780	396,801,726

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

Cloncurry Shire Council

Statement of Changes in Equity for the year ended 30 June 2023

	Notes	Asset revaluation surplus \$	Retained surplus \$	Total equity \$
2023				
Balance as at 1 July		126,911,491	269,890,235	396,801,726
Net result		–	6,337,298	6,337,298
Other comprehensive income for the year				
- Increase/(decrease) in asset revaluation surplus	19	11,642,756	–	11,642,756
Other comprehensive income		11,642,756	–	11,642,756
Total comprehensive income for the year		11,642,756	6,337,298	17,980,054
Balance as at 30 June		138,554,247	276,227,533	414,781,780
2022				
Balance as at 1 July		102,391,242	294,313,070	396,704,312
Correction of prior period errors	25	–	(15,580,678)	(15,580,678)
Net result		–	(8,842,157)	(8,842,157)
Other comprehensive income for the year				
- Increase/(decrease) in asset revaluation surplus	19	24,520,249	–	24,520,249
Other comprehensive income		24,520,249	–	24,520,249
Total comprehensive income for the year		24,520,249	(8,842,157)	15,678,092
Balance as at 30 June		126,911,491	269,890,235	396,801,726

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

Cloncurry Shire Council

Statement of Cash Flows for the year ended 30 June 2023

	Notes	2023 \$	2022 \$
Cash flows from operating activities			
Receipts from customers		26,528,167	26,561,555
Payments to suppliers and employees		(24,738,477)	(27,698,443)
		<u>1,789,690</u>	<u>(1,136,888)</u>
Receipts			
Interest received		861,172	300,678
Rental income		508,888	501,827
Non capital grants and contributions		14,667,954	9,294,222
Other - Net GST recovered		1,798,350	-
Payments			
Borrowing costs		(371,836)	(368,578)
Net cash inflow/(outflow) from operating activities	23	<u>19,254,218</u>	<u>8,591,261</u>
Cash flows from investing activities			
Receipts			
Proceeds from sale of property, plant and equipment		55,000	235,024
Grants, subsidies, contributions and donations		12,808,512	8,129,506
Payments			
Payments for property, plant and equipment		(27,822,570)	(11,026,625)
Net cash inflow/(outflow) from investing activities		<u>(14,959,058)</u>	<u>(2,662,095)</u>
Cash flows from financing activities			
Payments			
Repayment of borrowings	24	(788,841)	(759,210)
Net cash flow inflow/(outflow) from financing activities		<u>(788,841)</u>	<u>(759,210)</u>
Net increase/(decrease) in cash and cash equivalents held		<u>3,506,319</u>	<u>5,169,956</u>
Cash and cash equivalents at the beginning of the financial year		21,176,080	16,006,124
Cash and cash equivalents at the end of the financial year	9	<u>24,682,399</u>	<u>21,176,080</u>

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

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 1. Information about these financial statements

(a) Basis of preparation

The Cloncurry Shire Council is constituted under the Queensland *Local Government Act 2009* and is domiciled in Australia.

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

These financial statements have been prepared under the historical cost convention except for the revaluation of certain classes of property, plant and equipment and comply with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB).

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.

(b) New and revised Accounting Standards adopted during the year

Cloncurry Shire Council adopted all standards which became mandatorily effective for annual reporting periods beginning on 1 July 2022. None of the standards had a material impact on reported position, performance, or cash flows.

(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 2023, these standards have not been adopted by Council and will be included in the financial statements on their effective date. Where the standard is expected to have a significant impact for Council then further information has been provided in this note.

The following list identifies all the new and amended Australian Accounting Standards, and Interpretation, that were issued but not yet effective at the time of compiling these statements that could be applicable to Council.

Effective for annual reporting periods beginning on or after 1 January 2023

- AASB 2020-1 *Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current* and associated standards (amended by AASB 2021-6 and AASB 2022-6 *Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants*)
- AASB 2021-2 *Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates*
 - This standard will result in a terminology change for significant accounting policies
- AASB 2022-2 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates* (amended by AASB 2022-6)
- AASB 2022-7 *Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards*
- AASB 2022-10 *Amendments to Australian Accounting Standards- Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*
 - The amendment may result in changes to the fair value of non-financial assets. The impact is yet to be quantified.

(d) Estimates and judgements

Councils make a number of judgments, estimates and assumptions in preparing these financial statements.

These are based on the best information available to Council at the time, however due to the passage of time, these assumptions may change and therefore the recorded balances may not reflect the final outcomes.

The significant judgements, estimates and assumptions relate to the following items and specific information is provided in the relevant note:

- Revenue recognition - Note 3
- Valuation and depreciation of property, plant and equipment - Note 13
- Provisions - Note 18
- Contingent liabilities - Note 21

(e) Rounding and comparatives

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

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 1. Information about these financial statements (continued)

(f) Volunteer services

Council has a range of activities and events that happen within the community and as such receives volunteer services provided by individuals and organisations. None of these volunteer activities have ever been considered a subject of purchase, so that the fair value of the services provided cannot be reliably measured. An exhaustive search for these volunteer actions would need to be performed to reach some measure of fair value.

For staff who have contributed their time to community events, Council adopted a Community Event Policy COR1039 in June 2020, that allows for up to two days paid leave per calendar year for volunteer staff to assist at an approved event. The leave is available from special leave and does not impact upon an employees' accrued leave entitlements. The impact is measured and reported in the statement of comprehensive income at employee benefits.

(g) Taxation

Council is exempt from Federal Income Tax and State Payroll Tax. Council is however subject to Fringe Benefits Tax and Goods and Services Tax ('GST'). The net amount of GST recoverable from the Australian Taxation Office ('ATO') or payable to the ATO is shown as an asset or liability respectively.

(h) Financial assets and financial liabilities

Council recognises a financial asset or a financial liability in its Statement of Financial Position when, and only when, Council becomes a party to the contractual provisions of the instrument.

Cloncurry Shire Council has categorised and measured the financial assets and financial liabilities held at balance date as follows:

Financial assets

Cash and cash equivalents - Note 9

Receivables - measured at amortised cost - Note 10

Financial liabilities

Payables - measured at amortised cost - Note 16

Borrowings - measured at amortised cost - Note 17

Financial assets and financial liabilities are presented separately from each other, and offsetting has not been applied.

Cloncurry Shire Council does not recognise financial assets or financial liabilities at fair value in the Statement of Financial Position.

All other disclosures relating to the measurement and financial risk management of financial instruments are included in Note 27.

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 2. Analysis of results by function

(a) Analysis of results by function – component descriptions

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

Corporate governance

The objective of corporate governance is for Council to be open, accountable, transparent and deliver value for money community outcomes. This function includes strategic and operational planning, risk management, legal and administrative support. The Mayor, Councillors and Chief Executive Officer are included in corporate governance.

Finance and information

Finance and information provides professional finance and information services across all of Council. This function includes budget support, financial and management accounting, internal audit, policies and procedures, records, staff management including human resources and payroll, workplace health and safety, and information technology services. The goal of this function is to provide accurate, timely and appropriate information to support sound decision making and meet statutory requirements.

Community services

The goal of community services is to ensure Cloncurry Shire is a healthy, vibrant, contemporary and connected community. Community services provides well managed and maintained community facilities, and ensures the effective delivery of cultural and recreational services.

This function includes:

- Childcare services;
- Libraries;
- Entertainment venues.

Planning and development

This function facilitates the Shire's growth and prosperity through well planned and quality development. The objective of planning and development is to ensure the Shire is well designed, efficient and facilitates growth yet also preserves the character and natural environment of the Shire. This function includes activities and services related to town, neighbourhood and regional planning, and management of development approval processes.

Transport infrastructure

The objective of the transport infrastructure program is to ensure the community is serviced by a high quality and effective road network. The function provides and maintains transport infrastructure, including the maintenance and provision of the drainage network.

Waste management

The goal of this function is to protect and support our community and natural environment by sustainably managing refuse. The function provides refuse collection and disposal services.

Water infrastructure

The goal of this program is to support a healthy, safe community through sustainable water services. Includes all activities relating to water including flood and waterways management.

Sewerage infrastructure

This function protects and supports the health of our community by sustainably managing sewerage infrastructure.

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 2. Analysis of results by function (continued)

(b) Analysis of results by function

Functions	Gross program income		Capital grants	Total income	Gross program expenses		Total expenses	Net result from recurring operations	Net result	Total assets
	Recurring grants	Recurring other			Recurring	Capital				
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
2023										
Corporate governance	47,756	4,499	7,026,028	7,078,283	(2,174,282)	—	(2,174,282)	(2,122,027)	4,904,001	5,222,365
Finance and information	9,267,818	15,251,548	—	24,519,366	(6,023,753)	(10,026,966)	(16,050,719)	18,495,613	8,468,647	23,482,616
Community services	1,144,204	805,134	—	1,949,338	(4,152,561)	—	(4,152,561)	(2,203,223)	(2,203,223)	10,278,135
Planning and development	17,059	67,125	—	84,184	(594,276)	—	(594,276)	(510,092)	(510,092)	1,427,380
Transport infrastructure	3,765,012	5,854,530	7,499,912	17,119,454	(20,184,117)	—	(20,184,117)	(10,564,575)	(3,064,663)	304,010,308
Waste management	—	1,005,819	—	1,005,819	(1,304,427)	—	(1,304,427)	(298,608)	(298,608)	3,133,077
Water infrastructure	—	3,185,243	—	3,185,243	(3,903,004)	—	(3,903,004)	(717,761)	(717,761)	59,346,642
Sewerage infrastructure	—	1,105,257	—	1,105,257	(1,346,260)	—	(1,346,260)	(241,003)	(241,003)	29,649,927
Total	14,241,849	27,279,155	14,525,940	56,046,944	(39,682,680)	(10,026,966)	(49,709,646)	1,838,324	6,337,298	436,550,450
2022										
Corporate governance	—	25,104	—	25,104	(1,929,480)	—	(1,929,480)	(1,904,376)	(1,904,376)	—
Finance and information	6,706,020	12,970,510	—	19,676,530	(7,424,429)	(10,998,421)	(18,422,850)	12,252,101	1,253,680	30,821,897
Community services	788,006	1,058,559	—	1,846,565	(3,349,349)	—	(3,349,349)	(1,502,784)	(1,502,784)	39,217,551
Planning and development	69,740	61,718	—	131,458	(227,070)	—	(227,070)	(95,612)	(95,612)	851,744
Transport infrastructure	1,523,337	5,186,200	5,850,080	12,559,617	(19,149,885)	—	(19,149,885)	(12,440,348)	(6,590,268)	276,181,459
Waste management	—	964,923	586,870	1,551,793	(1,221,737)	—	(1,221,737)	(256,814)	330,056	—
Water infrastructure	—	2,932,669	717,170	3,649,839	(3,485,845)	—	(3,485,845)	(553,176)	163,994	45,651,119
Sewerage infrastructure	—	1,051,688	—	1,051,688	(1,548,535)	—	(1,548,535)	(496,847)	(496,847)	23,760,032
Total	9,087,103	24,251,371	7,154,120	40,492,594	(38,336,330)	(10,998,421)	(49,334,751)	(4,997,856)	(8,842,157)	416,483,802

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 3. Revenue

	2023	2022
	\$	\$
(a) Rates, levies and charges		
Rates, levies and charges are recognised as revenue when Council obtains control over the assets comprising these receipts which is 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	14,256,977	12,703,960
Separate rates	231,875	231,875
Water consumption	3,114,061	2,981,503
Sewerage	1,102,880	1,074,505
Waste management	975,526	902,729
Total rates and utility charge revenue	19,681,319	17,894,572
Less: discounts	(1,269,436)	(1,037,907)
Less: pensioner remissions	(12,238)	(13,629)
Total rates, levies and charges	18,399,645	16,843,036

(b) Fees and charges

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

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

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

Revenue from infringements is recognised on issue of the infringement notice.

	2023	2022
	\$	\$
Building and development fees	45,092	52,053
Infringements	1,829	2,362
Licences and registrations	20,204	8,643
Airport fees and charges	4,423,709	3,613,188
Childcare fees and charges	501,036	379,735
Saleyard - dipping	364,411	435,287
Saleyard - weighing	296,280	274,160
Tourism, venues and events management fees	291,707	251,609
Water and sewerage connection fees	73,559	10,178
Waste management fees	30,294	83,129
Other fees and charges	124,179	159,968
Total fees and charges	6,172,300	5,270,312

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 3. Revenue (continued)

(c) Sales revenue

Sale of goods 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 associated costs are recognised by reference to the stage of completion of the contract activity, based on costs incurred at the reporting date. Where consideration is received for the service in advance it is included in contract liabilities and is recognised as revenue in the period when the service is performed.

The contract work carried out is not subject to retentions.

	2023	2022
	\$	\$
Rendering of services		
Contract and recoverable works	1,085,742	1,300,673
Motor vehicle repairs	–	34,845
Private works	4,545	–
Sale of goods		
Proceeds from the sale of industrial land held in inventory	203,139	–
Total sales revenue	<u>1,293,426</u>	<u>1,335,518</u>

(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, the revenue is recognised when control of each performance obligations is satisfied.

Performance obligations vary in each agreement. They include for example, feral pig control by aerial and ground baiting, a project to improve tourism direction signage to specific tourism attractions, subsidised traineeship of full-time trainees for 12 months and a kindergarten support grant with conditions for Council to demonstrate to the funding body on an ongoing basis certain specific conditions being met, or else the component of the subsidy would be recovered.

Payment terms vary depending on the terms of the grant. Funds are received upfront for some grants and on the achievement of certain payment milestones for others.

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

Where control is transferred over time, revenue is recognised using either costs or time incurred.

Grant income under AASB 1058

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

Capital grants

Where Council receives funding under an enforceable contract to acquire or construct a specified item of property, plant and equipment which will be under Council's control on completion, revenue is recognised as and when the obligation to construct or purchase is completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred.

Donations and contributions

Where assets are donated or purchased for significantly below fair value, revenue is recognised when the asset is acquired and Council obtains control.

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 3. Revenue (continued)

Donations and contributions are generally recognised on receipt of the asset since there are no enforceable performance obligations.

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

	2023	2022
	\$	\$
(i) Operating		
Commonwealth general purpose grants	11,605,677	7,945,691
Commonwealth government subsidies and grants	738,006	520,672
State government subsidies and grants	990,935	300,472
Donations	153,000	95,676
Contributions	754,231	224,592
Total operating grants, subsidies, contributions and donations	14,241,849	9,087,103

(ii) Capital

Commonwealth government subsidies and grants	3,616,755	1,446,140
State government subsidies and grants	4,101,291	2,925,025
Joint Commonwealth/State subsidies and grants	6,807,894	2,782,955
Total capital grants, subsidies, contributions and donations	14,525,940	7,154,120

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

	2023		2022	
	Revenue recognised at a point in time \$	Revenue recognised over time \$	Revenue recognised at a point in time \$	Revenue recognised over time \$
Grants and subsidies	12,465,151	15,395,407	7,304,980	8,615,975
Donations	66,000	87,000	95,676	-
Contributions	754,231	-	224,592	-
	13,285,382	15,482,407	7,625,248	8,615,975

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 4. Interest and other income

	2023	2022
	\$	\$
Interest received		
Interest received from bank and term deposits is accrued over the term of the investment.		
Interest received from financial institutions	704,494	104,270
Interest received from other sources	28	-
Interest from overdue rates and utility charges	200,374	196,408
Total interest received	904,896	300,678

Note 5. Employee benefits

	2023	2022
Notes	\$	\$
Employee benefit expenses are recorded when the service has been provided by the employee.		
Wages and salaries	8,968,533	9,204,107
Councillors' remuneration	385,759	379,507
Annual and long service leave entitlements	1,131,695	865,079
Fringe benefits tax ('FBT')	38,485	50,660
Superannuation	1,005,474	880,168
	22	
	11,529,946	11,379,521
Less: capitalised employee expenses	(533,643)	(315,430)
Total Employee benefits	10,996,303	11,064,091

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

	2023	2022
	Number	Number
Total Council employees at the reporting date:		
Elected members	6	6
Administration staff	59	64
Depot and outdoors staff	37	41
Total full time equivalent employees	102	111

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 6. Materials and services

	2023	2022
	\$	Restated \$
Expenses are recorded on an accruals basis as Council receives the goods or services.		
Audit of annual financial statements by the Auditor - General of Queensland *	84,470	70,960
Audit fees - internal audit and audit committee	31,225	35,664
Advertising, marketing and promotion	113,313	114,208
Cleaning	245,704	281,548
Conferences, catering and community engagement	417,526	34,582
Communications and IT	317,529	408,143
Consultants	885,633	604,918
Contractors	3,424,564	4,598,262
Donations, sponsorships and grants	267,599	432,417
Equipment and tools	133,264	231,917
Fleet and plant costs	902,710	561,271
Insurance	887,072	763,931
Legal costs	547,522	564,977
Materials and services	1,821,455	853,118
Materials - water allocation: Lake Julius	644,117	453,047
Postage, printing and stationery	75,216	50,498
Power	776,883	697,609
Rates and charges	424,923	370,372
Rentals - operating leases	45,210	33,825
Recruitment	131,204	199,266
Repairs and maintenance	1,912,800	1,611,770
Subscriptions, licenses and registrations	631,669	581,065
Training and staff amenities	234,479	202,869
Travel	176,958	111,035
Uniforms, safety equipment and first aid	61,166	69,021
Valuation costs	55,116	28,550
Total materials and services	15,249,327	13,964,843

* Total audit fees quoted by the Queensland Audit Office relating to 2022-23 financial statements are \$84,470 (2022: \$75,960).

Note 7. Finance costs

	2023	2022
	\$	\$
Finance costs charged by the Queensland Treasury Corporation ('QTC')	293,851	316,142
Bank charges	67,217	57,245
Bad debts written-off	1,244	83,407
Reversal of doubtful debt provision	(98,241)	(83,407)
Unwinding of discounts on restoration provisions	11,205	8,276
Total finance costs	275,276	381,663

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 8. Capital expenses

		2023	2022
	Notes	\$	Restated \$
(a) Loss on disposal of non-current assets			
Proceeds from the disposal of property, plant and equipment		(50,000)	(235,024)
Less: carrying value of disposed property, plant and equipment	13	9,203,640	11,233,445
Loss on disposal of non-current assets		<u>9,153,640</u>	<u>10,998,421</u>
<p>During the 2023 and 2022 financial years Council roads, drainage and bridge networks were impacted by significant flood damage. Council has recognised partial disposals for the portion of the asset/s damaged based on upon costs per Queensland Restoration Authority submissions in the year that the damage occurred.</p>			
(b) Revaluation decrement			
Revaluation decrement of property, plant and equipment	13	873,326	-
		<u>873,326</u>	<u>-</u>
Total capital expenses		<u>10,026,966</u>	<u>10,998,421</u>

Note 9. Cash and cash equivalents

		2023	2022
		\$	\$
<p>Cash and cash equivalents in the statement of cash flows includes cash on hand, all cash and cheques receipted but not banked at the year end, and deposits available on demand with QTC which are subject to an insignificant risk of changes in value.</p>			
Cash and cash equivalents			
Cash at bank and on hand		2,714,575	2,739,271
Deposits at call		21,967,824	18,436,809
Balance per Statement of Financial Position		<u>24,682,399</u>	<u>21,176,080</u>
Balance per Statement of Cash flows		<u>24,682,399</u>	<u>21,176,080</u>

Restricted and internally allocated cash and cash equivalents

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

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 9. Cash and cash equivalents (continued)

	2023	2022
	\$	\$

Council's cash and cash equivalents are subject to a number of external restrictions that limit amounts available for general use by Council. Restrictions are specified in an agreement, contract or legislation. This applies to reserve accounts, unspent grants, subsidies and contributions that have not been fully expended in the manner specified by the contributor or legislation. These include:

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

Unspent government grants and subsidies	1,967,454	2,062,793
Special Road Reserve - In accordance with Annual Implementation Plan 2022-23	1,623,125	1,391,250
Total externally imposed restrictions on cash assets	3,590,579	3,454,043

Note 10. Receivables

Rateable revenue and utility charges are non-contractual receivables arising from statutory requirements and include amounts due from ratepayers for unpaid rates and utility charges and other statutory charges or fines. Rates and utility charges are recognised when the event has occurred and can be measured reliably.

Other receivables are amounts receivable from contractual arrangements with customers for goods sold, services performed or grants or contributions with sufficiently specific performance obligations as part of the ordinary course of business. The receivable is recognised at the amounts due at the time of sale or service delivery. Settlement of these amounts is required within 30 days after the invoice is issued.

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

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

Interest charged on outstanding rates during the year was at a rate of 8.17% (2022: 8.03%) per annum. No interest is charged on other debtors.

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 an agricultural and mining district, there is a business concentration in these sectors.

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

	2023	2022
	\$	\$
Current		
Rateable revenue and utility charges	2,647,150	2,682,900
Other receivables	1,979,949	1,016,500
Total	4,627,099	3,699,400
less: loss allowances		
Impairment or provision for doubtful debts	(517,725)	(615,966)
Total loss allowances	(517,725)	(615,966)
Total current receivables	4,109,374	3,083,434

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 10. Receivables (continued)

Accounting policies

When Council has no reasonable expectation of recovering an amount owned 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.

If there is objective evidence that Council will not be able to collect any amounts due, a provision for expected credit losses is made. The loss is recognised in finance costs. The amount of the impairment is the difference between the receivables carrying amount and the present value of the estimated cash flows discounted at the effective interest rate.

Council has identified two (2) distinctive groupings of its receivables: Rates and Charges and Other Debtors.

Rates and Charges: Council is empowered under the provisions of the *Local Government Act 2009* to sell an owner's property to recover outstanding rates debts. Council does not generally impair any rates receivables. This does not however apply where the rateable property is land with negligible value. Impairment of rates and charges will only occur if arrears are deemed to be greater than the proceeds Council would receive from the sale of the respective property.

Other Debtors: Council identifies other debtors as receivables which are not rates and charges; statutory charges; or grants.

Note 11. Inventories

Trading stock, saleable items, materials held for resale are valued at the lower of cost and net realisable value.

Land acquired by Council with the intention of reselling (with or without further development) is classified as inventory. The land is valued at the lower of cost or net realisable value. Any costs of developments are allocated to the relevant parcel. As an inventory item, land held for resale is treated as a current asset.

Proceeds from sale of the land will be recognised as sales revenue on the signing of a valid unconditional contract of sale. This represents the point when risks and rewards have passed to the buyer.

Inventories held for distribution are:

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

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

	2023	2022
	\$	\$
Current Inventories		
(a) Inventories held for sale		
Trading stock	57,281	50,498
(b) Inventories held for distribution		
Plant and equipment stores	215,902	173,268
(c) Land purchased for development and sale		
Land purchased for development and sale	932,000	1,142,000
Total inventories	<u>1,205,183</u>	<u>1,365,766</u>

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 12. Other assets

	2023	2022
	\$	\$
Current		
GST recoverable	351,128	439,934
Prepayments	262,628	144,828
Total current other assets	<u>613,756</u>	<u>584,762</u>

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 13. Property, plant and equipment

2023 Measurement basis Fair value category	Land	Buildings	Plant and equipment	Road and bridge network	Water	Sewerage	Other structures	Work in progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
	Fair Value Level 2 & 3	Fair Value Level 2 & 3	Cost	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 2 & 3	Cost	
Opening gross balance	14,421,969	61,982,301	11,857,677	298,030,039	73,704,027	30,438,444	21,137,220	9,816,255	521,387,932
Additions	-	-	-	-	-	-	-	25,594,641	25,594,641
Disposals	-	(210,459)	(104,819)	(11,780,823)	(50,260)	-	(387,205)	(391,909)	(12,925,475)
Revaluation adjustments to other comprehensive income	(5,373,443)	(4,445,935)	-	23,583,823	97,220	6,576,328	1,608,281	-	22,046,274
Revaluation adjustments to capital expenses	(873,326)	-	-	-	-	80,393	-	-	(873,326)
Work in progress transfers	-	1,279,880	790,507	10,463,088	449,631	-	3,827,824	(16,891,323)	-
Adjustments and other transfers	-	61,063	(26,250)	(83,681)	70,632	-	(21,764)	-	-
Total gross value of property, plant and equipment	8,175,200	58,666,850	12,517,115	320,212,446	74,271,250	37,095,165	26,164,356	18,127,664	555,230,046
Opening accumulated depreciation and impairment	-	24,510,380	5,737,097	54,701,236	31,929,956	9,700,738	5,754,528	-	132,333,935
Depreciation expense	-	1,454,289	1,005,963	8,261,421	1,260,849	541,169	638,084	-	13,161,775
Depreciation on disposals	-	(70,167)	(62,319)	(3,316,698)	(31,829)	-	(240,823)	-	(3,721,836)
Reval adjustments to other comprehensive income	-	(4,877,216)	-	19,955,753	(6,203,416)	436,888	1,091,509	-	10,403,518
Adjustments and other transfers	-	1,187	(9,713)	(27,800)	15,263	-	21,063	-	-
Total accumulated depreciation and impairment property, plant and equipment	-	21,018,473	6,671,028	79,573,912	26,970,823	10,678,795	7,264,361	-	152,177,392
Total carrying value of property, plant and equipment	8,175,200	37,648,377	5,846,087	240,638,534	47,300,427	26,416,370	18,899,995	18,127,664	403,052,654
Other information									
Range of estimated useful life (years)	Land not depreciated	20-60	2-20	5-100	20-60	20-60	20-40	Not depreciated	
*Asset additions comprise									
Asset renewals	-	1,614,954	176,730	13,363,895	1,253,214	80,393	3,347,592	-	19,836,778
Other additions	315	1,107,706	591,872	3,032,921	2,457	-	1,022,592	-	5,757,863
Total asset additions	315	2,722,660	768,602	16,396,816	1,255,671	80,393	4,370,184	-	25,594,641

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Cioncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 13. Property, plant and equipment (continued)

	Land	Buildings	Plant and equipment	Road and bridge network	Water	Sewerage	Other structures	Work in progress	Total Restated
	\$	\$	\$	\$	\$	\$	\$	\$	\$
2022									
Measurement basis	Fair Value Level 2	Fair Value Level 2 & 3	Cost	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Cost	
Fair value category									
Opening gross balance	14,115,400	54,130,264	11,038,761	259,454,350	67,463,632	27,610,457	36,319,803	22,527,566	492,660,233
Additions	-	-	-	-	-	-	-	11,035,852	11,035,852
Disposals	-	(18,400)	(601,973)	(15,228,769)	(50,066)	-	(46,350)	-	(15,945,558)
Reval adjustments to other comprehensive income	-	5,068,617	-	20,767,006	4,944,248	2,051,908	805,626	-	33,637,405
Revaluation adjustments to capital expenses	-	-	-	-	-	-	-	-	-
Work in progress transfers	306,569	526,199	1,394,639	17,537,372	1,372,463	776,079	1,833,842	(23,747,163)	-
Adjustments and other transfers	-	2,275,621	26,250	15,500,080	(26,250)	-	(17,775,701)	-	-
Total gross value of property, plant and equipment	14,421,969	61,982,301	11,857,677	298,030,039	73,704,027	30,438,444	21,137,220	9,816,255	521,387,932
Opening accumulated depreciation and impairment	-	20,645,927	5,127,797	45,087,918	28,568,775	8,521,868	7,050,874	-	115,003,159
Depreciation expense	-	1,447,731	1,063,875	8,017,744	1,253,775	532,874	609,734	-	12,925,733
Depreciation on disposals	-	(6,440)	(463,762)	(4,205,906)	(7,220)	-	(28,785)	-	(4,712,113)
Reval adjustments to other comprehensive income	-	1,903,111	-	4,072,632	2,123,813	645,996	371,604	-	9,117,156
Adjustments and other transfers	-	520,051	9,187	1,728,848	(9,187)	-	(2,248,899)	-	-
Total accumulated depreciation and impairment property, plant and equipment	-	24,510,380	5,737,097	54,701,236	31,929,956	9,700,738	5,754,528	-	132,333,935
Total carrying value of property, plant and equipment	14,421,969	37,471,921	6,120,580	243,328,803	41,774,071	20,737,706	15,382,692	9,816,255	389,053,997
Other information									
Range of estimated useful life (years)	Land not depreciated	20-60	2-20	5-100	20-60	20-60	20-40	Not depreciated	
*Asset additions comprise									
Asset renewals	-	281,177	1,093,554	7,893,429	608,623	404,908	1,372,542	-	11,654,233
Other additions	306,569	245,022	301,085	9,643,943	763,840	371,171	461,300	-	12,092,930
Total asset additions	306,569	526,199	1,394,639	17,537,372	1,372,463	776,079	1,833,842	-	23,747,163

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Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 13. Property, plant and equipment (continued)

(a) Recognition and measurement

Each class of property, plant and equipment is stated at cost or fair value. Items of plant and equipment with a total value of less than \$5,000, and infrastructure assets and buildings with a total value of less than \$10,000 are expensed in the year of acquisition. All other items of property, plant and equipment are capitalised.

Acquisition of assets

Acquisitions of assets are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including freight in, architects' fees and engineering design fees and all other establishment costs.

Direct labour and materials and an appropriate proportion of overheads incurred in the acquisition or construction of assets are treated as capital expenditure. Assets under construction are not depreciated until they are completed and commissioned, at which time they are reclassified from work in progress to the appropriate property, plant and equipment class.

Routine operating maintenance and repair costs to maintain the operational capacity and useful life of the non-current asset is expensed as incurred, while expenditure that relates to replacement of a major component of an asset to maintain its service potential is capitalised.

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

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

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

(b) Depreciation

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

Land and work-in-progress are not depreciated.

Depreciation on other property, plant and equipment assets is calculated on a straight-line basis so as to write-off the net cost or revalued amount of each depreciable asset, less its estimated residual value, progressively over its estimated useful life to the Council. Management believe that the straight-line basis appropriately reflects the pattern of consumption of all Council assets.

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

Major spares purchased specifically for particular assets that are above the asset recognition threshold are capitalised and depreciated on the same basis as the asset to which they relate.

The depreciable amount of improvements to or on leasehold land is allocated progressively over the estimated useful lives of the improvements to the Council or the unexpired period of the lease, whichever is the shorter.

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets.

Depreciation methods, estimated useful lives and residual values are reviewed at the end of each reporting period and adjusted where necessary to reflect any changes in the pattern of consumption, physical wear and tear, technical or commercial obsolescence, or management intentions. The condition assessments performed as part of the annual valuation process for assets measured at depreciated current replacement cost are used to estimate the useful lives of these assets at each reporting date. Details of the range of estimated useful lives for each class of asset are shown in Note 13.

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 13. Property, plant and equipment (continued)

(c) Impairment

Each non-current asset and group of assets is assessed for indicators of impairment annually. If an indicator of possible impairment exists, Council determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

An impairment loss is recognised as an expense in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available. Any amount left over after utilisation of asset revaluation surplus of the relevant asset class is recognised as an expense in the Statement of Comprehensive Income.

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

(d) Valuation

Land, buildings and all infrastructure assets are measured on the revaluation basis, at fair value, in accordance with AASB 116 *Property, Plant and Equipment* and AASB 13 *Fair Value Measurement*. Other plant and equipment and work in progress are measured at cost.

Non-current physical assets measured at fair value are revalued, where required, so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This is achieved by engaging independent, professionally qualified valuers to determine the fair value for each class of property, plant and equipment assets at least once every three-five years. This process involves the valuer physically sighting a representative sample of Council assets across all asset classes and making their own assessments of the condition of the assets at the date of inspection.

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

Capital work in progress

The cost of property, plant and equipment being constructed by Council includes the cost of purchased services, materials, direct labour and an appropriate proportion of labour overheads.

Valuation techniques:

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

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

Change in fair value measurement techniques for the valuation of land

Council land assets are recorded on the register of fixed assets on the basis on individual title. However, a number of these individual assets form clusters of assets "Precincts".

Prior valuations have assessed land assets on an individual basis, based on individual title. This methodology presumed that each asset would have the market depth to be 'marketable' to market participants. Each asset was assessed by way of direct comparison.

The 2023 methodology also utilise direct comparison, however the "precincts" have been assessed as a contiguous and larger parcel of land, rather than on its individual title. The reasons this methodology has been applied to the current valuations is as follows:

- Lack of market depth to support individual title,

A slow rate of sales in the region has been observed, indicating that if subdivision works and the provision of services were provided, the period of sale would be many years, impacting holding costs.

- Financial feasibility concerns.

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 13. Property, plant and equipment (continued)

The cost of provision of roads, services, stormwater darainage, and civil works may make the subdivision strategy financially infeasible.

- Market appetite for land against high construction costs.

During the prior valuation period the cost of building and the availability of building materials was a less significant issue than currently.

The valuer has adopted the contiguous parcel methodology for selected areas, however each asset has been reviewed individually. It is recognised that there are parcels of land that sit alone from the cluster and benefit from formed road frontage, and/or access to services. In these individual cases a higher value has been applied. The values for those remaining parcels represents an apportionment based on the overall value fo the "cluster".

The quantification of the change in accounting estimate on prior year comparative data is considered impracticable.

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 13. Property, plant and equipment (continued)

Valuation techniques used to derive level 2 and level 3 fair values

Asset class and fair value hierarchy	Valuation approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in index recognised this year)	Other interim revaluation adjustment
Infrastructure assets - Road and bridge network, Water and Sewerage (Level 3)	Current replacement cost (Level 3)	30/06/2023	Australis Asset Advisory Group	<p>As these infrastructure assets are of a specialist nature and there is no active market for the assets, fair value has been determined on the basis of replacement with a new asset having similar service potential including allowances for preliminaries and professional fees. The gross current values have been derived from reference to cost data for recent projects and researched costing guides. The net current value of an asset is the gross current value less accumulated depreciation to reflect the consumed or expired service potential of the asset.</p> <p>All road segments are componentised into formation, pavement and seal (where applicable). These components include raw materials, plant, labour and intangibles. These costs are established by communicating directly with suppliers, costs guides such as the Rawlinson's Construction Handbook and prices supplied by Council.</p> <p>In determining the level of accumulated depreciation, the major infrastructure assets have been apportioned into significant components which exhibit different useful lives. Allowance as been made for the typical asset life cycle and renewal treatments of each component at the time the asset is considered to be no longer available for use and the condition of the asset. For infrastructure assets it is considered that no residual value will apply.</p>	Not applicable	Not applicable

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Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 13. Property, plant and equipment (continued)

Asset class and fair value hierarchy	Valuation approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in index recognised this year)	Other interim revaluation adjustment
Land (Level 2 - \$4,312,400) (Level 3 - \$3,862,800)	Market value (Level 2) Current replacement cost (Level 3)	30/06/2023	Australis Asset Advisory Group	Where an observable market for Council's land assets could be identified, fair value was measured by way of a Market Approach (Level 2), utilising sales prices of comparable properties after adjusting for differences in key attributes of the property, such as size. Where a significant adjustment was required between the sale price of comparable properties, Fair Value was measured by way of a Cost Approach (level 3). Under this methodology the gross replacement cost was assessed on the basis that it reflected a modern equivalent asset with similar service potential. The most significant inputs into these valuation approaches are price per square metre.	Not applicable	Not applicable
Buildings and Other structures (Level 2 - \$5,516,500) (Level 3 - \$51,031,872)	Market Value (Level 2) Current replacement cost (Level 3)	30/06/2023	Australis Asset Advisory Group	Where an observable market for Council's assets could be identified, fair value was measured by way of a Market Approach, utilising sale prices comparable properties after adjusting for differences in key attributes of the property. For assets that were considered of a specialist nature and did not meet the criteria for a Market approach, Fair value was measured on the basis of a Cost approach (Level 3). Under this methodology the gross replacement cost was assessed on the basis that it reflected a modern equivalent asset with similar service potential. Under the Cost approach, the asset's fair value is the result of the gross current value less accumulated depreciation, to reflect the consumed or expired service potential of the asset. The most significant inputs into the valuation were the rate per square metre of area (to arrive at the Gross Replacement Cost),	Not applicable	Not applicable

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Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 13. Property, plant and equipment (continued)

Asset class and fair value hierarchy	Valuation approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in index recognised this year)	Other interim revaluation adjustment
Buildings and Other structures (Level 2 - \$5,516,500) (Level 3 - \$51,031,872)	Market Value (Level 2) Current replacement cost (Level 3)	30/06/2023	Australis Asset Advisory Group	building area and a condition score reflecting the remaining useful life of the asset. In determining the level of accumulated depreciation, as the first step an economic useful life (EUL) was provided to each asset on either a single line or componentised asset basis. As a second step, the condition score, which has influence on the remaining useful life (RUL) of the asset was assessed and applied to each asset. The EUL and RUL takes into consideration the asset's physical characteristics, age, recent repairs or capital works, as well as factors such as functionality, capability, utilisation and obsolescence. Estimates of expired service potential and remaining useful lives were determined on a straight-line basis and buildings were disaggregated into significant components which exhibit different useful lives.	Not applicable	Not applicable

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 14. Contract balances

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or before payment is due, Council presents the work in progress as a contract asset, unless the rights to that amount of consideration are unconditional, in which case Council recognises a receivable.

When an amount of consideration is received from a customer / fund provider prior to Council transferring a good or service to the customer, Council presents the funds which exceed revenue recognised as a contract liability.

	2023	2022
	\$	\$

(a) Contract assets

Current

Funds owing on contracts to construct Council assets	2,887,084	1,219,763
Total current contract assets	2,887,084	1,219,763

Grants monies owed for Local Roads and Community Infrastructure ('LRCI'), Disaster Recovery Funding Arrangements ('DRFA'), Transport Infrastructure Development Scheme ('TIDS') and Roads to Recovery ('R2R') works completed in 2022-23 (2022: Grant monies owed for LRCI, DRFA, TIDS and R2R works completed in 2021-22).

	2023	2022
	\$	\$

(b) Contract liabilities

Current

Funds received upfront to construct Council controlled assets	1,737,943	1,471,738
Non-capital performance obligations not yet satisfied	7,621	591,055
Total current contract liabilities	1,745,564	2,062,793

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

Funds to construct Council controlled assets	1,645,246	1,215,646
Non-capital performance obligations - Grant obligations fulfilled	166,471	591,055
Total revenue included in the contract liability	1,811,717	1,806,701

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.

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 15. Leases

Council as a lessee

Council has leases in place over eight properties used for staff rental accommodation. Council has applied the exception to lease accounting for leases of low-value assets and short-term leases.

Where Council assesses that an agreement contains a lease, a right of use asset and lease liability is recognised on inception of the lease. 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 where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives received. The right-of-use is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

The lease liability is initially recognised at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Council's incremental borrowing rate for a similar term with similar security is used.

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 on a straight-line basis over the lease term.

Leases at significantly below market value / concessionary leases

Council has a lease at significantly below market for six parcels of land including buildings at 86 Mcllwraith Street and 5, 7, 10-12 Railways Avenue, Cloncurry which are used for Council staff accommodation and for only one part of the land at any time, residential accommodation for an employee of the Police Citizens Youth Club (PCYC), Queensland Cloncurry Branch, and (for use in common with the lessor) the road within the Land that fronts the buildings and provides access to them.

Council has a lease at significantly below market for three parcels of land at Malbon Station Yard, Malbon, Corner of Station & Ramsay Streets, Cloncurry, and Ernest to Douglas to Mcllwraith Street, Cloncurry which are used for Water Tank and access, Parklands and access for the general public, and access for garbage collection respectively.

The leases are generally between 18 months and 8 years and require payments of \$1 (exclusive of GST) per annum, if demanded.

The use of the right-to-use asset is restricted by the lessors to specified community services which Council must provide, these services are detailed in the leases.

Council does not believe that any of the leases in place are individually material.

Council as a lessor

Council has several operating lease agreements where it is the lessor. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

	2023	2022
	\$	\$
The minimum operating lease receipts arising from operating leases are as follows:		
Not later than one year	115,665	51,920
Between one and two years	112,311	12,103
Between two and three years	61,621	12,237
Between three and four years	29,930	12,444
Between four and five years	26,989	7,381
Later than five years	72,980	5,819
Total lease receipts	419,496	101,904

The assets concerned are included in the statement of financial position as property, plant and equipment.

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 15. Leases (continued)

	2023	2022
	\$	\$
The assets are held to meet Council's service delivery objectives - presence of a tertiary education provider; health services precinct and airport infrastructure hangars such that rental is incidental.		
Total operating lease income (rental income)	508,888	501,827

Note 16. Payables

	2023	2022
	\$	\$
Creditors are recognised when goods or services are received, at the amount owed. Amounts owing are unsecured and are generally settled on 30 day terms.		
Current		
Creditors	1,144,317	1,363,602
Accrued expenses	2,810,381	553,531
Accrued wages and salaries	301,783	272,947
Prepaid rates	200,642	187,402
Other employee entitlements	625,870	452,914
State fire services levy	173,101	258,682
Accrued interest expense	11,836	13,085
Security bonds, deposits and retentions	392,725	-
Other	79,191	331
Total current payables	5,739,846	3,102,494

Note 17. Borrowings

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

All borrowings are denominated in Australian dollars and interest is expensed as it accrues. No interest has been capitalised during the current or comparative reporting period. Expected final repayment dates vary from 15 September 2023 to 15 March 2041.

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

	2023	2022
	\$	\$
Current		
Loans - QTC	637,681	788,841
Total current borrowings	637,681	788,841
Non-current		
Loans - QTC	11,528,722	12,166,403
Total non-current borrowings	11,528,722	12,166,403

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 17. Borrowings (continued)

The QTC loan market value at the reporting date was \$9,957,541. This represents the value of the debt if Council repaid it at that date. As it is the intention of Council to hold the debt for its term, no provision is required to be made in these accounts.

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 2023 or 2022 financial years.

Note 18. Provisions

Liabilities are recognised for employee benefits such as annual and long service leave in respect of services provided by the employees up to the reporting date.

Annual leave

Annual leave liability is expected to be settled within 12 months. The short-term employee benefits liability to reporting date is calculated on current wage and salary levels which are expected to be paid and include related employee on-costs.

Long service leave

Provision for long service leave is measured as 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 value of 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 interest rates attaching to Commonwealth Government guaranteed securities at the reporting date are used to discount the estimated future cash outflows to their present value.

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

Refuse dump restoration and quarry rehabilitation

A provision is made for the cost of restoring refuse dumps and quarries 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.

As refuse dumps are on state reserves which the Council does not control, the provision for restoration is treated as an expense in the year the provision is first recognised. Changes in the provision are treated as an expense or income.

Council has small gravel pits sites around the Shire - many of these are opened and closed for specific road projects, and the costs of operating and closing are managed as part of the project costs.

Quarry rehabilitation provision represents the present value of the anticipated future costs associated with the closure of the gravel pits, refilling the basin, and reclamation and rehabilitation of these sites. Management has a process of rehabilitating all future site closures as they occur. Based on this process, Council continues to annually monitor the situation, review and update the provision based on the facts and circumstances available.

Quarries are situated on state reserves which the Council does not control, the provision for restoration is treated as an expense in the year the provision is first recognised. Changes in the provision are treated as an expense or income.

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 18. Provisions (continued)

	2023	2022
	\$	\$
Current		
Annual leave	736,711	616,491
Long service leave	474,222	443,048
Total current provisions	<u>1,210,933</u>	<u>1,059,539</u>
Non-current		
Long service leave	106,028	71,223
Refuse restoration	540,447	250,865
Gravel pits restoration	259,449	179,918
Total non-current provisions	<u>905,924</u>	<u>502,006</u>

Details of movements in provisions

Refuse restoration

Balance at beginning of financial year	250,865	316,440
Transfer prior year balance to correct provision	–	(64,777)
Adjustment to provision	289,582	(798)
Balance at end of financial year	<u>540,447</u>	<u>250,865</u>

Gravel pits rehabilitation

Balance at beginning of financial year	179,918	115,588
Transfer prior year balance to correct provision	–	64,777
Increase in provision due to unwinding of discount	5,615	–
Increase/(decrease) in provision due to change in discount rate	(1,935)	–
Adjustment to provision	(75,851)	(447)
Balance at end of financial year	<u>259,449</u>	<u>179,918</u>

Note 19. Asset revaluation surplus

The asset revaluation surplus comprises adjustments relating to changes in value of property, plant and equipment that do not result from the use of those assets. Net incremental changes in the carrying value of classes of non-current assets since their initial recognition are accumulated in the asset revaluation surplus.

Increases and decreases on revaluation are offset within a class of assets.

Where a class of assets is decreased on revaluation, that decrease is offset first against the amount remaining in the asset revaluation surplus in respect of that class. Any excess is treated as an expense.

When an asset is disposed of, the amount reported in surplus in respect of that asset is retained in the asset revaluation surplus and not transferred to retained surplus.

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 19. Asset revaluation surplus (continued)

	2023 \$	Restated 2022 \$
Balance as at 1 July	126,911,491	102,391,242
Net adjustment to non-current assets at end of period to reflect a change in current fair value:		
- Land	(5,373,443)	-
- Buildings	431,282	3,165,505
- Road, drainage and bridge network	3,628,068	16,694,374
- Water	6,300,636	2,820,435
- Sewerage	6,139,440	1,405,912
- Other structures	516,773	434,023
Net movements in the asset revaluation surplus	11,642,756	24,520,249
Balance as at 30 June	138,554,247	126,911,491

Asset revaluation surplus analysis

	2023 \$	Restated 2022 \$
The closing balance of the asset revaluation surplus comprises the following asset categories:		
- Land	-	5,373,443
- Buildings	20,393,186	19,961,904
- Road, drainage and bridge network	65,820,947	62,192,879
- Water	30,829,434	24,528,798
- Sewerage	15,485,333	9,345,893
- Other structures	6,025,347	5,508,574
	138,554,247	126,911,491

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 20. Commitments for expenditure

	2023	2022
	\$	\$
Contractual commitments		
Contractual commitments at end of financial year but not recognised in the financial statements are as follows:		
Cleaning Services	85,801	–
Payroll Services	51,881	–
Water, Waste & Sewerage contracts	5,248,131	272,871
	<u>5,385,813</u>	<u>272,871</u>

These expenditures are payable as follows:

Within one year	905,821	272,871
One to five years	2,560,998	–
Later than five years	1,918,994	–
Total payable	<u>5,385,813</u>	<u>272,871</u>

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

Property, plant and equipment

Childcare Centre Development	191,754	–
Coppermine Creek Bridge	31,170	357,765
Flood Damage Works	7,671,893	264,854
Main Well Replacement	109,043	264,642
Master planning	653,175	570,810
Other	–	831,373
Perkins Street Development	7,443,768	–
Roads and Pathways	1,418,372	2,993,308
Saleyards	130,910	698,619
Total commitments	<u>17,650,085</u>	<u>5,981,371</u>

These expenditures are payable as follows:

Within the next year	17,650,085	1,285,540
Later than one year and not later than 5 years	–	2,026,826
Later than 5 years	–	2,669,005
Total payable	<u>17,650,085</u>	<u>5,981,371</u>

Note 21. Contingent liabilities

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

Local Government Mutual

The Cloncurry Shire 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.

The latest audited financial statements for LGM Queensland are at 30 June 2023. The financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 21. Contingent liabilities (continued)

Local Government Workcare

The 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 was 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 \$257,616.

Other contingent items

Council is party to litigation which involves claims by a Contractor for unpaid services in the amount of approximately \$134 thousand. Council has disputed any amounts are owed on the basis that the work was not undertaken at the request of Council, as evidenced by the lack of approved purchase orders, compliance by the Contractor with cost estimates provided to Council, concerns about the necessity and quality of the works undertaken by the Contractor, and that a number of invoices were only raised due to the breakdown in the relationship between Council and the Contractor.

Existing potential claims against Cloncurry Shire Council did not eventuate this current year. Outcome of these claims cannot be foreseen at reporting date, and no amounts have been recognised in the financial statements.

Note 22. Superannuation

Council contributes to the Brighter Super Accumulation Fund (the scheme), at the rate of 12% for each employee who is a scheme member. This rate is set in accordance with Council's Certified Agreement or individual employment agreements. The Accumulation 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*.

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

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

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

Technically Cloncurry Shire Council can be liable to the scheme for a portion of another local governments' obligations should that local government be unable to meet them. However the risk of this occurring is extremely low and in accordance with the Brighter Super 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 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 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 Brighter Super 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.

In accordance with the Superannuation Choice legislation Council employees may also make contributions to other superannuation funds. These funds must be a complying superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation.

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 22. Superannuation (continued)

	Notes	2023 \$	2022 \$
Superannuation contributions for employees - accumulation funds		1,005,474	880,168
Total superannuation contributions paid by Council for employees	5	1,005,474	880,168

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

	2023 \$	2022 Restated \$
Net Result	6,337,298	(8,842,157)
Non-cash items		
Depreciation	13,161,774	12,925,733
	13,161,774	12,925,733
Losses/(gains) recognised on fair value re-measurements through the income statement		
Write-offs relating to the fair valuation of property, plant and equipment	873,326	-
	873,326	-
Investing and development activities (Non-Cash):		
Net (profit)/loss on disposal of assets	9,153,640	10,998,421
Capital grants and contributions	(14,525,940)	(8,129,506)
	(5,372,300)	2,868,915
Changes in operating assets and liabilities (Non-Cash):		
(Increase)/decrease in receivables	(535,199)	926,488
Increase/(decrease) in provision for doubtful debts	(98,241)	(83,407)
Decrease in inventories	160,583	119,830
(Increase)/decrease in contract assets	57,359	1,155,189
(Increase)/decrease in other assets - Prepayments	(117,764)	(163,944)
Decrease in other assets - Net GST recoveries	1,759,189	-
Increase/(decrease) in payables	2,638,601	(192,412)
Increase/(decrease) in accrued interest payable	(1,249)	13,085
Increase/(decrease) in contract liabilities	(164,471)	27,318
Increase/(decrease) in employee leave entitlements	186,199	(162,132)
Increase/(decrease) in other provisions	369,113	(1,245)
	4,254,120	1,638,770
Net cash provided from/(used in) operating activities from the statement of cash flows	19,254,218	8,591,261

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 24. Reconciliation of liabilities arising from finance activities

	as at 30/06/22		as at 30/06/23
	Opening Balance	Cashflows	Closing balance
	\$	\$	\$
Borrowings	12,955,244	(788,841)	12,166,403
	<u>12,955,244</u>	<u>(788,841)</u>	<u>12,166,403</u>

	as at 30/06/21		as at 30/06/22
	Opening Balance	Cashflows	Closing balance
	\$	\$	\$
Borrowings	13,714,454	(759,210)	12,955,244
	<u>13,714,454</u>	<u>(759,210)</u>	<u>12,955,244</u>

Note 25. Correction of error

Nature of prior-period error

Council undertook a comprehensive revaluation of its Road and Bridge Network assets in 2022-2023. As part of this process, it was identified that prior to 1 July 2022, the recognition of DRFA funded roads infrastructure asset replacements were being recognised with no corresponding disposal/write-off of that portion of the existing asset that was replaced on Council's fixed asset register. Historically the required partial disposal or write-off was only recognised as part of the periodic comprehensive revaluation process as an adjustment to the asset revaluation surplus.

Council has identified events from the 2017 to 2022 financial years where incorrect accounting has occurred following significant weather events.

During the 2017, 2018, 2019 and 2020 financial years Council failed to write off or partially dispose of property, plant and equipment with a carrying value of \$32,486, \$133,099, \$1,574,136 and \$4,519,637 respectively. Due to the immaterial value of omitted depreciation expense and net revaluation uplift in the 2022 financial year in relation to these assets, Council has not retrospectively adjusted the Statement of Comprehensive Income or Statement of Changes in Equity in relation to the omitted depreciation and net revaluation uplift for these events.

During the 2020 financial year Council experienced a further severe weather event and failed to write-off or partially dispose of property, plant and equipment with a carrying value of \$8,446,657. While reviewing the capitalisations associated with this weather event a further \$1,049,297 of previously capitalised additions were identified that did not meet the capitalisation thresholds and have been deemed to be repairs and maintenance in nature. These assets that weren't disposed of in the 2020 financial year in error subsequently incurred depreciation expense of \$200,293 in the 2022 financial year, along with a revaluation uplift of \$1,283,000 in the 2022 financial year. These have been reversed as part of the correction of error.

During the 2022 financial year Council failed to write off or partially dispose property, plant and equipment with a carrying value of \$10,823,438.

To correct the impact of the prior year errors, Council has adjusted the 2022 comparative figures in the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and applicable notes to the financial statements.

The errors identified above have been corrected by restating the balances at the beginning of the earliest period presented (1 July 2021) and taking the adjustment through to accumulated surplus at that date.

Comparatives have been changed to reflect the correction of errors. The impact on each line item is shown in the tables below.

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 25. Correction of error (continued)

Changes to the opening Statement of Financial Position at 1 July 2021

Statement of Financial Position

	Original Balance 1 July, 2021 \$	Impact Increase/ (decrease) \$	Restated Balance 1 July, 2021 \$
Property, plant and equipment	393,237,752	(15,580,678)	377,657,074
Total assets	417,451,737	(15,580,678)	401,871,059
Retained surplus	294,313,070	(15,580,678)	278,732,392
Total community equity	396,704,312	(15,580,678)	381,123,634

Adjustments to the comparative figures for the year ended 30 June 2022

Statement of Financial Position (extract)

	Original Balance 30 June, 2022 \$	Impact Increase/ (decrease) \$	Restated Balance 30 June, 2022 \$
Non-current assets			
Property, plant and equipment	416,540,822	(27,486,825)	389,053,997
Total assets	443,970,627	(27,486,825)	416,483,802
Net community assets	424,288,551	(27,486,825)	396,801,726
Community equity			
Asset revaluation surplus	128,194,491	(1,283,000)	126,911,491
Retained surplus	296,094,060	(26,203,825)	269,890,235
Total community equity	424,288,551	(27,486,825)	396,801,726

Statement of Changes in Equity (extract)

Net result	1,780,990	(10,623,147)	(8,842,157)
Other comprehensive income for the year			
Increase in asset revaluation surplus	25,803,249	(1,283,000)	24,520,249
Total other comprehensive income for the year	25,803,249	(1,283,000)	24,520,249
Balance of retained surplus	296,094,060	(26,203,825)	269,890,235
Balance of asset revaluation surplus	128,194,491	(1,283,000)	126,911,491
Balance of total changes in equity	424,288,551	(27,486,825)	396,801,726

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 25. Correction of error (continued)

Statement of Comprehensive Income (extract)

	Original Balance 30 June, 2022 \$	Impact Increase/ (decrease) \$	Restated Balance 30 June, 2022 \$
Materials and services	13,974,030	(9,187)	13,964,843
Depreciation	13,126,025	(200,292)	12,925,733
Total recurrent expenses	38,545,809	(209,479)	38,336,330
Capital expenses	165,795	10,832,626	10,998,421
Total other expenses	165,795	10,832,626	10,998,421
Total expenses	38,711,604	10,623,147	49,334,751
Operating result	1,780,990	(10,623,147)	(8,842,157)
Net result	1,780,990	(10,623,147)	(8,842,157)
Other comprehensive income			
Increase/(decrease) in asset revaluation surplus	25,803,249	(1,283,000)	24,520,249
Total other comprehensive income for the year	25,803,249	(1,283,000)	24,520,249
Total comprehensive income for the year	27,584,239	(11,906,147)	15,678,092

Notes to the Financial Statements for the year ended 30 June 2022

Note 6. Materials and services (extract)

Materials and services	862,305	(9,187)	853,118
Total materials and services	13,974,030	(9,187)	13,964,843

Note 8. Capital expenses

(a) Loss on disposal of non-current assets

Proceeds from disposal of property, plant and equipment	(235,024)	–	(235,024)
Less: carrying value of disposed property, plant and equipment	400,819	10,832,626	11,233,445
Total loss on disposal of non-current assets	165,795	10,832,626	10,998,421

Total capital expenses

165,795 10,832,626 10,998,421

Note 13. Property, plant and equipment (extract)

Road and bridge network

Opening gross value at 1 July 2021	285,643,710	(26,189,360)	259,454,350
Disposals	(298,430)	(14,930,339)	(15,228,769)
Revaluation adjustments to other comprehensive income	22,050,006	(1,283,000)	20,767,006
Work in progress transfers	17,537,372	–	17,537,372
Adjustments and other transfers	15,500,080	–	15,500,080
Total gross value at 30 June 2022	340,432,738	(42,402,699)	298,030,039

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 25. Correction of error (continued)

	Original Balance 30 June, 2022 \$	Impact Increase/ (decrease) \$	Restated Balance 30 June, 2022 \$
Note 13. Property, plant and equipment (extract) (continued)			
Opening accumulated depreciation and impairment at 1 July 2021	55,696,600	(10,608,682)	45,087,918
Depreciation expenses	8,218,036	(200,292)	8,017,744
Depreciation on disposals	(99,006)	(4,106,900)	(4,205,906)
Revaluation adjustments to other comprehensive income	4,072,632	–	4,072,632
Adjustments and other transfers	1,728,848	–	1,728,848
Total accumulated depreciation and impairment at 30 June 2022	69,617,110	(14,915,874)	54,701,236
Total carrying value of road and bridge network at 30 June 2022	270,815,628	(27,486,825)	243,328,803
Total assets			
Opening gross value at 1 July 2021	518,849,593	(26,189,360)	492,660,233
Additions	11,035,852	–	11,035,852
Disposals	(1,015,219)	(14,930,339)	(15,945,558)
Revaluation adjustments to other comprehensive income	34,920,405	(1,283,000)	33,637,405
Total gross value of property, plant and equipment	563,790,631	(42,402,699)	521,387,932
Opening accumulated depreciation and impairment at 1 July 2021	125,611,841	(10,608,682)	115,003,159
Depreciation expenses	13,126,025	(200,292)	12,925,733
Depreciation on disposals	(605,213)	(4,106,900)	(4,712,113)
Revaluation adjustments to other comprehensive income	9,117,156	–	9,117,156
Total accumulated depreciation and impairment property, plant and equipment	147,249,809	(14,915,874)	132,333,935
Total carrying value of property, plant and equipment	416,540,822	(27,486,825)	389,053,997
Note 19. Asset revaluation surplus (extract)			
Net adjustment to non-current assets at end of period to reflect a change in current fair value:			
- Road, drainage and bridge network	17,977,374	(1,283,000)	16,694,374
The closing balance of the asset revaluation surplus comprises the following asset categories:			
- Road, drainage and bridge network	63,475,879	(1,283,000)	62,192,879
	128,194,491	(1,283,000)	126,911,491
Note 23. Reconciliation of net result for the year to net inflow/(outflow) from operating activities (extract)			
Net Result	1,780,990	(10,623,147)	(8,842,157)
Non-cash items			
Depreciation and amortisation	13,126,025	(200,292)	12,925,733
	13,126,025	(200,292)	12,925,733
Investing and development activities (non-cash)			
Net (profit)/loss on disposal of assets	165,795	10,832,626	10,998,421

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 26. Events after the reporting period

From 25 January to 26 February 2024 the following components of councils road and bridge network were damaged by rainfall and flooding associated with Tropical Cyclone Kirrily. At the time of signing these financial statements the financial effect of the flooding could not be reliably estimated, however council expects the rectification costs to be covered by Queensland Resource Authority - Disaster Relief and Recovery Arrangements.

- Northern Roads: Coolollah Road, Fisher Creek Road
- North Eastern Roads: Antion Downs Road, Boomara Road, Clonagh Road, Granada-Boomara Road, Mapple Park Road, Yambungan Road, Zingari Road
- North Western Roads: Carsland Road, Corella Park Road, Dobbyn Road, Gleeson Road, Kajabbi Road, Kamilaroi Road, White Hills Road
- Southern Roads: Burnham Road, Clem Walton Road, East Leichhardt Road
- South Eastern Roads: Selwyn-Chatsworth Road, Selwyn-Toolebus Road, Toolebus-McKinlay Road
- South Western Roads: Mount Frosty Road, Mayfield Road, Phosphate Dajarra Road

There were no material adjusting events after the balance date.

Note 27. Financial instruments and financial risk management

(a) Financial assets and financial liabilities

Cloncurry Shire Council's activities expose it to a variety of financial risks including market risk, credit risk and liquidity risk.

Exposure to financial risks is managed in accordance with Council approved policies on financial risk management. These policies focus on managing the volatility of financial markets and seek to minimise potential adverse effects on the financial performance of the Council. The Council minimises its exposure to financial risk in the following ways:

Investments in financial assets are only made where those assets are with a bank or other financial institution in Australia. The Council does not invest in derivatives or other high risk investments.

The objective of corporate governance is for Council to be open, accountable, transparent and deliver value for money community outcomes. This function includes strategic and operational planning, risk management, legal and administrative support. The Mayor, Councillors and Chief Executive Officer are included in corporate governance.

When the Council borrows, it borrows from the Queensland Treasury Corporation unless another financial institution can offer a more beneficial rate, taking into account any risk. Borrowing by the Council is constrained by the provisions of the *Statutory Bodies Financial Arrangements Act 1982*.

Council measures risk exposure using a variety of methods as follows:

Risk exposure	Measurement method
Credit risk	Ageing analysis
Liquidity risk	Maturity analysis
Market risk	Sensitivity analysis

Credit risk

Credit risk exposure refers to the situation where the Council may incur financial loss as a result of another party to a financial instrument failing to discharge its contractual obligations.

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

If the credit risk has increased significantly since initial recognition, a loss allowance to the amount of expected credit loss is recognised.

The Council assesses the credit risk before providing goods or services and applies normal business credit protection procedures to minimise the risk.

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 27. Financial instruments and financial risk management (continued)

The Council is exposed to credit risk through deposits held with banks. Investments are held with highly rated/regulated financial institutions and whilst not capital guaranteed, the likelihood of a credit failure is low.

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the gross carrying amount of those assets inclusive of any provisions for impairment.

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

	2023 \$	2022 \$
Cash and cash equivalents	24,682,399	21,176,080
Receivables - Rates and utility charges	2,647,150	2,682,900
Receivables - Other	1,979,949	1,016,500
Other credit exposures		
Guarantee - Local Government Workcare	257,616	197,311
Total	29,567,114	25,072,791

Liquidity risk

Liquidity risk refers to the situation where the Cloncurry Shire Council may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Cloncurry Shire Council is exposed to liquidity risk through its normal course of business and through its borrowings with Queensland Treasury Corporation.

The 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.

The following table sets out the liquidity risk of financial liabilities held by the Council. The amounts disclosed in the maturity analysis represent the contractual undiscounted cash flows at end of reporting period.

	0 to 1 year \$	1 to 5 years \$	Over 5 years \$	Total contractual cash flows \$	Carrying amount \$
2023					
Payables	5,739,846	-	-	5,739,846	4,940,875
Loans - QTC	919,572	3,439,716	10,472,440	14,831,728	12,166,403
	6,659,418	3,439,716	10,472,440	20,571,574	17,107,278
2022					
Payables	2,250,768	-	-	2,250,768	1,539,172
Loans - QTC	1,098,501	4,359,288	10,472,440	15,930,229	12,955,244
	3,349,269	4,359,288	10,472,440	18,180,997	14,494,416

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.

The Council is exposed to interest rate risk through its borrowings from the Queensland Treasury Corporation and investments held with financial institutions.

The risk in borrowing is effectively managed by borrowing mainly from the Queensland Treasury Corporation and having access to a mix of floating and fixed funding sources such that the desired interest rate risk exposure can be constructed. Interest rate risk in other areas is minimal.

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 27. Financial instruments and financial risk management (continued)

Sensitivity Analysis

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 operating result and equity, based on the carrying values at the end of the reporting period. The calculation assumes that the change in interest rates would be held constant over the period.

	Net carrying amount \$	Effect on Net result		Effect on Equity	
		1% increase \$	1% decrease \$	1% increase \$	1% decrease \$
2023					
QTC cash fund	21,967,824	219,678	(219,678)	219,678	(219,678)
Loans - QTC	(11,528,722)	(115,287)	115,287	(115,287)	115,287
Total	10,439,102	104,391	(104,391)	104,391	(104,391)
2022					
QTC cash fund	18,436,809	184,368	(184,368)	184,368	(184,368)
Loans - QTC	(12,166,403)	(121,664)	121,664	(129,552)	129,552
Total	6,270,406	62,704	(62,704)	54,816	(54,816)

(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.

The fair value of borrowings with QTC is based on the market value of debt outstanding. The market value of a debt obligation is the discounted value of future cash flows based on prevailing market rates and represents the amount required to be repaid if this was to occur at balance date. The market value of debt is provided by QTC and is disclosed in Note 17.

Note 28. Trust funds

	2023 \$	2022 \$
--	------------	------------

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 on behalf of outside parties include those funds from the sale of land for arrears in rates, deposits for the contracted sale of land, security deposits lodged to guarantee performance and unclaimed monies (e.g. wages) paid into the trust account by the Council. The Council performs only a custodian role in respect of these monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements.

The monies are disclosed for information purposes only.

Assets

Cash at bank	113,722	81,629
Total assets	113,722	81,629

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 29. Transactions with related parties

(a) Key management personnel ('KMP')

KMP include the Mayor, Councillors, Chief Executive Officer, Directors and Shared Services Manager.

Detailed remuneration disclosures are provided in the annual report.

The compensation paid to KMP comprises:

	2023	2022
	\$	\$
Short-term employee benefits	1,356,852	1,248,023
Post-employment benefits	110,815	85,147
Long-term benefits	18,427	15,010
Termination benefits	36,820	—
Total	1,522,914	1,348,180

(b) Other Related Parties

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, but is not limited to a spouse, child and dependent of a KMP or their spouse. All purchases were at arm's length and were in the normal course of Council operations.

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

Details of Transaction	Additional information	2023	2022
		\$	\$
Fees and charges charged to entities controlled by key management personnel	28(b)(i)	-	-
Employee expenses for close family members of key management personnel	28(b)(ii)	100,045	79,613
Purchase of materials and services from entities controlled by key management personnel	28(b)(iii)	417,079	404,665
Key management personnel services provided by a related entity	28(b)(iv)	92,087	83,576

(i) In 2022/23 there were no material transaction for fees and charges charged to related parties.

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

The Council employs 124 (2022:111) staff of which only 2 (2022: 1) are close family members of key management personnel.

Cloncurry Shire Council

Notes to the Financial Statements

for the year ended 30 June 2023

Note 29. Transactions with related parties (continued)

(iii) Council purchased the following materials and services from entities that are controlled by members of key management personnel or relatives of key management personnel.

	2023	2022
	\$	\$
Provision of electrical equipment	9,678	28,698
Provision of rental properties	58,712	41,200
Plumbing services	137,237	116,232
Management of saleyards complex	211,452	218,535
Total (GST inclusive)	417,079	404,665

Cr Nathan Keyes is a representative of Keyes Cattle Company Pty Ltd, a company that manages and operates the saleyards complex. Conditions and terms of saleyards management are ruled by a management contract, executed in December 2019, following due tendering process. Total saleyards management fees value to 30 June 2023 amount to \$211,452 (2022: \$218,535).

Cr Janessa Bidgood is a principal of Outback Auctioneers and Agents, a company that provides property management services. Amounts totalling \$10,400 (2022: \$10,400) were paid to Outback Auctioneers and Agents on behalf of employees for payroll deductions for residential rentals from employee wages and salaries.

(iv) Payments totalling \$92,087 (2022: \$83,576), were made to recruitment agencies for temporary key management personnel at various times throughout the year. The amounts have been excluded from the KMP remunerations disclosures in (a) above.

All amounts are inclusive of GST. The purchases were at arm's length and in the normal course of Council operations.

(c) Outstanding balances

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	2023	2022
	\$	\$
Cloncurry Plumbing Pty Ltd	9,071	11,912
Keyes Cattle Company Pty Ltd	25,848	63,856
Total	34,919	75,768

(d) Loans and guarantees to/from related parties

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

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

The majority of the entities and people that are related parties of Council live and operate within Cloncurry Shire Council. On a regular basis ordinary citizen transactions occur between Council and its related parties. Council has not included these types of transaction in its disclosure, where they are made on the same terms and conditions available to the general public.

- Payment of rates
- Dog registration
- Borrowing books from a Council library

Cloncurry Shire Council

General Purpose Financial Statements for the year ended 30 June 2023


Management Certificate

for the year ended 30 June 2023

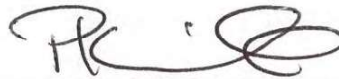
These General Purpose Financial Statements have been prepared pursuant to sections 176 and 177 of the *Local Government Regulation 2012* (the Regulation) and other prescribed requirements.

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

- i. the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulations 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 45, present a true and fair view, in accordance with Australian Accounting Standards, of the Council's transactions for the financial year and financial position at the end of the year.



Cr Greg Campbell
Mayor
21 May 2024



Mr Philip Keirle
Chief Executive Officer
21 May 2024

INDEPENDENT AUDITOR'S REPORT

To the councillors of Cloncurry Shire Council

Report on the audit of the financial report

Opinion

I have audited the financial report of Cloncurry Shire Council.

In my opinion, the financial report:

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

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

Basis for opinion

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

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

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

Other information

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

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

The councillors are responsible for the other information.

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

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

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

Responsibilities of the councillors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

- Conclude on the appropriateness of the council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Report on other legal and regulatory requirements

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

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

Prescribed requirements scope

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



Sri Narasimhan
as delegate of the Auditor-General

24 May 2024

Queensland Audit Office
Brisbane

Cloncurry Shire Council

General Purpose Financial Statements

for the year ended 30 June 2023

Current Year Financial Sustainability Statement

	Actual 2023	Target
Measures of financial sustainability		
1. Operating surplus ratio		
Net result (excluding capital items)		
Total operating revenue (excluding capital items)	4.43%	0% - 10%
An indicator of which the extent to which revenues raised cover operational expenses only or are available for capital funding purposes or other purposes.		
2. Asset sustainability ratio		
Capital expenditure on the replacement of assets (renewals)		
Depreciation expense	161.73%	> 90.00%
An approximation of the extent to which the infrastructure assets managed are being replaced as these reach the end of their useful lives.		
3. Net financial liabilities ratio		
Total liabilities less current assets		
Total operating revenue (excluding capital items)	(28.25)%	< 60.00%
An indicator of the extent to which the net financial liabilities can be serviced by its operating revenue.		

Note 1 - basis of preparation

The current year financial sustainability statement is a special purpose statement prepared in accordance with the requirements of the *Local Government Regulation 2012* and the *Financial Management (Sustainability) Guideline 2013*. The amounts used to calculate the three reported measures are prepared on an accrual basis and are drawn from the Council's audited general purpose financial statements for the year ended 30 June 2023.

Cloncurry Shire Council

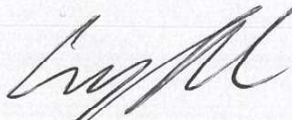
General Purpose Financial Statements

for the year ended 30 June 2023

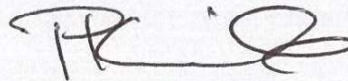
Certificate of Accuracy - Current Year Financial Sustainability Statement

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.



Cr Gregory Campbell
Mayor
21 May 2024



Mr Philip Keirle
Chief Executive Officer
21 May 2024

INDEPENDENT AUDITOR'S REPORT

To the Councillors of Cloncurry Shire Council

Report on the Current-Year Financial Sustainability Statement

Opinion

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

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

Basis of opinion

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

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

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

Emphasis of matter – basis of accounting

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

Other Information

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

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

The councillors are responsible for the other information.

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

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

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

Responsibilities of the councillors for the current year financial sustainability statement

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

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

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

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

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

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

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



Sri Narasimhan
as delegate of the Auditor-General

24 May 2024

Queensland Audit Office
Brisbane

Cloncurry Shire Council

General Purpose Financial Statements

for the year ended 30 June 2023

Unaudited Long Term Financial Sustainability Statement

	Target	Actual 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Measures of financial sustainability												
1. Operating surplus ratio												
Net result (excluding capital items)		4.43%	4.00%	4.00%	4.00%	3.50%	3.20%	4.80%	4.10%	3.70%	3.20%	2.80%
Total operating revenue (excluding capital items)	0% - 10%											
An indicator of which the extent to which revenues raised cover operational expenses only or are available for capital funding purposes or other purposes.												
2. Asset sustainability ratio												
Capital expenditure on the replacement of assets (renewals)		161.73%	197.20%	168.70%	168.90%	154.20%	152.80%	173.10%	174.80%	170.30%	165.50%	161.00%
Depreciation expense	> 90.00%											
An approximation of the extent to which the infrastructure assets managed are being replaced as these reach the end of their useful lives.												
3. Net financial liabilities ratio												
Total liabilities less current assets		(28.25)%	(40.00)%	(47.80)%	(55.81)%	(58.20)%	(66.50)%	(71.10)%	(74.00)%	(77.00)%	(80.20)%	(83.60)%
Total operating revenue (excluding capital items)	< 60.00%											
An indicator of the extent to which the net financial liabilities can be serviced by its operating revenue.												

Cloncurry Shire Council Financial Management Strategy

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

Cloncurry Shire Council

General Purpose Financial Statements

for the year ended 30 June 2023

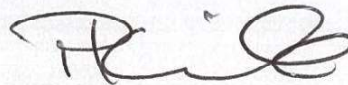
Certificate of Accuracy - Long Term Financial Sustainability Statement

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

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



Cr Gregory Campbell
Mayor
21 May 2024



Mr Philip Keirle
Chief Executive Officer
21 May 2024



Cloncurry
Shire Council



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