



Cloncurry Shire Council

2012/2013

Annual Report



Cloncurry
Community Precinct
2012



Cloncurry Shire
Council Office
2012



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Contents

<i>Welcome</i>	5
<i>History of Cloncurry Shire</i>	6
<i>Shire Profile</i>	7
<i>A message from the Mayor</i>	10
<i>A message from the Chief Executive Officer</i>	12
<i>Corporate and Operational Plans</i>	14
<i>Mayor and Councillors</i>	18
Mayor Andrew Daniels.....	18
Deputy Mayor Bob McDonald.....	18
Councillor Keith Douglas.....	19
Councillor Colin Ferguson.....	19
Councillor Jane McMillan.....	20
<i>Corporate Structure</i>	21
<i>Community Financial Report</i>	22
<i>Community Development</i>	26
<i>Environmental Health, Water & Sewerage Services</i>	29
<i>Statutory Requirements</i>	39
<i>s183 Financial Statements</i>	39
<i>s184 Community Financial Report</i>	39
<i>s185 Particular Resolutions</i>	40
(a) Expenses Reimbursement Policy.....	40
(b) Valuation of non-current physical assets.....	40
<i>s186 Councillors</i>	41
Councillor Remuneration.....	41
Code of Conduct, Complaints and Breaches.....	42
<i>s187 Administrative action complaints</i>	43
<i>s188 Overseas Travel undertaken by Councillors or Employees</i>	43
<i>s189 Grants or Discretionary Funds to Community Organisations</i>	44
Community Donations and Sponsorship.....	44
In Kind Support to Community Organisations.....	45
<i>s190 Other Contents</i>	46
s190 (d)(i) Arrangements and Contracts with other Local Governments.....	47





Cloncurry Shire Council

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	47
s190 (e) Invitations to Tenderer's to change their Tender	48
s190 (f) Registers and Public Documents	49
s190 (g) Summary of all concessions for rates and charges granted by the local government	49
s190 (h) Report on the internal audit for the financial year.....	50
s190 (i) Statement about the local government's activities to implement its plan for equal opportunity in employment.....	50
<i>Annexure A- Demography</i>	<i>52</i>
<i>Annexure B - Audited Financial Statements.....</i>	<i>61</i>
<i>Annexure C - Councillors Reimbursement of Expenses and Provision of Facilities Policy</i>	<i>103</i>
<i>Annexure D- Complaints Management & Procedure</i>	<i>114</i>





Welcome

Welcome to the 2012/2013 Annual Report of the Cloncurry Shire Council. This report highlights Council's achievements over the past 12 months.

The *Local Government Act 2009* came into effect on 1 July 2010 and Council has to meet legislative obligations in relation to producing an Annual Report for each financial year.

This report is primarily for residents, ratepayers, businesses and visitors to the Shire.





History of Cloncurry Shire

'The friendly heart of the Great North West'

The traditional owners Mitakoodi, Kalkadoon, Yulluna and Waluwarra and Pitta Pitta 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. The airport was also on route for early planes coming from overseas and a stopping place for contestants in the great air race of 1919 and 1934.

During the Second World War, Cloncurry was the site of a major United States of America Air Base.

The railway reached Cloncurry in 1907 and remains an important railway town.

A visit to the museums Mary Kathleen Memorial Park or John Flynn Place will open the eyes of any budding historian to the richness of Cloncurry's history.

Cloncurry is a rural town, with rich mining and pastoral industries. The town itself is nestled on the banks of the Cloncurry River and is home to approximately 3800 people. Cloncurry also provides a full range of community facilities, including schooling to year 12, hospital and medical facilities.

The town's water supply is sourced from three supply systems; Chinaman Creek Dam situated approximately 3km from the town centre, river wells located in the Cloncurry River and through the Lake Julius Pipeline. However, many residents supplement household supplies during summer months with private bores.

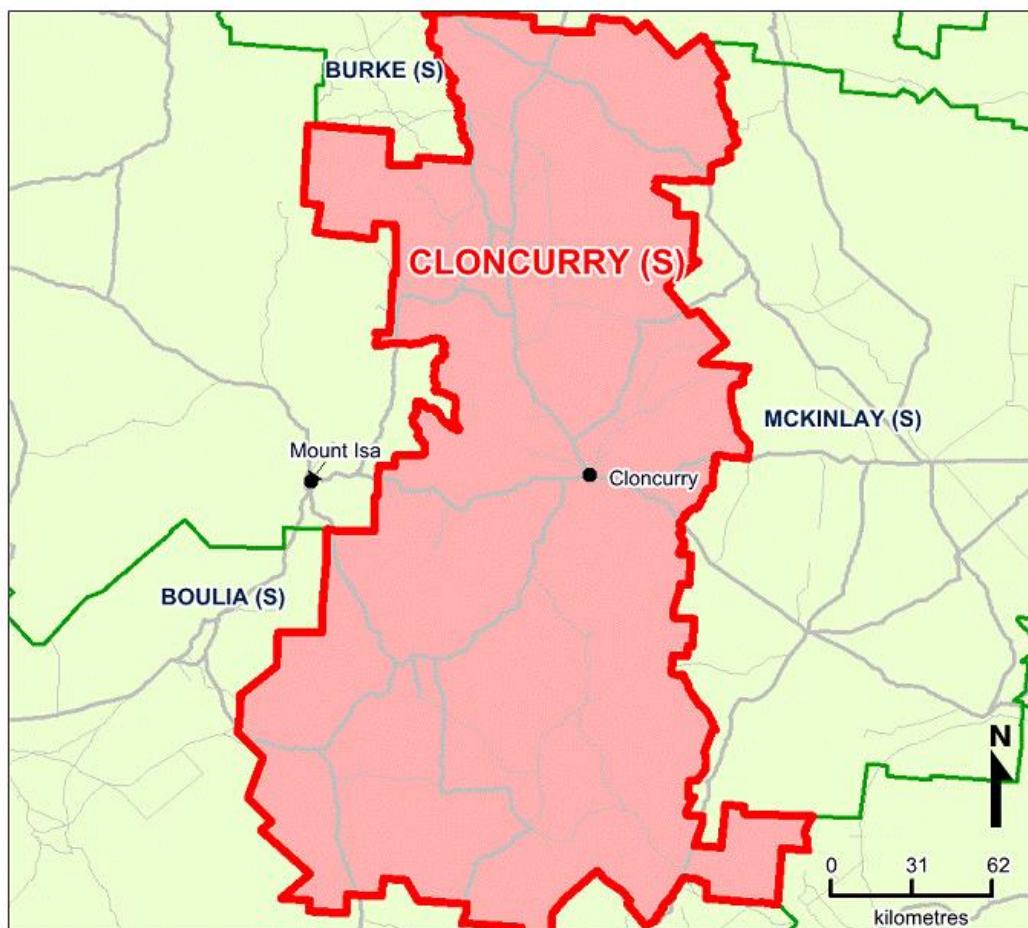
The Cloncurry river catchment area begins in the Selwyn Ranges and flows into the Flinders River where it continues on to empty into the Gulf of Carpentaria. The average annual rainfall is 425mm, with the heaviest falls being experienced between December and March.





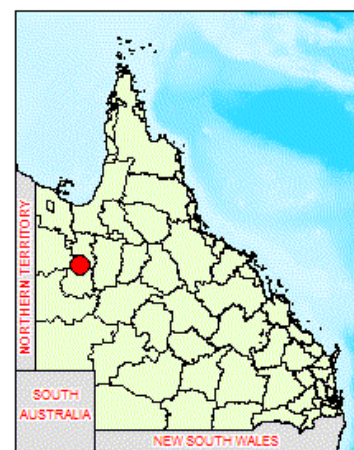
Shire Profile

Map of Cloncurry Shire



Shire Profile

Established:	1884
Area:	48,116.9 km sq
Elevation:	200mt
Annual rainfall:	425mm





Estimated Resident Population

Region overview

The resident profiles provide details on a range of topics for people who live in the region.

Cloncurry Shire Local Government Area (LGA) has a total area of 48,116.9 km². Cloncurry Shire LGA has an average daily temperature range of 18.1 °C to 32.2 °C and on average it receives 425 mm of rainfall each year.

Queensland has a total area of 1,734,240.7 km². Queensland has an average daily temperature range of 16.4 °C to 30.0 °C and on average it receives 425 mm of rainfall each year.

Data are based on Australian Bureau of Statistics (ABS), Australian Statistical Geography Standard (ASGS), July 2011.

Demography

Estimated resident population

The estimated resident population (ERP) figure is the official population estimate, and represents the best possible estimate of the resident population. For sub-state geographies, ERP figures are updated annually using a model which includes administrative data that indicate population change, such as registered births and deaths, dwelling approvals, Medicare enrolments and electoral enrolments. Data are updated annually with an approximate delay of 9 months after the reporting period. It is anticipated the next update will be in April 2014.

Cloncurry Shire LGA

- ERP of 3,425 persons as at 30 June 2012
- Annual average growth rate of 1.1% over five years
- Annual average growth rate of -0.7% over ten years

Queensland

- ERP of 4,565,529 persons as at 30 June 2012
- Annual average growth rate of 2.1% over five years
- Annual average growth rate of 2.3% over ten years

As at 30 June 2012, the estimated resident population for Cloncurry Shire LGA was

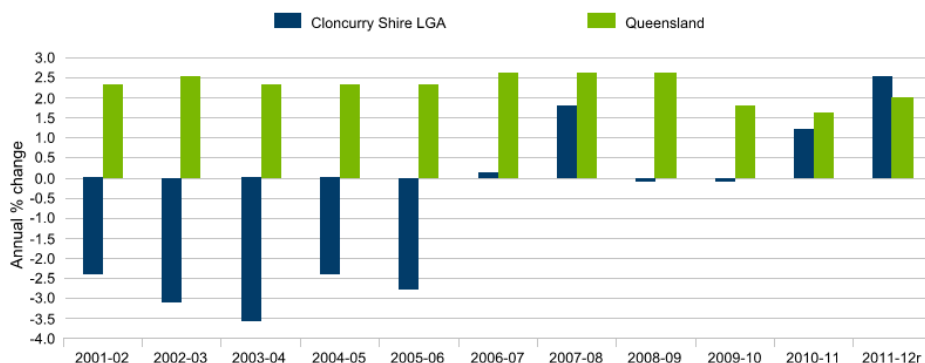
3,425 persons

Table 1 Estimated resident population, Cloncurry Shire LGA and Queensland

LGA / State	As at 30 June			Average annual growth rate	
	2002	2007	2012r	2002–2012r	2007–2012r
	— number —			— % —	
Cloncurry (S)	3,664	3,250	3,425	-0.7	1.1
Queensland	3,653,123	4,111,018	4,565,529	2.3	2.1

Source: ABS 3218.0, Regional Population Growth, Australia, 2012

Figure 2 Estimated resident population growth, Cloncurry Shire LGA and Queensland



Source: ABS 3218.0, Regional Population Growth, Australia, 2012

Further Demography information in Annexure A





Industry and development

Building approvals

Information on building approvals are compiled by the ABS, and are collected from sources such as local government authorities and other principal certifying authorities. The estimates for any month may be revised or corrected in later months. This can occur as a result of corrections made by a provider of data, the late provision of approval records and, occasionally, by approvals being identified after construction work has commenced. Data are updated quarterly with an approximate delay of 3 months after the reporting period. It is anticipated the next update will be in November 2013.

Cloncurry Shire LGA

- 17 approved new houses in the 12 months ending 30 June 2013
- \$6.5 million of building value in residential building approvals in the 12 months ending 30 June 2013

Queensland

- 17,689 approved new houses in the 12 months ending 30 June 2013
- \$8,319.3 million of building value in residential building approvals in the 12 months ending 30 June 2013

The number of new houses approved in Cloncurry Shire LGA in the 12 months ending 30 June 2013 was

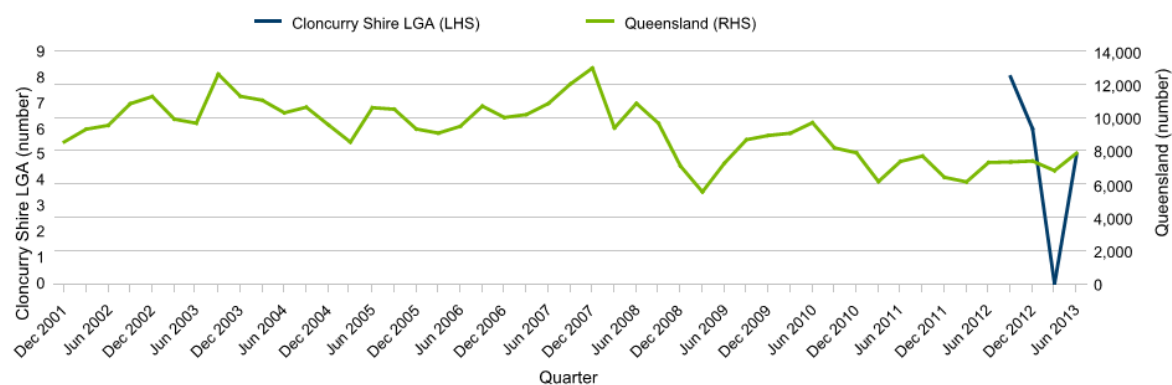
17 approvals

Table 31 Residential and non-residential building approvals, Cloncurry Shire LGA and Queensland, 12 months ending 30 June 2013

LGA / State	Residential Building Approvals				Building Value				
	New Houses	New Other	Alterations, additions and conversions	Total	Residential	Non-residential	Total		
	— number —				\$'000	%	\$'000	%	\$'000
Cloncurry (S)	17	2	0	19	6,509	44.4	8,154	55.6	14,664
Queensland	17,689	11,607	104	29,400	8,319,313	50.4	8,177,125	49.6	16,496,438

Source: ABS 8731.0, *Building Approvals, Australia, various editions*

Figure 10 Number of residential building approvals, Cloncurry Shire LGA^(a) and Queensland



(a) It is anticipated that building approvals data prior to July 2012 for local government areas will be released by the end of 2013.

Source: ABS 8731.0, *Building Approvals, Australia, various editions*





A message from the Mayor

I am pleased to present the 2012-13 Annual Report of the Cloncurry Shire Council.

It is Council's aim to make this report informative and reader-friendly. This report must not only comply with the Local Government Act 2009 and the Local Government Regulation 2012, but also provide information to the community on our achievements over the last 12 months.



There has been a clear vision for Council over the previous four years to make Cloncurry a place where people want to visit, a place to live, and where families are welcome. Our goal is to make Cloncurry a vibrant and sustainable town.

To realise this vision, it is imperative that the town's water and sewerage system is up-to-date and can facilitate growing domestic and industrial demands. The \$3 million upgrade of the Water Treatment Plant is a sound investment in our future water supply.

Council continues to provide commitment to bring economic and social prosperity to the community. Council has considered and planned vision to develop lifestyle and livability opportunities in the Shire.

As I reflect on 2012-2013 financial year, I am proud of the great achievements in our community during the year.

The new Cloncurry Community Precinct opened on August 28, 2012. It is a much needed community facility and one that I know has already brought social and economic benefits to the Shire, and will continue to do so. It has been many years since the operations and facilities of Council were all under one roof. Whilst we were without a Shire Hall during construction, the new Cloncurry Community Precinct not only saw the refurbishment of our Shire Hall but the start of a new era with modern, first class Ernest Henry Mining Function Rooms, Dr David Harvey-Sutton Gallery, Bob McDonald Library, Council Administration Office and Community Open Space.

With additional funding we were able to go ahead with the construction of the new Administration Office and moved in on October 5, 2012.

The Cloncurry Equestrian Centre has come a long way with the completion of stage 1 of the Centre, the camping facilities and amenities. The stage 2 design was finalised, the rodeo and Campdraft yard with arena. Construction will commence in the 2013-2014 financial year. When completed, the Cloncurry Equestrian Centre will be a world-class, competitive facility and will attract more events to our community, bringing new business and tourism.

The redevelopment of Mary Kathleen Park has provided an environment for the display of the





Cloncurry Shire Council

gem and mineral collection. This will become a great asset to Cloncurry attracting visitors from far and wide.

The Heavy Vehicle Bypass plays a big role in our expansion and planning for the future. The \$13 million project is currently at detailed design stage and construction is anticipated to commence in the 2013-2014 financial year.

Council continues to work hard in lobbying and providing funds to maintain and upgrade the road network to service the major transport networks, and local mining industries.

The Cloncurry Industrial Estate is the start of further economic business in the Shire. This \$3.7 million project has been completed and blocks are now available for purchase.

In addition to this, 'Curry Kids' had improvements to the yard outdoor play area and John Flynn Place received toilet upgrades and energy efficiency measures.

In Dajarra, the skate park is now completed with a shade cover to be erected in the 2013-2014 financial year.

I would like to thank Mr David Neeves, Council's CEO who commenced duties on 27 August 2012, and his team of managers, administration staff and the outside workforce for their continued dedication and commitment to Council.

Lastly I would like to thank my fellow Councillors for their professionalism, vision and continued support.

Andrew Daniels
Mayor





A message from the Chief Executive Officer

It was a fiery start to my first day of appointment, arriving in Cloncurry on 27 August, 2012 to the Local Disaster Management Group being stood up and the local hospital being evacuated due to a large fire on the eastern surrounds of town.

The 2012/2013 financial year has seen great development and social infrastructure implementation in the Shire.

Cloncurry enjoyed the official opening celebrations of the Cloncurry Community Precinct held the week beginning 28 August 2013. Later in the year Council held the Mayor's Dazzle Ball which was attended by over 300 people.



Staff were able to move in to the newly constructed Council Administration Office on October 5, 2012. The new office provides facilities and accommodation to help our dedicated team of employees achieve our corporate objectives and will continue to help Council attract and retain a dedicated professional team of employees.

12/13 Achievements of note include:

- Awarding of a new three year contract for the management of the Saleyards;
- Council tendered and finalised the construction of a Council residence at 11 Steele Street.
- Completion of a 17 lot industrial Subdivision. Lots are still available for purchase through the Council Administration Office.
- A new Visitor Information Centre at Mary Kathleen Park.

In May I undertook a review of the Council's organisation structure which resulted in a review of our functions and capabilities to effectively deliver services to meet the community needs. New positions were created as Director Corporate Services, Roads Construction Supervisor, the development of a dedicated Landscaping Team, Corporate Development Officer, Business Enterprises Assistant, Building Maintenance Officer, Community Wellbeing Officer, Property Management Officer and Arts & Cultural Officer (casual) to name a few.

The changes in the organisational structure resulted in a number of vacant and occupied positions being made redundant. Overall the changes resulted in no increase in the number of staff employed by Council.





Cloncurry Shire Council

Council continued to maintain the rural roads network system throughout the year totalling \$810,000. Council completed Transport and Main Roads Road Maintenance Performance Contract to the value of \$638,000 on the State Controlled Roads, ie Cloncurry-Dajarra Road and Flinders Highway. Council also completed reconstructions works under the Reconstruction Authority 2010 Flood Damage event program totalling \$1,027,858.93 for town streets and \$3,913,346.94 for rural roads.

Council continues to progress a number of projects which will see further development in the next twelve months. These include:

- Airport Terminal Upgrades
- Cloncurry Equestrian Centre
- Heavy Vehicle Bypass
- Upgrade to the Water Treatment Plant
- Cloncurry River Weir Project
- Ramsay Street Beautification Project and off street Car park
- Residential Subdivision

Council continues to implement sound financial policies while delivering a favourable financial result.

I would like to thank the Mayor and Councillors for their vision, leadership and support and also thank all staff for their commitment and assistance.

David Neeves
Chief Executive Officer





Corporate and Operational Plans

Cloncurry Shire Council is committed to the implementation of best practice in all Local Government areas by way of ensuring the community receives the most efficient and effective delivery of services.

The Council's Corporate and Operational plans are based on utilising and developing the existing resources and assets of the Shire to facilitate improved services, economic growth and stability.

Within the limitations and restrictions imposed by the level of human, physical and financial resources at Council's disposal, these plans reflect a genuine attempt to respond to the expressed needs and expectations of our Shire residents.

2014 - 2019 Corporate Plan

Vision Statement

Our communities are famous throughout Australia for being the friendliest in North West Queensland. Our towns are well serviced, our natural resources are used wisely, our local economy is diverse and strong, and the local government administration works collaboratively with us to achieve our aspirations.

Mission Statement

Economic Strategies

1.0 Co-ordinated Infrastructure & Services - Infrastructure is strategically planned and well maintained to support growth and development of our communities.

1.1 Road, rail and air connections meets community expectations

- Airports are developed, operated and maintained according the Airport Management Plans
- Rail network and operations meets the needs of business and the community
- Road transport network and infrastructure development are in accordance with the Planning Scheme

1.2 Ensure that all members of the community have ready and affordable access to new technology, such as high speed internet and telecommunications technology

- Enhanced mobile phone coverage across the shire
- High speed internet infrastructure is provided to the community

1.3 Provide infrastructure and utility services in a timely and efficient manner, ensuring that it can cater to the current and future needs of the community

- Implement Council's Asset Management Plan - Roads
- Implementation of Asset Management Plans - Utilities
- Lobby governments to investment royalties back into the North West
- Lobby the state and federal government for improved sustainable power linkages between the coast and Mt Isa

1.4 Ensure towns, settlements and places of interest are accessible and legible for both residents and tourists

- Increase exposure and management of John Flynn Place Museum, Dr Harvey Sutton Art Gallery and Cloncurry Unearthed -visitor Information Centre & Museum
- Beautification of Councils street scapes with water efficient low maintenance gardens





Cloncurry Shire Council

2.0 Diverse & Robust Economy - Our local economy is built upon the strengths and innovations created within the transport, agricultural and mining sectors.

2.1 Develop and maintain a prosperous local economy that is resilient to change, identifying and supporting new and existing businesses and actively promoting the establishment of innovative industries and technology to the shire.

- Review and implement planning scheme requirements for industrial land and provide flexible land use zonings to consolidate the local business district.

2.2 Promote Cloncurry as a tourist destination

- Increase exposure and management of John Flynn Place Museum, Dr Harvey Sutton Art Gallery and Cloncurry Unearthed -visitor Information Centre & Museum

2.3 Support rural industries and research and promote value-adding opportunities

- Saleyards facilities are sustainable, maintained and upgraded to meet user expectations
- Source alternative saleyard location out of town with good connectivity to Road and rail infrastructure

2.4 Enhance the retail shopping environment

- Provide flexible land use zonings to consolidate the local business district.
- Beautification of Ramsay Street to improve the visual aesthetics and making the area more functional with additional parking

2.5 Maintain and enhance links between local business and industry and mining companies, with networks and arrangements in place for trade in goods and services

- Support the development for a Load Out Facility which looks at future needs of industry
- Actively promote the relocation of existing heavy industry out of residential zoned areas.
- Develop, promote and distribute up to date a list of local business contacts to mining and associated industries

Social

3.0 Innovated Communities - Affordable and equitable access to community support systems providing a range of health, education, family and social services

3.1 Enhanced provision of community services, community facilities and community infrastructure.

- Continue to provide high quality Childcare for families in the community
- Development of the Cloncurry Equestrian Centre
- Enhance Library Services
- Lobby agencies to upgrade and improve hospital infrastructure and provide enhanced access to medical services
- Maintain Sport & Recreation Programs & Groups in Cloncurry & Dajarra
- Maintaining Council facilities for the betterment of Cloncurry Shire groups and events
- Redevelopment of Cloncurry Recreation Grounds

3.2 Ensure that quality employment and training opportunities are available to all students, and enable up-skilling and training of Cloncurry residents

- Develop youth focused strategies
- Improve education availability

3.3 Create a 'cultural identity' for Cloncurry, including a Cultural Plan that is tailored to suit the needs of the Cloncurry community and enhance visitor experiences

- Development and Sustainability of Cloncurry as a creative Arts community.
- Maintain the Sustainability of Events in Cloncurry Shire
- Regional Arts Development Fund (RADF)
- Supporting large Community Events





4.0 Sustainable Population Growth - New residents are attracted to our communities because they are affordable, safe, attractive, family friendly and accessible.

4.1 A variety of affordable accommodation options are available for the entire community

- Complete the Priority Infrastructure Plan in accordance with Council's Planning scheme.
- Implement, maintain and continue to develop the Cloncurry online lodgement system ensuring it meets client's needs
- Implementing procedures for assessing applications under the Cloncurry Shire Council Town Planning Scheme
- Manage the SPA requirements and the Integrated Development assessment System (IDAS) process for the Cloncurry Shire
- Council are in accordance with the planning Scheme and legislation.
- Review and amend existing planning schemes and policies
- Develop a housing strategy to facilitate growth whilst making provisions for affordable housing
- Review and implement Employee Housing Stock Programs

4.2 Provide well-maintained community housing

- Maintain availability of Community Housing for clients and assets for Council
- Council actively participates in providing housing accommodation for seniors

4.3 Seek to establish permanent residential workforces in preference to long-distance commuting wherever possible

- Rating Strategies to make Cloncurry affordable for residential properties

Environment

5.0 Integrated Natural Resources & Environmental Management - Our natural resources are used wisely to ensure the ongoing protection of the cultural heritage, environmental values and landscape amenity.

5.1 Promote enhanced outcomes for the environment to ensure impacts of development and land use on people and the environment are minimised

- Review and implement Animal Control Program
- Review and implement Environmental Health Program
- Review and implement Pest & Weed Management Plan
- Review and implement Waste & Recycling Management Plans

5.2 Protect and enhance landscape amenity

- Effective management and protection of our natural and built environment

5.3 Work collaboratively with traditional owners to protect aboriginal cultural heritage

- Review and implement a local government wide cultural heritage management plan





Governance

6.0 Collaborative Governance & Strong Leadership - Our local government is proactive and identifies opportunities to work collaboratively with local residents to create liveable communities and build a sustainable future.

6.1 Council strategic plans assist the community in achieving their goals

- Review and Implement Corporate and Operational Plans
- Review and Implement Disaster Management Plan

6.2 Develop and maintain collaborative partnerships between Council, state and federal government, the community and industry

- Elected Members and Officers professional development

6.3 Ensure decision-making is inclusive and transparent, that decisions are communicated to the broader community and based on sound community engagement policies and strategies

- Establish and implement an Internal Audit function to focus on risk priority areas
- Implementation of Asset Management Program for all assets





Mayor and Councillors

The Cloncurry Shire Council has four Councillors and a popularly elected Mayor. Council's current elected representatives were elected in May 2012 and will serve a four year term.

Mayor Andrew Daniels



Cr Daniels was born and bred in Cloncurry, and was first elected as Mayor in 2008.

Andrew is a grazier and a businessman. Prior to being elected as Mayor he lived and worked on his local properties and at the family Stock and Station Agent business. He and his wife have three children and they hope that their children grow up to love the place as much as they do. Andrew is passionate about Cloncurry and opportunities that the Shire offers.

As Mayor, Andrew has worked to develop major infrastructure projects in the Shire which include the securing of the town's water supply, the Cloncurry Community Precinct and major industrial, sport and recreation facilities.

Andrew is committed to ensuring that Cloncurry is a place of prosperity and where families and people can be a part of a nurturing and developing community.

Deputy Mayor Bob McDonald



Cr McDonald is a rural based Councillor and lives at Brightlands Station in the southern part of the Shire. He has been a member of Council since 1976.

As a grazier in the Shire, he has a particular interest in the road network, both Shire and State, and the National Highway. He sees transport generally, but especially rail as important for the future of the Shire. He also views partnerships with the major mining companies as a valuable way forward for the development of the Shire.

Bob has a long standing involvement with Government processes for valuation and rating in rural areas and has long recognised the importance of rural electrification and communication in the bush.





Cloncurry Shire Council

Councillor Keith Douglas



Cr Douglas was born and raised in Cloncurry. He is married with four grown children who also grew up in the area and always participated in local activities.

Keith has previously served four terms on Cloncurry Shire Council between 1994 and 2008. During those years, he gained extensive knowledge of Local Government Acts and procedures.

While he has owned and operated an auctioneering business and cattle grazing property for many years, his workload is flexible and he is always available to serve in his position as Councillor.

Keith's talent on Council has always been that he is approachable and always ready to listen. He believes strongly in planning for the future, and setting up infrastructure which will benefit people living in the Cloncurry Shire, both now and for many years ahead.

In the past, Keith has fought to get the Council in a good financial position and wants the same for the future. He loves the district and aims to represent the local people to make it an ever better place to live and work.

Councillor Colin Ferguson



Cr Ferguson grew up in Miriam Vale and moved to Cloncurry in 1990.

After having a few jobs around the district which included two years working for the Shire Council as the Stock Route Supervisor, in 1995 Colin and his wife purchased the local saddler shop and has been in business since.

During this time they have brought three children up in Cloncurry, supporting numerous sporting organisations in the process.

They have been involved in the Curry Merry Muster Festival since they have been in Cloncurry. Colin has also been involved with the Stockman's Challenge.





Councillor Jane McMillan



Cr McMillan was born and raised in Warwick and moved to Cloncurry in 1992 to continue a career in nursing.

Jane is married with two children and lives on a cattle station on the outskirts of Cloncurry. Her interests are very much family and community orientated, being involved in education, sporting activities, health and business life in Cloncurry.

Jane works part-time as a registered nurse at the Cloncurry Hospital, is secretary of the Quamby All Sports Association and assists her husband with the running of Corella Park Station.



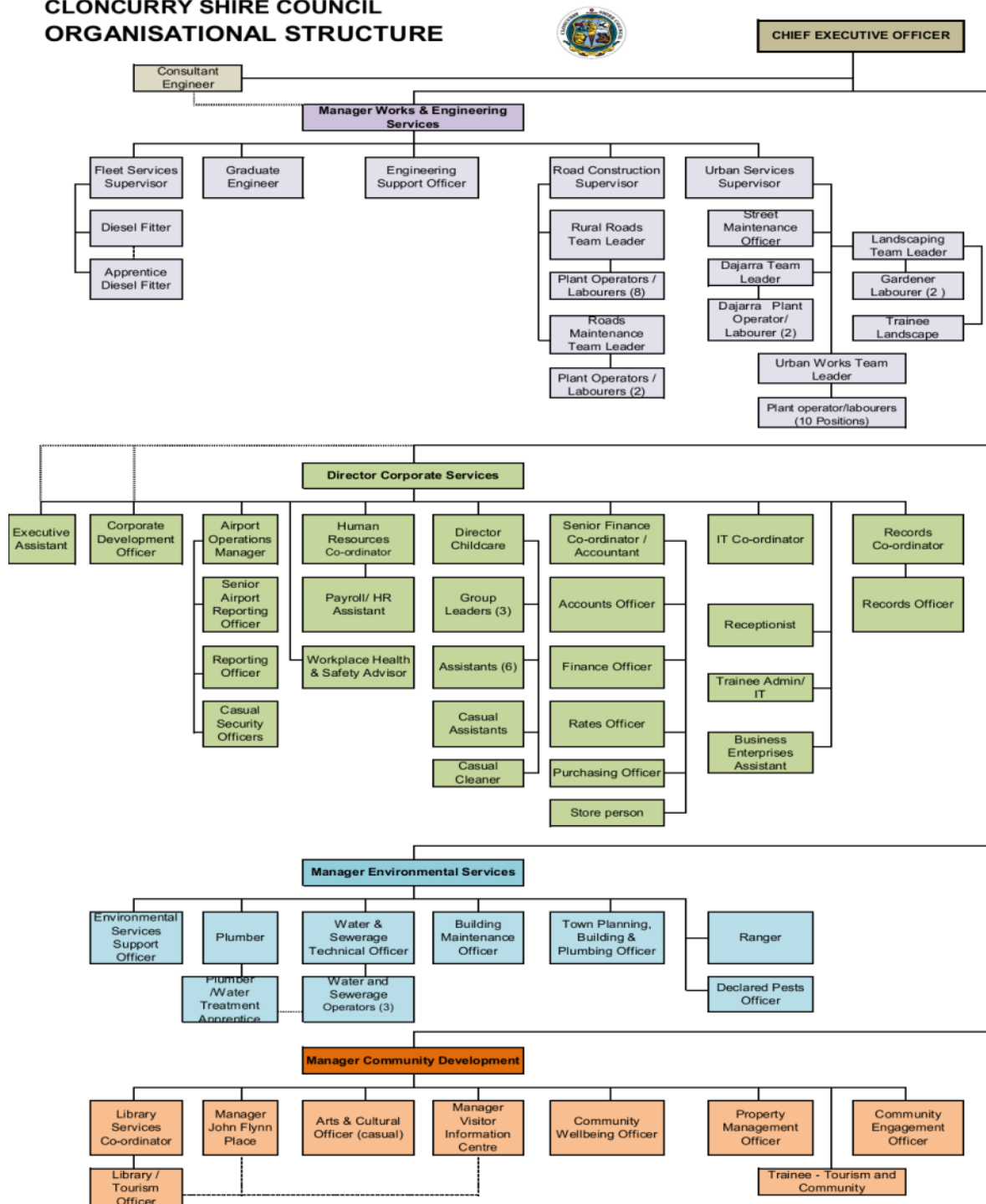
(L to R) Mayor Andrew Daniels, Councillor Jane McMillan,
Councillor Colin Ferguson, Councillor Keith Douglas, Deputy Mayor Bob McDonald





Corporate Structure

CLONCURRY SHIRE COUNCIL ORGANISATIONAL STRUCTURE



David Neeves
Chief Executive Officer

Adopted 8/5/13
Council Resolution No 7.130508





Community Financial Report

Section 184 of the Local Government Regulation 2012 requires Council to prepare a Community Financial Report which summarises the Council's financial performance and position for the reporting period 1 July 2012 to 30 June 2013.

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 the community.

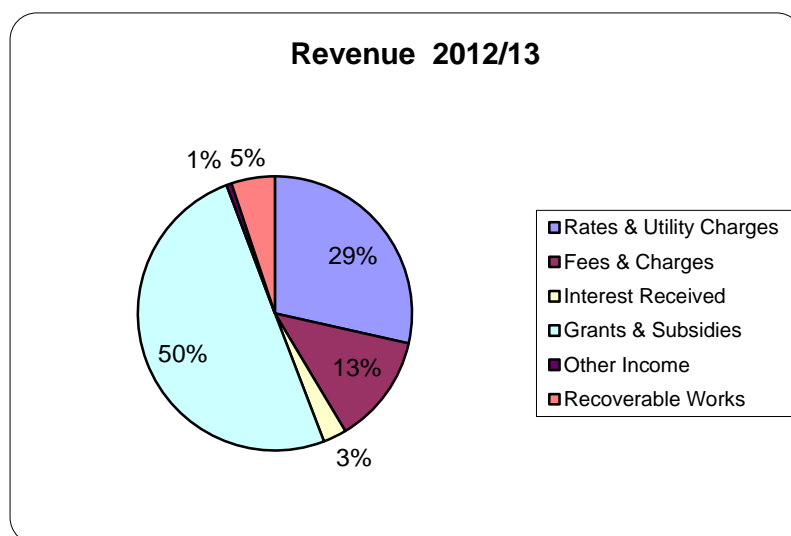
To obtain a full appreciation of the Council's overall financial performance and financial position, the Community Financial Report should be read in conjunction with the Audited Annual Financial Statements for the period 1 July 2012 to 30 June 2013.

Income Statement (Income and Expenses)

The Income Statement can be compared to the profit or loss of a private business. The Statement shows how much revenue (income) has been received during the year and how much it costs (expenses) to provide high quality services and facilities to our community.

Where does Council get it's funds?

Total Income	\$36,635,149	
Rates & Utility Charges	\$10,445,971	29%
Fees & Charges	\$4,726,410	13%
Interest Received	\$1,011,915	3%
Grants & Subsidies	\$18,344,942	50%
Other Income	\$225,103	1%
Recoverable Works	\$1,881,808	5%

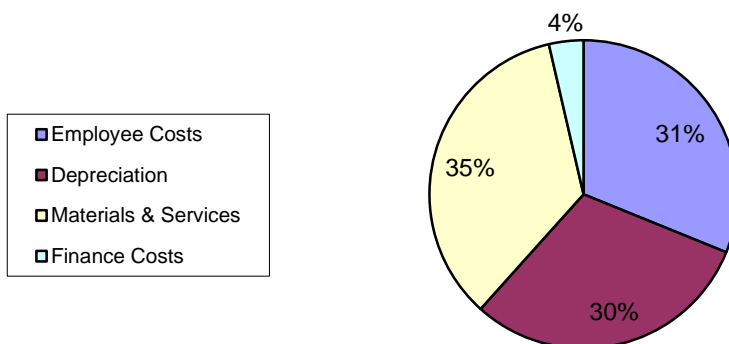




Where does Council spend its funds?

Total Expenses	\$21,366,807	
Employee Costs	\$ 6,653,919	31%
Depreciation	\$ 6,517,988	30%
Materials & Services	\$ 7,423,305	35%
Finance Costs	\$ 772,596	4%

Expenses 2012/2013

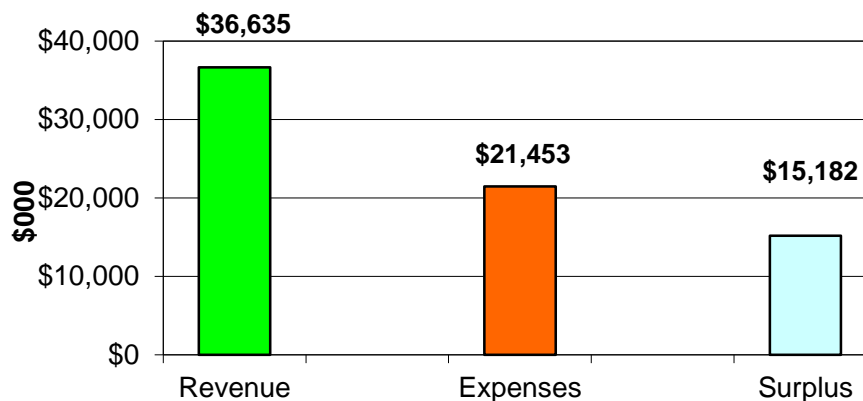


The Surplus

The difference between the revenue and the expenses represents the surplus.

For 2012-2013 the surplus was \$15,182,531. This is represented in the Financial Performance Summary below.

Financial Performance Summary 2012/13

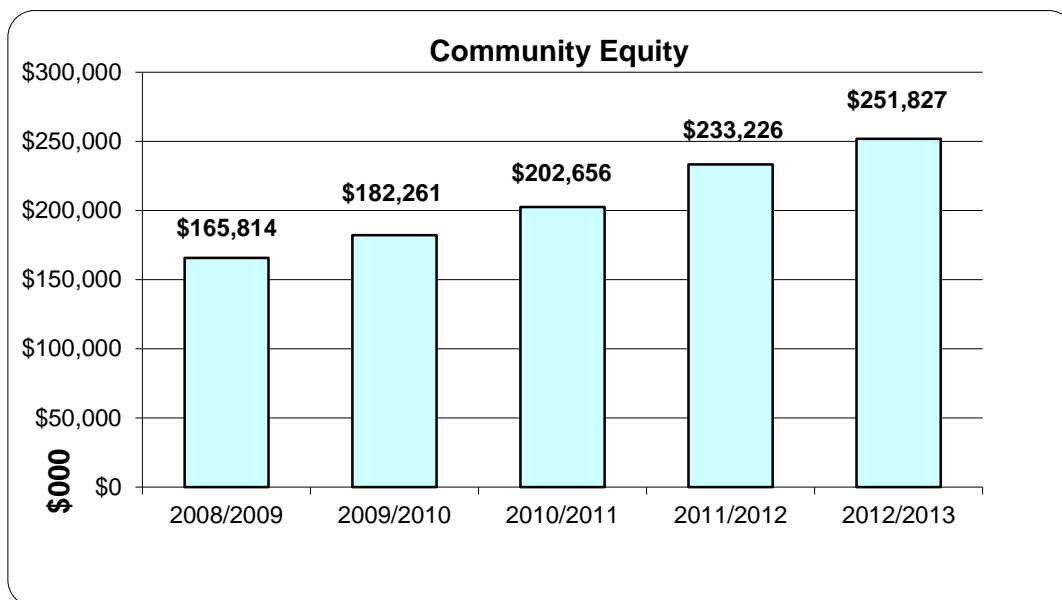


Friendly Heart of the Great North West



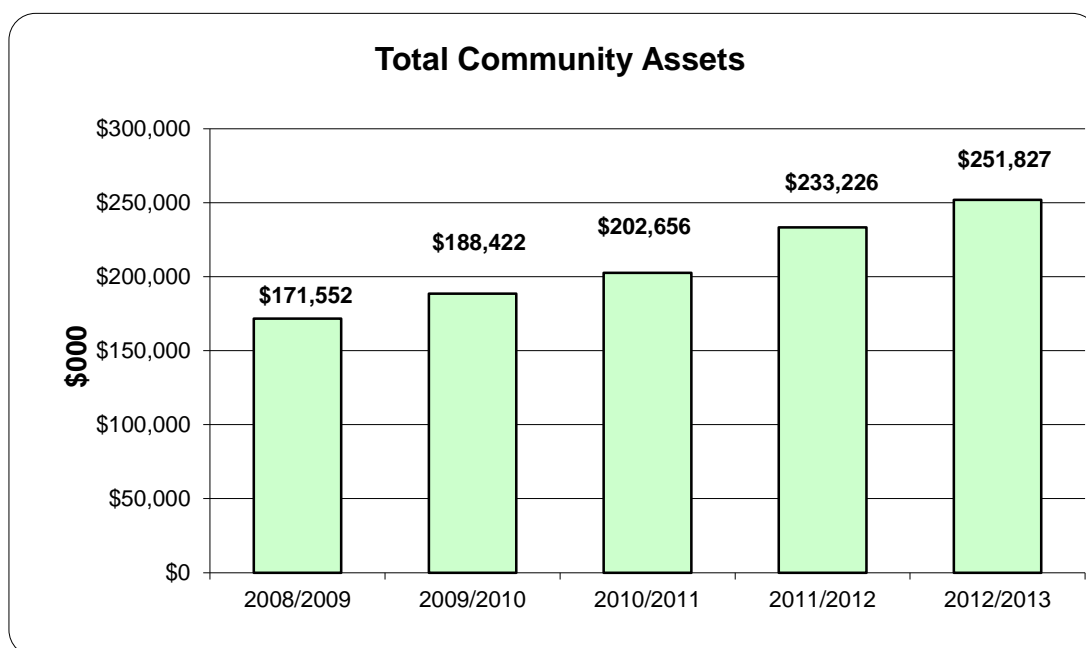
The Balance Sheet

This is a snapshot of Council's financial position at 30 June 2013. It shows a summary of our assets and liabilities at the end of the financial year. The difference between 'what we own' (assets) and 'what we owe' (liabilities) is called Community Equity (Net Assets) and is a measure of the wealth of the community.



What we own

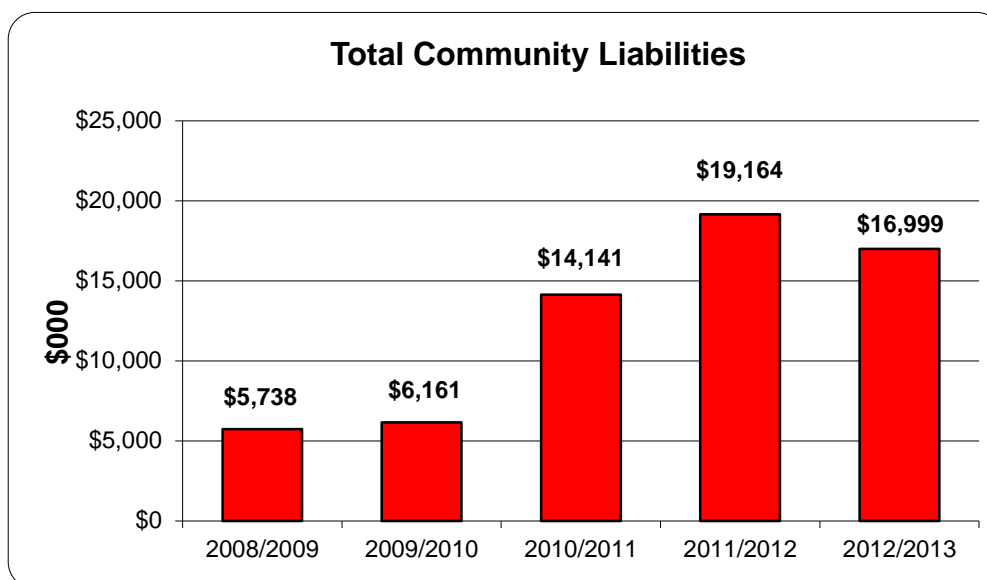
Community Assets are mainly physical assets and include cash, trade and other receivables, water, sewerage and road infrastructure.





What we owe

Community Liabilities are mainly loans borrowed, monies owed to suppliers and provisions to meet employee entitlements such as long service leave and annual leave.



Measures of Council's Financial Sustainability

The audited financial statements which support this Community Financial Report (refer Annexure B), indicate that the Council has finished the 2012-2013 financial year in a strong financial position. Council concluded the year with a net positive cash flow and Council has sufficient funding to cover its present and future obligations into the foreseeable future.

Cloncurry Shire Council will continue a commitment to sound financial management through long term financial planning to ensure the success and stability of the region.

Financial Sustainability Ratios

Indicator	Council's Calculated Ratio		State Government Target*
	2011/12	2012/2013	
Asset sustainability ratio	278%	101%	Greater than 90%
Operating surplus ratio	8.3%	9%	Between 0% and 10%
Net financial liabilities ratio	-33%	-81%**	Not greater than 60%

*Target data has been sourced from the Financial Management (Sustainability) Guideline 2031 prepared by the Department of Local Government, Community Recovery and Resilience.

**The Financial Management (Sustainability) Guideline 2013 states that a ratio less than zero (negative) indicates that current assets exceed total liabilities and therefore the local government appears to have significant financial capacity and the ability to increase its loan borrowings if necessary.





Community Development

During the 2012/2013 financial year Council maintained its commitment to provide and develop social infrastructure, for use by both residents and visitors.

On August 28, 2012 Mayor Andrew Daniels, along with special guests Minister for Transport Anthony Albanese, Member for Kennedy Bob Katter, Member for Mount Isa Rob Katter and General Manager, Ernest Henry Mining Myles Johnson officially opened the Cloncurry Community Precinct. The \$11 million project incorporates the Bob McDonald Library, Dr David Harvey-Sutton Gallery, Ernest Henry Mining function rooms, community open space and catering facilities.



The facility has since been used for local events, regional conferences and community meetings to name a few. The project also included the refurbishment of the original Shire Hall, which was built in 1939. The Precinct hosted the inaugural ball during the financial year – a 300 person celebration of Cloncurry, it's history and the community.





Cloncurry Shire Council

Council continues to support signature local events which foster community development, including Quamby Rodeo, Curry Merry Muster Festival, Cloncurry and District Show and Stockman's Challenge and Campdraft. Other significant celebrations Council endorsed during the year include Anzac Day, Curry Day and Seniors Week celebrations.

Construction was completed on Cloncurry Unearthed Visitor Information Centre and Museum in October 2012, with the fit out continuing until March 2013. Following construction Cloncurry Unearthed officially received Visitor Information Centre accreditation in June 2013, making it the first accredited centre in Cloncurry.

Located in Mary Kathleen Park, Cloncurry Unearthed replaces the old museum and integrates visitor information services, free theatrette and a wide veranda for locals and visitors to sit and enjoy the park.

The fit out provided an opportunity for Council to partner with the Cloncurry Historical Society and Queensland Museums. Representatives from these groups were invited to assist with the final layout of the museum. This provided an opportunity for training of staff and volunteers who will oversee the growth of the collection in years to come.





Cloncurry Shire Council



With the support of an accredited Visitor Information Centre, Council continues to sustain area promotion efforts and tourism. During the financial year, Council accepted the executive positions of Chair and Secretary of the North West Outback Queensland Tourism Authority. This collective of local governments, situated between Townsville and Tennant Creek, aims to increase visitors to towns along the Overlanders Way.

Council will maintain its focus on social infrastructure in the new financial year with the development and construction of the Cloncurry Equestrian Centre. Council will also seek to foster community engagement by providing a platform for collective business promotion, sustaining area promotion efforts and nurturing community wellbeing through events and activities.



Cloncurry Australia Day Ambassador Ms Lisa Curry having a game of Lawn bowls with Mayor Daniels



Australia Day Citizenship Awards

Karen Elphick
Manager Community Development



Community BBQ





Environmental Health, Water & Sewerage Services

Environmental Health Services involves the management of water, sewerage and waste, animal and pest control and cemetery infrastructure for Cloncurry Shire including Dajarra, Kajabbi, Duchess, Selwyn and Malbon. Major projects throughout this period include the commencement of the Water Treatment Plant upgrade, main well switch board upgrade, industrial subdivision water and waste water, 300 trunk main to the Industrial Estate completion, upgrading of non-potable water at Dajarra and Kajabbi and upgrading of water and sewerage mains in Cloncurry.



Figure 1 Refurbishment of Harvest Pump at Chinaman Creek Dam

Cloncurry Water

2012/2013 has been an eventful year in the water area. The Lake Julius pipeline is in use delivering water as per the water deed issued by the Department of Environment and Resource Management (now known as Department of Natural Resources and Mines). This raw water source is an important part of Cloncurry's water scheme's which consist of riverwells, Chinaman Creek Dam and the pipeline. Council has implemented the construction





of the Water Treatment Plant upgrade. This will give Council the capacity to carry out a planned maintained program to ensure that the water quality is kept at an acceptable standard.

Water Treatment Upgrade

- Third Cell is now complete
- Cost to date \$1.8 million
- Expected completion cost \$4 million
- Operations, building drawings and diagrams have been finalised
- Process design is complete and construction is underway.



Figure 2 Works at the new Water Treatment Plant



Friendly Heart of the Great North West



Figure 3 Operations Building for new Water Treatment Plant Upgrade

Council has implemented a training program for the water treatment staff to ensure that the staff have the skills and knowledge required to operate the Cloncurry facility. All staff have now completed Certificate III in Water Operations.





Cloncurry Shire Council

Council's mains replacement program is currently underway which has seen the main connection from the water treatment plant to the reticulation upgraded from 150mm to 300mm main, to provide better water supply.

New Mains

- Ramsay Street to Daintree Street – 300mm main
- Douglas Street , Daintree Street, Ham Street - 100mm main
- Cost \$900,000



Figure 5 Daintree Street Main upgrade



Figure 4 Ramsay Street Main

Metering

- Ramsay Street completed
- Gardens in Scarr Street are now all metered

Council has developed and implemented the Drinking Water Quality Management Plan. Councils System Asset Management Plan updated to include the Lake Julius water and





infrastructure. The System Asset Management Plan will link in with Council's overall Asset Management Plan. The System Asset Management Plan has clear ten year goals to achieve.

Cloncurry Sewerage

2012/2013 has seen some problems develop in the integrity of the mains network. This was a major project due to flood damage and the high increase of demand on the aged system. Council engaged Interflow to camera and clean sixteen kilometres of drains to assess the worst affected areas so that they may be relined according to the requirements of urgency. Road crossings and built over sewers are of very high priority to be addressed under this project.



Figure 6 Sheaffe Street Sewer

Sewer Main Replacement

- Sewer line at the intersection of Ramsay and Sheaffe Street has been replaced
- Two kilometres of sewer lines has been relined
- Ten jump ups have been renewed
- Eight man hole covers have been replaced.



Figure 7 Douglas Street Pump Station Refurbishment





Dajarra Water

Water is a major issue in Dajarra as the bore water has a high mineral content and the water is hard on pumps and infrastructure. Several bore pumps and high lift pumps have been changed. Council has at least two spare pumps on hand.

The new pipeline from the school bore to the low level reservoir was completed. This has assisted in stabilising the water supply for Dajarra. Council is working with Incitec Pivot to build a dam at Dajarra to increase water supply.

Dajarra Sewerage

The Dajarra sewerage system has been operating well with regular maintenance. Council has repaired two man holes under a project.

Kajabbi Water

A new bore has made a difference to the water quality in Kajabbi. Unfortunately this has been a dry year and the new bore has now run dry. Once the wet season comes, this facility will be the main water supply for this community.

Environmental Health

Inspections have been carried out on all licensed businesses. On the whole, businesses are compliant. There are a few changes in legislation which have impacted operations, of mention are the changes to the Local Government Act and the introduction of the Animal Management (Cats and Dogs) Act. Local Laws are being updated and this will impact on the future operations of this department. A lot of work has been done to improve the control of wandering dogs and general control of nuisance related issues.

Improvements have been made to chemical storage, control tools and infrastructure. Implementation of a weed control programs and the employment of a Pest Officer to carry out the works identified in Council's Pest Management Plan. Council has made significant changes which are improving compliance across the Environmental department.

Council is improving the Cemetery records; new information is helping to assist the location of graves in the old cemetery. Regular maintenance programs have been put in place to improve the overall presentation of the cemeteries. Council has implemented raised footstones to reduce the damage being caused to plaques by harsh conditions.

Ranger

- There were 591 dogs and 46 cats registered in the Shire.
- First round of 1080 wild dog baiting was carried out in June 2012.





Cloncurry Shire Council

- Parkinsonia Dieback trials were started in Shire at Duchess and Stradbroke on a large scale. Small scale Parkinsonia Trial of 40 trees completed. These dieback trials are going very well and seeing the trees dieback very well. One staff member completed Fluoroacetate (1080) training.
- Overgrown allotments and Mesquite control letters were sent out to property owners. Intensive trapping has also been carried out within Cloncurry.
- Poisoning of Mesquite, Parkinsonia, Rubber Vine, and Chinese Apple carried out around the town, along the river and in dam reserve. Council has made significant impact on the declared weeds on land under Councils control.



Figure 8 Council Pound Facilities



Figure 9 Parkinsonia dieback

Planning and Development:

The following applications were received for the 2012/2013 financial year

- 25 Development applications lodged
- 78 Building applications
 - 27 applications for Residential Dwelling
 - 46 applications for Units/cabins or Duplexes
 - 5 commercial applications
- 39 Plumbing Applications

Shane Noon

Manager Environmental Health

Water and Sewerage





Engineering Services

The role of the Engineering Department is to manage Council's road infrastructure. Throughout the year, Council has continued to maintain, renew and upgrade its road network. Council has used a combination of its own workforce and sub-contractors depending on the nature of the works. The 2012 flood event is being addressed by using a number of sub-contractors.

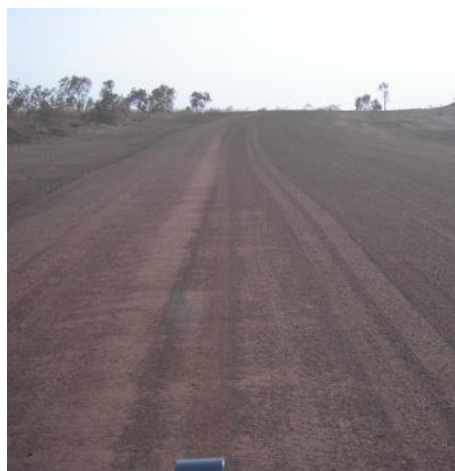
In addition to programs that are directly funded by Council (Capital Works and Maintenance Programs), Council undertakes additional works for the Department of Transport and Main Roads and other parties including Road Project Contracts and Road Performance Maintenance Contracts (RMPC).

Road Maintenance Performance Contract (RMPC)

Council completed \$638,000 under RMPC with Department of Transport and Main Roads, of which \$11,000 was expended on the Flinders Highway and \$627,000 on the Cloncurry – Dajarra Road (\$378,500 of which was re-sheeting works).



Cloncurry – Duchess Medium Formation Grade



Duchess – Dajarra Re-sheeting Works





Transport Infrastructure Development Scheme (TIDS)



Council completed the form and seal of 4.8km of Sedan Dip Road with funding received under TIDS. Council entered into an arrangement with the Department of Transport and Main Roads to complete the work. Cost of the works totalled \$660,000.

Natural Disaster Relief and Recovery Arrangements

Queensland Reconstruction Authority (QRA) completed audits during the year for the Council's 2010 NDRRA works.

The Queensland Reconstruction Authority (QRA) approved funding totalling \$5,103,905.78. This funding was spent on repairing various Shire roads, resheeting, desilting drains, heavy and medium formation grades and pavement repairs to town streets. Allocation of the QRA funding was as follows:

- Rural Roads: \$2,517,276.80
- Town Streets: \$2,586,628.98

Heavy Vehicle Bypass

Funding of \$8.2 million was announced by Minister Albanese at the Beef and Roads Forum hosted by MITEZ (Mount Isa to Townsville Economic Zone) and Cloncurry Shire Council on 31 August 2011. The project has been delayed while the project scope and costs are further investigated. Changes to the original design have been made to accommodate cultural heritage issues and unsuitable ground conditions as well as changes to the Flinders Highway Intersection. The revised estimate currently stands at \$20M including \$8.5M for the Flinders Highway intersection works as directed by the State Government.





Shire Road Maintenance

A total of \$786,000 was allocated to Shire road maintenance. Works including grading, pavement repairs, sign repairs or replacement, along with desilting of surface drains.

Maintenance was also carried out on the Ernest Henry Mine Road to repair road signs and pavement faults.



Plant Replacement

The Council achieved its plant 2012/2013 replacement program of \$1,204,00 with the purchase of a CAT 226 B3 Skid Steer, CAT Backhoe Loader, John Deere tractor and attachments for Airport, work vehicles (13), Hino 300 Series Crew Cab Trucks (2), a Hino 500 Series Truck, Toro Ride on mower and replacement of the Mayor's Toyota Landcruiser Wagon. The CEO vehicle was upgraded from an Toyota Aurion to a Toyota Prado (7 seater). The Holden Cruze vehicles used by the Corporate Services and Community Development Managers were upgraded to Toyota Rav 4's.

Paul Farrell

Manager Works & Engineering Services





Statutory Requirements

The following information includes the legislative disclosure requirements of the Local Government Act 2009 (as at December 2012) and related regulations for the 2012-2013 Annual Report.

Local Government Act 2009

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 t of remuneration.

- Four Senior contract employees with a total remuneration package in the range of \$100,000-\$200,000
- One Senior contract employees with a total remuneration package in the range of >\$200,000

Local Government Regulation 2012

s183 Financial Statements

Section 183 of the Local Government Regulation 2012 requires Council's Annual Report to contain:

The annual report for a financial year must contain—

- (a) the general purpose financial statement for the financial year, audited by the Auditor-General; and
- (b) the current-year financial sustainability statement for the financial year, audited by the Auditor-General; and
- (c) the long-term financial sustainability statement for the financial year; and
- (d) the Auditor-General's audit reports about the general purpose financial statement and the current-year financial sustainability statement.

Refer to Annexure B of this Annual Report.

s184 Community Financial Report

As stated on pages 31-34 of this report.





s185 Particular Resolutions

Section 185 of the Local Government Regulation 2012 requires Council 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 Reimbursement of Expenses and Provision of Facilities Policy establishes the guidelines to ensure that Councillors receive reimbursement of reasonable expenses and are provided with the necessary facilities to assist them in performing their role. Council was working under the Transitional Expenses Reimbursement Policy and has now adopted it's own policy at the Ordinary Meeting of Council held 8 May 2013. Refer to Annexure C for a copy of the Policy.

10.2 Review of Councillor Reimbursement of Expenses and Provision of Facilities Policy

Moved: Cr Daniels

Seconded: Cr McDonald

That Council adopt the Councillor Reimbursement of Expenses and Provision of Facilities Policy, COR 1001 V1, subject to the changes discussed in the meeting.

CARRIED: 11.130508

(b) Valuation of non-current physical assets

As stated on page 28 of Cloncurry Shire Council's Accounting Manual.

Reserves and Controlled Roads

- 6697.63ha of parks (including 36.65ha leased to sporting clubs) subject to the provisions of the *Land Act 1994*.
- The total length of roads in the Shire is 2279km, of which 723.78km is not owned by Council.

This land does not have value for the Council's financial statements.





s186 Councillors

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.

REMUNERATIONS FOR COUNCILLORS FOR 2012-2013						
NAME	COUNCILLOR ALLOWANCE	MAYOR & DEPUTY ALLOWANCE	EXPENSES REIMBURSED	SUPERANNUATION CONTRIBUTIONS	SPECIAL MEETING	GENERAL MEETINGS
Mayor						
Cr Andrew Daniels		\$72,903.00	\$219.91	N/A	2	18
Councillors						
Cr Robert McDonald (Deputy Mayor)		\$38,188.00	N/A	N/A	3	16
Cr Colin Ferguson	\$31,245.00		\$288.86	N/A	3	13
Cr Jane McMillan	\$31,245.00		\$67.00	N/A	3	18
Cr Keith Douglas	\$31,245.00		\$338.87	N/A	3	18
Total	\$93,735.00	\$111,091.00	\$914.64	\$0.00		





Code of Conduct, Complaints and Breaches

Under Section 186 (d), (e), (f) of the Local Government Regulation 2012 Council is required to report on details on complaints and taking disciplinary action. Council has an established and adopted a Code of Conduct for Councillors and Staff. The Code of Conduct Policy is incorporated into the induction process of new staff.

Councillors Code of Conduct

Total number of order and recommendations made under section 180(2) and (4) of the <i>Local Government Act 2009</i>	Nil
Total number of orders made under Section 181 of the <i>Local Government Act 2009</i>	Nil
The name of each Councillor in relation for whom an order or recommendation was made under Section 180 of the <i>Local Government Act 2009</i> or an order made under Section 181 of the <i>Local Government Act 2009</i>	Nil
A description of the conduct of inappropriate conduct engaged in by each of the Councillors	Nil
A summary of the order or recommendation made for each Councillor	Nil
The number of complaints about the conduct or performance of Councillors for which no further action was taken under section 176C(2) of the Act	Nil
The number of complaints referred to the department's Chief Executive under Section 176C(3)(a)(i) of the <i>Local Government Act 2009</i>	Nil
The number of complaints referred to the Mayor under Section 176C(3)(a)(i) of the <i>Local Government Act 2009</i>	Nil
The number of complaints referred to the department's Chief Executive under Section 176C(4)(a) of the <i>Local Government Act 2009</i>	Nil
The number of complaints assessed by the Chief Executive Officer as being about official misconduct	Nil
The number of complaints heard by a conduct review panel	Nil
The number of complaints heard by the tribunal	Nil
The number of complaints to which section 176C(6) of the <i>Local Government Act 2009</i> applied	Nil

No breaches or alleged breaches of the Code of Conduct for Councillors were reported from 1 July 2012 to 30 June 2013.

No complaints were received through Council's General Complaints process relating to alleged breaches by Councillors.





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, including an assessment of the local governments 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 Complaints Management Policy in October 2011 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.

Refer to Annexure D – Council's Complaints Management Policy and Procedure.

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 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 under paragraph (a)(iii) that were made in a previous financial year.

No administrative action complaints were made to Cloncurry Shire Council during this financial year or the previous financial year.

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 2013.





s189 Grants or Discretionary Funds to Community Organisations

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 grants to community organisations during the year ended 30 June 2013 was \$50,653.40.

The Mayor and Councillors did not have any discretionary funds to allocate to community organisations in 2012-2013.

Community Donations and Sponsorship

Community Group	Donation
Cloncurry State School Francis McCalman Bursary	\$105.00
Dajarra Easter Parade	\$347.62
NQ Rescue Helicopter	\$15,000.00
State School Chaplaincy	\$10,000.00
Cloncurry & District Show	\$97.44
Cloncurry Amateur Swimming Club	\$1050.00
Books for Bundy Fundraiser	\$2782.50
Kindergarten Art Auction	\$525.00
Girls Night In	\$563.18
Cloncurry Hospital – purchase of Medical equipment	\$4859.82
Facility Hire Fees Refunds	\$1733.93
Queensland Police Service	\$7099.91
Live FM Western Show	\$3150.00
Qld Police Leagacy Scheme	\$1239.00
Ernest Henry Memorial Art Show	\$2100.00
Total	\$50,653.40





In Kind Support to Community Organisations

The total expenditure incurred on in kind support to community organisations during the year ended 30 June 2012 was \$38,145.10.

Community Group	In Kind
Quamby Rodeo	\$29.68
Cloncurry & District Race Club	\$1662.30
Cloncurry Merry Muster	\$13,670.11
Stockmans Challenge	\$334.97
Cloncurry Show	\$10,306.35
Rockhana Gem & Mineral Festival	\$25.42
Dajarra Rodeo	\$3,397.49
Burke & Wills Campdraft	\$4,228.80
Outback Air Race - RFDS	\$4017.84
Anglican Church	\$346.94
Three Ways Women Campdraft School	\$125.20
Total	\$38,145.10





s190 Other Contents

(1) 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;	Refer P11-14
(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 • Community Development Report • Environmental Health Water Sewerage Report • Engineering Services 	Refer Reports
(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; 	Refer below Refer below
(e)	The number of invitations to change tenders under section 228(7) during the financial year;	Refer below
(f)	A list of the registers kept by the local government;	Refer below
(g)	A summary of all concessions for rates and charges granted by the local government;	Refer below
(h)	The report on the internal audit for the financial year;	Refer below
(i)	A summary of investigation notices given in the financial year under section 49 for competitive neutrality complaints;	Not applicable
(j)	The local government's responses in the financial year on the QCA's recommendations on any competitive neutrality complaints under section 52(3).	Not applicable

(2) In this section—

Annual operations report, for a commercial business unit, means a document that contains the following information for the previous financial year—

- (a) information that allows an informed assessment of the unit's operations, including a comparison with the unit's annual performance plan;
- (b) particulars of any changes made to the unit's annual performance plan for the previous financial year;
- (c) particulars of the impact the changes had on the unit's—
 - (i) financial position; and
 - (ii) operating surplus or deficit; and
 - (iii) prospects;
- (d) particulars of any directions the local government gave the unit.





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

In accordance with Section 94 of the *Local Government Act 2009* the following special charge will be made on the assessment identified to provide for the separate benefit to such land.

In relation to assessment 00663-00000-000, Council has approved that the old pump station at 13 Palmer Street be removed and a new pump station and fence installed. The total cost of these works will be in the order of \$46,350.00. Council will undertake maintenance to such works.

Given that the work that is required will specially benefit such land, Council will, commencing with the 2011/12 financial year, levy a separate charge on land at 13 Palmer Street Cloncurry being Assessment No. 00663-00000-000 for such works. The special charge shall be \$3,978.75 to be made annually for a period of 20 years to cover the cost of providing this service. This will cover the interest and redemption costs to service such capital outlay by Council. Council will own and operate this pump station at its cost. If such infrastructure in the future services more than this property, Council shall amend the separate charge accordingly in accordance with the changed circumstances.

Overall Plan

In relation to assessment 00663-00000-000, Council has approved that the old pump station at 13 Palmer Street be removed and a new pump station and fence installed. The total cost of these works will be in the order of \$46,350.00 and Council will undertake maintenance to such works.

The Special Charge shall be \$3,978.75 to be made annually for a period of 20 years to cover the cost of providing this service. This will cover the interest and redemption costs to service such capital outlay by Council. Council will own and operate this pump station at its cost. If such infrastructure in the future services more than this property, Council shall amend the separate charge accordingly in accordance with the changed circumstances.

Annual Implementation

Assessment No. 00663-00000-000 - Special Charge of \$3,978.75 to be made annually for a period of 20 years starting for the 2011/12 financial year as set out in the 2011/12 Revenue Statement.





Mine Access Roads

In accordance with Section 94 of the *Local Government Act 2009*, the following special charges be made and levied on the assessments identified hereunder in accordance with the overall implementation plan for each of the roads as included:-

Duchess/Phosphate/Trekkelano Road

- (a) In respect of assessment no. 01319-30000-000 recorded in the name of Southern Cross Fertilizers Pty Ltd, a special charge; and
- (b) In respect of assessment no. 01280-30000-000 recorded in the name of Ivanhoe (Osborne) Pty Ltd, a special charge.

Activity	Annual Allowance
Overall Plan	\$1,140,000.00
Description of service	
Bitumen Reseal of Duchess/ Phosphate/ Trekkelano Road total	
51 kilometres	
Total cost of work	
Annual Implementation Plan	
Bitumen Reseal (annual allowance for reseal in four years, commencing 2008/09 – reduces to \$80,000 per annum after then)	\$80,000.00
Total	\$80,000.00

Allocation Assessment 01319-30000-000 – 40%	\$32,000.00
Allocation Assessment 01280-30000-000 – 60%	\$48,000.00

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

There was one invitation to change a tender (Tender 2012-04 **DESIGN AND CONSTRUCTION OF COUNCIL RESIDENCE AT STEELE STREET, CLONCURRY**)





s190 (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 Interest of each Councillor and related persons
- Register of Interest – Senior Staff
- Register of Roads
- Regulatory Fees and Charges
- Annual Reports
- Code of Conduct
- Debt Recovery Policy
- Rates Recovery Policy
- Revenue Statement
- Local Laws Register
- Policy Register

Other information available to the public can be downloaded electronically from Council's website, www.cloncurry.qld.gov.au

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

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

The Revenue Policy is available for viewing on Council's website www.cloncurry.qld.gov.au

7.0 REVENUE POLICY

Moved: Cr Ferguson

Seconded: Cr McDonald

That in accordance with Section 193 of the *Local Government Regulation 2012*, Council adopt the Revenue Policy as presented for 2013/14.

CARRIED:04.130723

The Revenue Statement is available for viewing on Council's website www.cloncurry.qld.gov.au





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 principle 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.

8.0 REVENUE STATEMENT

Moved: Cr Ferguson

Seconded: Cr Douglas

In accordance with Section 172 of the *Local Government Regulation 2012*, the Cloncurry Shire Council's 2013/14 Revenue Statement as presented be adopted.

CARRIED:05.130723

s190 (h) Report on the internal audit for the financial year

The previous internal audit was undertaken in May 2012. The matters that have been addressed since this time have resulted in a lower risk profile for Council in relation to those matters (based on number of items).

There are a number of issues that Council should place focus on for the 2013 year. These are:

- Financial Sustainability;
- Governance;
- Infrastructure;
- Community Engagement;
- Planning & Regulations; and
- Workforce.

s190 (i) Statement about the local government's activities to implement its plan for equal opportunity in employment

Cloncurry Shire Council is an Equal Opportunity Employer and is committed to promoting equity in employment opportunity. Council's Equal Employment Opportunity (EEO) Policy is part of the strategy to ensure that the workplace is equitable, efficient and achieving Council's goals. During the year Cloncurry Shire Council continued to implement its EEO principles and policy in the employment and induction of new staff. All employees and potential employees will receive fair and equitable treatment in all matters relating to recruitment, training and promotion without regard to factors such as sex, age, race, religion or marital status.





Figure 1 Cloncurry Recreational Reserve



Figure 11 View of Cloncurry Township from Cloncurry Lookout





Annexure A- Demography

Population by age and sex

The estimated resident population (ERP) figure is the official population estimate, and represents the best possible estimate of the resident population. For sub-state geographies, ERP figures are updated annually using a model which includes administrative data that indicate population change, such as registered births and deaths, dwelling approvals, Medicare enrolments and electoral enrolments. Data are updated annually with an approximate delay of 12 months after the reporting period. It is anticipated the next update will be in September 2014.

Cloncurry Shire LGA

- 19.8% aged 0–14 years as at 30 June 2012
- 73.2% aged 15–64 years
- 7.0% aged 65+ years

Queensland

- 19.9% aged 0–14 years as at 30 June 2012
- 66.8% aged 15–64 years
- 13.3% aged 65+ years

As at 30 June 2012, the proportion of the estimated resident population aged 65 years and over for Cloncurry Shire LGA was

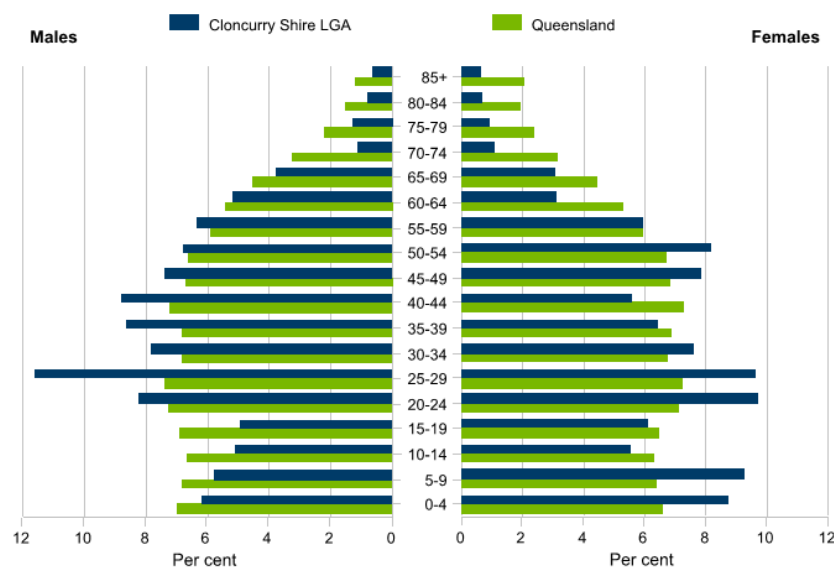
7.0%

Table 2 Estimated resident population by age, Cloncurry Shire LGA and Queensland, 30 June 2012p

LGA / State	Age group									
	0–14		15–24		25–44		45–64		65+	
	number	%	number	%	number	%	number	%	number	%
Cloncurry (S)	677	19.8	488	14.2	1,151	33.6	869	25.4	240	7.0
Queensland	907,035	19.9	633,335	13.9	1,289,071	28.2	1,127,456	24.7	608,632	13.3

Source: ABS 3235.0, *Population by Age and Sex, Regions of Australia, 2012*

Figure 3 Estimated resident population by age and sex, Cloncurry Shire LGA and Queensland, 30 June 2012p



Source: ABS 3235.0, *Population by Age and Sex, Regions of Australia, 2012*





Median age

The median age is the age at which half the population is older and half is younger. These median age estimates have been calculated by Queensland Treasury and Trade using single year of age estimated resident population data provided by the ABS. Data are updated annually with an approximate delay of 12 months after the reporting period. It is anticipated the next update will be in September 2014.

As at 30 June 2012, the median age for Cloncurry Shire LGA was

33.4 years

Cloncurry Shire LGA

- Median age of 33.4 years as at 30 June 2012
- Increase of 4.0 years from median age of 29.3 years as at 30 June 2002

Queensland

- Median age of 36.6 years as at 30 June 2012
- Increase of 1.3 years from median age of 35.3 years as at 30 June 2002

Table 3 Median age, Cloncurry Shire LGA and Queensland

LGA / State	As at 30 June			Change
	2002	2007	2012p	2002–2012p
	— years —			years
Cloncurry (S)	29.3	30.3	33.4	4.0
Queensland	35.3	36.2	36.6	1.3

Refer to explanatory notes for additional information.

Source: ABS 3235.0, *Population by Age and Sex, Australia and States* unpublished data

Components of population change

Population change can be attributed to two components: natural increase (the difference between births and deaths) and net migration (due to unavailability of regional migration data, net migration is assumed to be the difference between the change in population over time and natural increase. Data are updated annually with an approximate delay of 18 months after the reporting period. It is anticipated the next update will be in April 2014.

Natural increase as a component of population change over the year as at 30 June 2011 was

39 persons

Cloncurry Shire LGA

- Natural increase of 39 persons over the year to 30 June 2011
- Assumed net migration of -8 persons over the year

Queensland

- Natural increase of 36,433 persons over the year to 30 June 2011
- Assumed net migration of 13,507 persons over the year

Table 4 Components of population change, Cloncurry Shire LGA and Queensland, 30 June 2011pr

LGA / State	Natural increase	Assumed net migration	Estimated resident population	Annual change
	— number —			
Cloncurry (S)	39	-8	3,410	31
Queensland(a)	36,433	13,507	4,474,098	49,940

(a) The assumed net migration reported for Queensland in this table will not equal the sum of net interstate migration and net overseas migration to Queensland published by the ABS in Australian Demographic Statistics 3101.0, Jun 2012. The ABS does not rebase these components of population change to adjust for changes in the rebased ERP at a state-wide level.

Source: ABS 3218.0, *Regional Population Growth, Australia*, various editions; ABS 3301.0, *Births, Australia*, unpublished data; ABS 3302.0, *Deaths, Australia*, unpublished data





Population projections

The Queensland Government population projections are generated by applying assumptions regarding future trends in the components of population change (fertility, mortality and migration) and the latest planning and development intelligence available at that time. Data are updated twice every five years. It is anticipated the next update will be in December 2013.

The population for Cloncurry Shire LGA is projected to increase from 30 June 2011 to 2031 by

0.6% per year

Cloncurry Shire LGA

- Projected population of 3,844 persons as at 30 June 2031
- Increase of 0.6% per year over twenty years

Queensland

- Projected population of 6,592,857 persons as at 30 June 2031
- Increase of 1.8% per year over twenty years

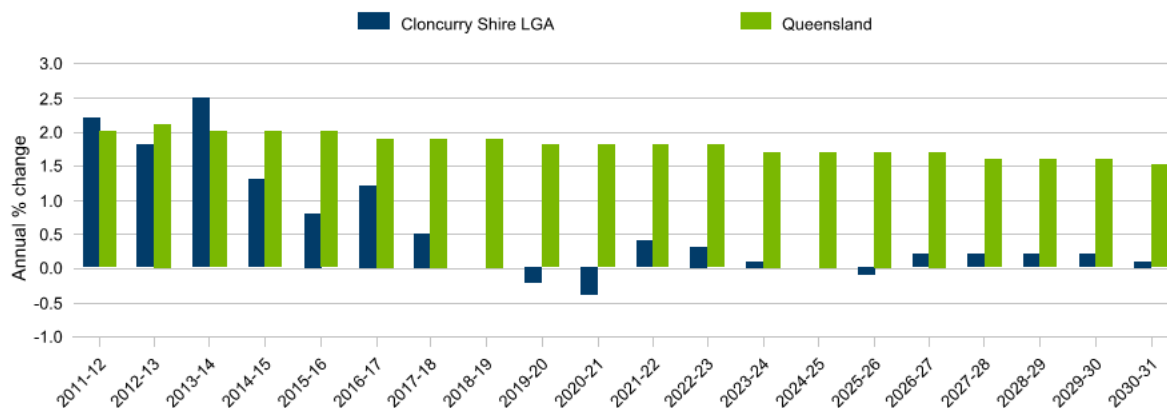
Table 5 Projected population (medium series), Cloncurry Shire LGA and Queensland

LGA / State	As at 30 June					Average annual growth rate
	2011(a)	2016	2021	2026	2031	2011–2031
	— number —					%
Cloncurry (S)	3,434	3,737	3,779	3,811	3,844	0.6
Queensland	4,611,491	5,092,858	5,588,617	6,090,548	6,592,857	1.8

(a) The population estimate presented for 30 June 2011 was correct at the time of publication of the Queensland Government population projections. It has subsequently been revised by the Australian Bureau of Statistics as presented in the estimated resident population.

Source: Queensland Government population projections, 2011 edition (medium series), Government Statistician, Queensland Treasury and Trade

Figure 4 Projected population, Cloncurry Shire LGA and Queensland



Source: Queensland Government population projections, 2011 edition (medium series), Government Statistician, Queensland Treasury and Trade





Births and deaths

Birth and death statistics are an estimate of the number of births and deaths that have been registered in Australia's state and territory Registries of Births, Deaths and Marriages over a calendar year. These estimates are useful for two distinct purposes – use as a component of population growth and for analysis of fertility and mortality. Data are updated annually with an approximate delay of 12 months after the reporting period. It is anticipated the next update will be in December 2013.

Cloncurry Shire LGA

- 56 registered births in 2011
- 8 registered deaths

Queensland

- 63,253 registered births in 2011
- 27,414 registered deaths

The number of registered births in 2011 to mothers with a usual residence in Cloncurry Shire LGA was

56 births

Table 7 Registered births and deaths, Cloncurry Shire LGA and Queensland, 2011

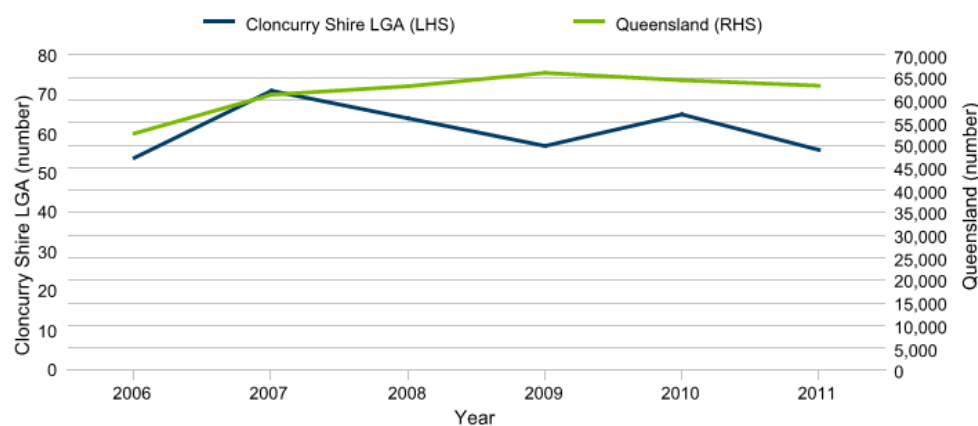
LGA / State	Births	Deaths	Natural increase
	— number —		
Cloncurry (S)	56	8	48
Queensland ^(a)	63,253	27,414	35,839

Refer to explanatory notes for additional information.

(a) Queensland totals include births and deaths where the usual residence was overseas, no fixed abode, Offshore and Migratory, and Queensland undefined.

Source: ABS 3301.0, *Births, Australia, 2011*; ABS 3302.0, *Deaths, Australia, 2011*

Figure 5 Registered births, Cloncurry Shire LGA and Queensland



(a) Queensland totals include births where the usual residence was overseas, no fixed abode, Offshore and Migratory, and Queensland undefined.

Source: ABS 3301.0, *Births, Australia, 2011*; ABS 3302.0, *Deaths, Australia, 2011*





Migration 1 year ago

Migration one year ago compares the usual address of household members on Census Night 2011 (9 August 2011) with their usual address one year earlier (i.e. 9 August 2010). This is based on persons by place of usual residence.

The percentage of persons in Cloncurry Shire LGA with a different address one year ago was

22.7%

Cloncurry Shire LGA

- 2,084 persons usually resided in the same address as one year ago
- 726 persons (or 22.7%) usually resided in a different address one year ago

Queensland

- 3,278,187 persons usually resided in the same address as one year ago
- 764,695 persons (or 17.9%) usually resided in a different address one year ago

Table 8 Place of usual residence one year ago^(a), Cloncurry Shire LGA and Queensland, 2011

LGA / State	Same address	Different address				Proportion with different address	Total persons ^(c)
		Within Queensland	Rest of Australia	Overseas	Total ^(b)		
	number	— number —				%	number
Cloncurry (S)	2,084	576	104	33	726	22.7	3,196
Queensland	3,278,187	616,283	75,239	63,184	764,695	17.9	4,275,277

(a) Based on persons aged one year and over.

(b) Includes persons who stated that they were usually resident at a different address 1 year ago but did not state that address.

(c) Includes persons who did not state whether they were usually resident at a different address 1 year ago.

Source: ABS, Census of Population and Housing, 2011, Basic Community Profile - B38

Migration 5 years ago

Migration five years ago compares the usual address of household members on Census Night 2011 (9 August 2011) with their usual address five years earlier (i.e. 9 August 2006). This is based on persons by place of usual residence.

The percentage of persons in Cloncurry Shire LGA with a different address five years ago was

44.7%

Cloncurry Shire LGA

- 1,223 persons usually resided in the same address as five years ago
- 1,339 persons (or 44.7%) usually resided in a different address five years ago

Queensland

- 1,958,914 persons usually resided in the same address as five years ago
- 1,815,132 persons (or 44.7%) usually resided in a different address five years ago

Table 9 Place of usual residence five years ago^(a), Cloncurry Shire LGA and Queensland, 2011

LGA / State	Same address	Different address				Proportion with different address	Total persons ^(c)
		Within Queensland	Rest of Australia	Overseas	Total ^(b)		
	number	— number —				%	number
Cloncurry (S)	1,223	1,025	179	96	1,339	44.7	2,994
Queensland	1,958,914	1,331,610	218,734	238,588	1,815,132	45.0	4,034,846

(a) Based on persons aged five years and over.

(b) Includes persons who stated that they were usually resident at a different address 5 years ago but did not state that address.

(c) Includes persons who did not state whether they were usually resident at a different address 5 years ago.

Source: ABS, Census of Population and Housing, 2011, Basic Community Profile - B39





Country of birth

Country of birth has been derived from the 2011 Census of Population and Housing question 'In which country was the person born?'. This is based on persons by place of usual residence.

The top five English speaking backgrounds and non-English speaking backgrounds for Cloncurry Shire LGA are:

English Speaking	Non-English Speaking
1. New Zealand (2.2%)	1. Philippines (0.4%)
2. United Kingdom, Channel Islands and Isle of Man (1.9%)	2. Germany (0.3%)
3. Ireland (0.3%)	3. Netherlands (0.3%)
4. United States of America (0.3%)	4. Sri Lanka (0.2%)
5. South Africa (0.2%)	5. Fiji (0.2%)

Cloncurry Shire LGA

- 265 persons (or 8.2%) were born overseas

Queensland

- 888,636 persons (or 20.5%) were born overseas

Table 10 Country of birth, Cloncurry Shire LGA and Queensland, 2011

LGA / State	Born in Australia		Born overseas						Total persons (c)
			Born in ESB countries(a)		Born in NESB countries(b)		Total(b)		
	number	%	number	%	number	%	number	%	number
Cloncurry (S)	2,563	79.4	162	5.0	103	3.2	265	8.2	3,227
Queensland	3,192,115	73.7	478,290	11.0	410,346	9.5	888,636	20.5	4,332,738

Refer to explanatory notes for additional information.

(a) Includes the UK, Ireland, Canada, USA, South Africa and New Zealand.

(b) Includes countries not identified individually, 'Australian External Territories', 'Inadequately described' and 'At sea' responses.

(c) Includes not stated responses.

Source: ABS, Census of Population and Housing, 2011, Basic Community Profile - B09

Proficiency in spoken English

Proficiency in spoken English has been derived from the 2011 Census of Population and Housing question 'How well does the person speak English?', if the person speaks a language other than English at home. This topic relates to persons who stated they were born overseas as at Census Night 2011. This is based on overseas-born persons by place of usual residence.

The top five non-English languages spoken at home for Cloncurry Shire LGA are:

Language spoken
1. Indo Aryan (0.7%)
2. Southeast Asian Austronesian (0.7%)
3. Australian Indigenous languages (0.2%)
4. Spanish (0.1%)
5. Arabic (0.1%)

Cloncurry Shire LGA

- 79 persons (or 29.5%) stated they spoke a language other than English at home

Queensland

- 319,949 persons (or 36.0%) stated they spoke a language other than English at home

Table 11 Proficiency in spoken English of overseas-born persons, Cloncurry Shire LGA and Queensland, 2011

LGA / State	Speaks English only		Speaks other language at home and speaks English						Persons born overseas ^(b)
			Very well or well		Not well or not at all		Total ^(a)		
	number	%	number	%	number	%	number	%	number
Cloncurry (S)	189	70.5	79	29.5	0	0.0	79	29.5	268
Queensland	565,544	63.6	269,847	30.4	45,927	5.2	319,949	36.0	888,635

Refer to explanatory notes for additional information.

(a) Includes proficiency in English not stated.

(b) Excludes persons who did not state their country of birth.

Source: ABS, Census of Population and Housing, 2011, Basic Community Profile - B11





Early childhood education and care services

The early childhood education and care services data are based on administrative data supplied by the Department of Education, Training and Employment. Data are updated twice yearly with an approximate delay of 1 month after the reporting period. It is anticipated the next update will be in March 2014.

The number of early childhood education and care services in Cloncurry Shire LGA as at 31 August 2013 was

2 services

Cloncurry Shire LGA

- 2 early childhood education and care services as at 31 August 2013
- 1 long day care service

Queensland

- 2,718 early childhood education and care services as at 31 August 2013
- 1,376 long day care services

Table 17 Early childhood education and care services, Cloncurry Shire LGA and Queensland, 31 August 2013

LGA / State	Family day care	Kindergartens	Long day care	School aged care	Limited hours care	Child care & family support hubs	Total
	— number —						
Cloncurry (S)	0	1	1	0	0	0	2
Queensland	107	490	1,376	706	39	0	2,718

Source: Office for Early Childhood Education and Care, Department of Education, Training and Employment

Highest level of schooling

Highest year of school completed has been derived from the 2011 Census of Population and Housing question 'What is the highest year of primary or secondary school the person has completed?'. This information is based on persons aged 15 years and over who are no longer attending primary or secondary school, by place of usual residence.

The percentage of total persons in Cloncurry Shire LGA with highest level of schooling as year 11 or 12 was

43.7%

Cloncurry Shire LGA

- 1,093 persons (or 43.7%) with highest level of schooling c year 11 or 12 (or equivalent)

Queensland

- 1,836,995 persons (or 55.3%) with highest level of schooling of year 11 or 12 (or equivalent)

Table 18 Highest level of schooling completed, Cloncurry Shire LGA and Queensland, 2011

LGA / State	Did not go to school, or Year 8 or below		Year 9 or 10 or equivalent		Year 11 or 12 or equivalent		Total ^(a)
	number	%	number	%	number	%	number
Cloncurry (S)	217	8.7	777	31.0	1,093	43.7	2,503
Queensland	219,102	6.6	977,116	29.4	1,836,995	55.3	3,320,761

(a) Includes highest year of schooling not stated.

Source: ABS, Census of Population and Housing, 2011, Basic Community Profile - B16





Non-school qualification

Non-school qualification information describes the highest non-school qualification (e.g. bachelor degree, diploma) completed as stated in the 2011 Census of Population and Housing. This information is based on persons aged 15 years and over by place of usual residence.

Cloncurry Shire LGA

- 1,366 persons (or 53.3%) with a non-school qualification

Queensland

- 1,875,323 persons (or 54.2%) with a non-school qualification

The percentage of persons in Cloncurry Shire LGA with a non-school qualification was

53.3%

Table 19 Non-school qualifications by level of education, Cloncurry Shire LGA and Queensland, 2011

LGA / State	Level of education						Persons with a qualification ^(c)		Total persons
	Bachelor degree or higher ^(a)		Advanced diploma or diploma		Certificate ^(b)				
	number	%	number	%	number	%	number	%	number
Cloncurry (S)	247	9.6	114	4.4	523	20.4	1,366	53.3	2,564
Queensland	548,894	15.9	260,778	7.5	686,993	19.9	1,875,323	54.2	3,456,875

(a) Includes bachelor degree, graduate diploma, graduate certificate and postgraduate degree.

(b) Includes Certificate, I, II, III and IV and Certificates not further defined responses.

(c) Includes 'inadequately described' and 'not stated' level of education responses.

Source: ABS, Census of Population and Housing, 2011, Basic Community Profile - B37 and B40

Vocational education and training students

Vocational education and training (VET) provides skills and knowledge for work. VET is undertaken in a wide range of subject areas and skill levels, and is provided by schools, technical colleges, technical and further education (TAFE) institutes, universities and various other providers. Data on VET students are collected by the National Centre for Vocational Education Research (NCVER) from these training providers. Data are updated annually with an approximate delay of 12 months after the reporting period. It is anticipated the next update will be in September 2013

Cloncurry Shire LGA

- 355 VET students in 2011
- 47.0% of total VET students commenced

Queensland

- 304,800 VET students in 2011
- 66.8% of total VET students commenced

The number of VET students in Cloncurry Shire LGA in 2011 was

355 students

Table 20 VET student numbers by enrolment type, Cloncurry Shire LGA and Queensland^(a), 2011

LGA / State	Commencing students		Continuing students		Total ^(b)
	number	%	number	%	number
Cloncurry (S)	167	47.0	187	52.7	355
Queensland	203,580	66.8	100,454	33.0	304,800

(a) Based on the location of the student and not the location of the educational institution.

(b) Includes Subject only students – no qualification.

Source: National Centre for Vocational Education Research (NCVER)





Employment by industry

Employment by industry has been derived from the 2011 Census of Population and Housing data. A person's industry of employment was classified based on responses to a range of questions from the Census and is applicable to persons aged 15 years and over who work. This is based on place of usual residence.

The top five industry subdivisions of employment for Cloncurry Shire LGA are:

1. Metal Ore Mining (13.3%)
2. Agriculture (11.1%)
3. Public Administration (7.2%)
4. Rail Transport (5.4%)
5. Road Transport (4.9%)

Cloncurry Shire LGA

- 19.1% of employed persons worked in Mining industry
- 13.0% of employed persons worked in Transport, postal and warehousing industry
- Highest specialisation ratio of 7.35 in Mining industry

Queensland

- 11.9% of employed persons worked in Health care and social assistance industry
- 10.7% of employed persons worked in Retail trade industry

Table 29 Employment by industry, Cloncurry Shire LGA and Queensland, 2011

Industry	Cloncurry Shire LGA		Queensland		Specialisation ratio
	number	%	number	%	number
Agriculture, forestry and fishing	210	12.6	55,416	2.7	4.62
Mining	319	19.1	52,955	2.6	7.35
Manufacturing	94	5.6	171,669	8.4	0.67
Electricity, gas, water and waste services	6	0.4	24,828	1.2	0.29
Construction	139	8.3	183,780	9.0	0.92
Wholesale trade	35	2.1	74,288	3.6	0.58
Retail trade	98	5.9	217,610	10.7	0.55
Accommodation and food services	82	4.9	141,855	7.0	0.71
Transport, postal and warehousing	217	13.0	107,072	5.3	2.47
Information media and telecommunications	6	0.4	25,358	1.2	0.29
Financial and insurance services	17	1.0	54,153	2.7	0.38
Rental, hiring and real estate services	12	0.7	37,007	1.8	0.40
Professional, scientific and technical services	7	0.4	132,754	6.5	0.06
Administrative and support services	30	1.8	65,015	3.2	0.56
Public administration and safety	143	8.6	136,818	6.7	1.28
Education and training	80	4.8	160,921	7.9	0.61
Health care and social assistance	80	4.8	242,559	11.9	0.40
Arts and recreation services	6	0.4	28,444	1.4	0.26
Other services	34	2.0	78,713	3.9	0.53
Total^(a)	1,671	100.0	2,039,275	100.0	1.00

Refer to explanatory notes for additional information.

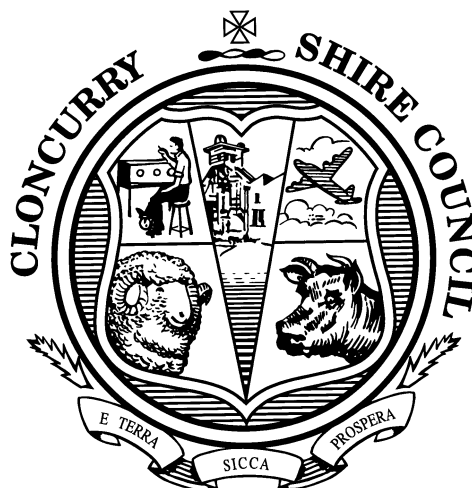
(a) Includes inadequately described and not stated responses.

Source: ABS, Census of Population and Housing, 2011, Basic Community Profile - B43





Annexure B – Audited Financial Statements as per Section 183 on the Local Government Regulation 2012



Cloncurry Shire Council

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

Cloncurry Shire Council
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CLONCURRY QLD 4824
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Website: www.cloncurry.qld.gov.au





Cloncurry Shire Council Financial statements For the year ended 30 June 2013

Table of contents

Page Number

Statement of Comprehensive Income	1
Statement of Financial Position	2
Statement of Changes in Equity	3
Statement of Cash Flows	4
Notes to the financial statements	
1 Significant accounting policies	5 - 14
2 Analysis of results by function	15 - 16
3 Revenue analysis	17
4 Grants, subsidies and contributions	17
5 Capital income/(expenses)	18
6 Employee benefits	18
7 Materials and services	18
8 Finance costs	18
9 Depreciation	19
10 Cash and cash equivalents	19
11 Trade and other receivables	19
12 Inventories	20
13 Land held for development and resale	20
14 Property, plant and equipment	21 - 24
15 Trade and other payables	25
16 Borrowings	25
17 Provisions	25
18 Asset revaluation surplus	26
19 Retained surplus	26
20 Reserves	27
21 Commitments for expenditure	27
22 Contingent liabilities	28
23 Superannuation	28
24 Operating lease income	29
25 Trust funds	29
26 Reconciliation of net result for the year to net cash inflow (outflow) from operating activities	29
27 Events after the reporting period	29
28 Financial instruments	30 - 32
29 Correction of prior period error	33
Management Certificate	34
Independent Auditor's Report	35-36





Cloncurry Shire Council

Cloncurry Shire Council Statement of Comprehensive Income For the year ended 30 June 2013

		Council	
		2013	2012
	Note	\$	\$
Income			
Revenue			
Recurrent revenue			
Rates, levies and charges	3(a)	10,445,971	9,659,442
Fees and charges	3(b)	4,726,410	2,618,273
Rental income	3(c)	225,103	154,292
Interest received	3(d)	1,011,915	1,310,765
Sales revenue	3(e)	1,880,808	1,309,631
Grants, subsidies and contributions	4(a)	5,310,629	6,271,891
		<u>23,600,835</u>	<u>21,324,294</u>
Capital revenue			
Grants, subsidies and contributions	4(b)	13,034,313	9,120,240
Total revenue		<u>36,635,149</u>	<u>30,444,533</u>
Total income		<u>36,635,149</u>	<u>30,444,533</u>
Expenses			
Recurrent expenses			
Employee benefits	6	(6,653,919)	(5,588,240)
Materials and services	7	(7,423,305)	(8,419,330)
Finance costs	8	(771,596)	(736,355)
Depreciation	9	(6,517,988)	(7,652,792)
		<u>(21,366,807)</u>	<u>(22,396,717)</u>
Capital expenses	5	(85,810)	(96,604)
Total expenses		<u>(21,452,617)</u>	<u>(22,493,321)</u>
Net result		<u>15,182,531</u>	<u>7,951,212</u>
Other comprehensive income			
Items that will not be reclassified to net result			
Increase / (decrease) in asset revaluation surplus	18	3,418,760	-
Total other comprehensive income for the year		<u>3,418,760</u>	<u>-</u>
Total comprehensive income for the year		<u>18,601,291</u>	<u>7,951,212</u>

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

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Cloncurry Shire Council

Cloncurry Shire Council Statement of Financial Position As at 30 June 2013

	Note	Council	
		2013 \$	2012 \$
Current assets			
Cash and cash equivalents	10	31,176,328	23,202,198
Trade and other receivables	11	2,611,896	2,882,018
Inventories	12	3,845,898	213,870
Total current assets		37,634,122	26,298,086
Non-current assets			
Property, plant and equipment	14	231,191,417	226,091,164
Total non-current assets		231,191,417	226,091,164
Total assets		268,825,539	252,389,250
Current liabilities			
Trade and other payables	15	2,143,258	3,814,711
Borrowings	16	557,031	527,645
Provisions	17	78,318	270,850
Total current liabilities		2,778,607	4,613,206
Non-current liabilities			
Trade and other payables	15	120,317	121,543
Borrowings	16	13,786,364	14,342,776
Provisions	17	313,272	86,038
Total non-current liabilities		14,219,953	14,550,357
Total liabilities		16,998,560	19,163,563
Net community assets		251,826,979	233,225,687
Community equity			
Asset revaluation surplus	18	78,686,232	75,267,472
Retained surplus	19	173,140,747	153,939,575
Reserves	20	-	4,018,640
Total community equity		251,826,979	233,225,687

Council has made a retrospective restatement as a consequence of an error (Note 20).

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

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Cloncurry Shire Council

Cloncurry Shire Council Statement of Changes in Equity For the year ended 30 June 2013

Note	Asset revaluation surplus 18 \$	Retained Surplus 19 \$	Reserves 20 \$	Total \$
Balance as at 1 July 2012 (restated)	75,267,472	153,939,575	4,018,640	233,225,687
Net result	-	15,182,531	-	15,182,531
Other comprehensive income for the year	-	-	-	-
Increase in asset revaluation surplus	3,418,760	-	-	3,418,760
Total comprehensive income for the year	3,418,760	15,182,531	-	18,601,291
Transfers to and from reserves				
Transfers from reserves	-	4,018,640	(4,018,640)	-
Total transfers from reserves	-	4,018,640	(4,018,640)	-
Balance as at 30 June 2013	78,686,232	173,140,747	-	251,826,979
Balance as at 1 July 2011	52,649,259	145,130,477	4,876,526	202,656,262
Net operating surplus	-	7,951,212	-	7,951,212
Other comprehensive income for the year	-	-	-	-
Increase in asset revaluation surplus	-	-	-	-
Total comprehensive income for the year	-	7,951,212	-	7,951,212
Transfers to and from reserves				
Transfers to reserves	-	(3,709,669)	3,709,669	-
Transfers from reserves	-	4,587,555	(4,587,555)	-
Total transfers to and from reserves	-	857,886	(857,886)	-
Balance as at 30 June 2012	52,649,259	153,939,575	4,018,640	210,607,474
Effect of correction of error	22,618,213	-	-	22,618,213
Restated balance as at 30 June 2012	75,267,472	153,939,575	4,018,640	233,225,687

Council has made a retrospective restatement as a consequence of an error (Note 29).

Transfers to and from reserves

Council's cash and cash equivalents are subject to a number of internal restrictions that limit the amount that is available for discretionary or future use. In prior years Council accounted for these restrictions using a system of reserves.

During the course of the 2013 financial year Council resolved to close all existing reserves and account for these restrictions using an internal management accounting system. All existing reserve balances were transferred to retained surplus/(deficit) on that date. Further information is supplied in note 20.

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

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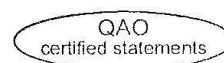


Cloncurry Shire Council

Cloncurry Shire Council Statement of Cash Flows For the year ended 30 June 2013

Note	Council	
	2013	2012
	\$	\$
Cash flows from operating activities		
Receipts from customers	17,323,310	12,138,659
Payments to suppliers and employees	(19,347,227)	(13,284,968)
	(2,023,917)	(1,146,309)
Interest received	1,011,915	1,310,765
Rental Income	225,103	154,292
Non capital grants and contributions	5,310,629	6,271,891
Borrowing costs	(771,596)	(736,355)
Net cash inflow (outflow) from operating activities	26 3,752,134	5,854,284
Cash flows from investing activities		
Payments for property, plant and equipment	(9,054,519)	(21,855,653)
Proceeds from sale of property plant and equipment	769,228	226,273
Grants, subsidies, contributions and donations	13,034,313	9,120,240
Net cash inflow (outflow) from investing activities	4,749,022	(12,509,140)
Cash flows from financing activities		
Proceeds from borrowings	-	3,500,000
Repayment of borrowings	(527,026)	(711,726)
Net cash inflow (outflow) from financing activities	(527,026)	2,788,274
Net increase (decrease) in cash and cash equivalents held	7,974,130	(3,866,583)
Cash and cash equivalents at the beginning of the financial year	23,202,198	27,068,781
Cash and cash equivalents at end of the financial year	10 31,176,328	23,202,198

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





Cloncurry Shire Council

Cloncurry Shire Council Notes to the financial statements For the year ended 30 June 2013

1 Significant accounting policies

1.A Basis of preparation

These general purpose financial statements are for the period 1 July 2012 to 30 June 2013 and have been prepared in compliance with the requirements of the *Local Government Act 2009* and the *Local Government Regulation 2012*. Consequently, these financial statements have been prepared in accordance with all Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements issued by the Australian Accounting Standards Board.

These financial statements have been prepared under the historical cost convention except for the revaluation of certain non-current assets.

Certain comparative amounts in the statement comprehensive income have been reclassified to conform with the current year's presentation.

1.B Statement of compliance

These general purpose financial statements comply with all accounting standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to Council's operations and effective for the current reporting period. Because the Council is a not-for-profit entity and the Australian Accounting Standards include requirements for not-for-profit entities which are inconsistent with International Financial Reporting Standards (IFRS), to the extent these inconsistencies are applied, these financial statements do not comply with IFRS. The main impacts are the offsetting of revaluation and impairment gains and losses within a class of assets, and the timing of the recognition of non-reciprocal grant revenue.

1.C Basis of consolidation

Council has no controlled entities.

1.D Constitution

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

1.E Date of authorisation

The financial statements were authorised for issue on the date they were submitted to the Auditor-General for final signature. This is the date the management certificate is signed.

1.F Currency

The Council uses the Australian dollar as its functional currency and its presentation currency.

1.G Adoption of new and revised Accounting Standards

In the current year, Council adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period. The adoption of the new and revised Standards and Interpretations has not resulted in any material changes to Council's accounting policies.

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

Effective for annual report periods beginning on or after:

AASB 9 <i>Financial Instruments</i> (December 2009)	1 January 2015
AASB 10 <i>Consolidated Financial Statements</i>	1 January 2013
AASB 11 <i>Joint Arrangements</i>	1 January 2013
AASB 12 <i>Disclosure of interests in other entities</i>	1 January 2013
AASB 13 <i>Fair Value Measurement</i>	1 January 2013
AASB 119 <i>Employee benefits</i> (completely replaces existing standard)	1 January 2013
AASB 127 <i>Separate Financial Statements</i> (replaces the existing standard together with AASB 10)	1 January 2013
AASB 128 <i>Investments in Associates and Joint Ventures</i> (replaces the existing standard)	1 January 2013
AASB 1053 <i>Application of Tiers of Australian Accounting Standards</i>	1 July 2013
AASB 1055 <i>Budgetary Reporting</i>	1 July 2014
2009-11 <i>Amendments to Australian Accounting Standards arising from AASB 9</i> (December 2009)	1 January 2015





Cloncurry Shire Council

Cloncurry Shire Council Notes to the financial statements For the year ended 30 June 2013

AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements	1 July 2013
AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)	1 January 2015
AASB 2010-10 Further Amendments to Australian Accounting Standards – Removal of Fixed Dates for First-time Adopters	1 January 2013
AASB 2011-2 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements	1 July 2013
AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements	1 July 2013
AASB 2011-6 Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation – Reduced Disclosure Requirements	1 July 2013
AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards	1 January 2013
AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13	1 January 2013
AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011)	1 January 2013
AASB 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements	1 July 2013
AASB 2011-12 Amendments to Australian Accounting Standards arising from Interpretation 20 (AASB 1)	1 January 2013
AASB 2012-1 Amendments to Australian Accounting Standards – Fair Value Measurement – Reduced Disclosure Requirements [AASB 3, AASB 7, AASB 13, AASB 140 & AASB 141]	1 July 2013
AASB 2012-2 Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132]	1 January 2014
AASB 2012-4 Amendments to Australian Accounting Standards – Government Loans [AASB 1]	1 January 2013
AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009–2011 Cycle [AASB 1, AASB 101, AASB 116, AASB 132 & AASB 134 and Interpretation 2]	1 January 2013
AASB 2012-6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures [AASB 9, AASB 2009-11, AASB 2010-7, AASB 2011-7 & AASB 2011-8]	1 January 2013
AASB 2012-7 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 7, AASB 12, AASB 101 & AASB 127]	1 July 2013
AASB 2012-9 Amendment to AASB 1048 arising from the Withdrawal of Australian Interpretation 1039	1 January 2013
AASB 2012-10 Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments [AASB 1, 5, 7, 8, 10, 11, 12, 13, 101, 102, 108, 112, 118, 119, 127, 128, 132, 133, 134, 137, 1023, 1038, 1039, 1049 & 2011-7 and Interpretation 12]	1 January 2013
AASB 2012-11 Amendments to Australian Accounting Standards – Reduced Disclosure Requirements and Other Amendments [AASB 1, AASB 2, AASB 8, AASB 10, AASB 107, AASB 128, AASB 133, AASB 134 & AASB 2011-4]	1 July 2013
AASB 2013-1 Amendments to AASB 1049 – Relocation of Budgetary Reporting Requirements	1 July 2014
Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine	1 January 2013

AASB 9 Financial Instruments (effective from 1 January 2015)

AASB 9, which replaces AASB 139 *Financial Instruments: Recognition and Measurement*, is effective for reporting periods beginning on or after 1 January 2015 and must be applied retrospectively. The main impact of AASB 9 is to change the requirements for the classification, measurement and disclosures associated with financial assets. Under the new requirements the four current categories of financial assets stipulated in AASB 139 will be replaced with two measurement categories: fair value and amortised cost and financial assets will only be able to be measured at amortised cost where very specific conditions are met.

As a result Council would have been required to measure its financial assets at fair value. As Council does not currently hold any substantial non cash financial assets, Council does not believe that this would have had a material impact on the carrying values.





Cloncurry Shire Council

Cloncurry Shire Council Notes to the financial statements For the year ended 30 June 2013

AASB 13 Fair Value Measurement (AASB 13)

AASB 13 applies to reporting periods beginning on or after 1 January 2013 and will therefore be applied by Council in the 2013-14 reporting period. This standard is not required to be applied retrospectively, therefore there is no impact from the application of AASB 13 to values or other disclosures in the 2012-13 financial statements.

The standard sets out a new definition of "fair value", as well as new principles to be applied when determining the fair value of assets and liabilities. The new requirements will apply to all of the Council's assets and liabilities (excluding leases) that are measured and/or disclosed at fair value or another measurement based on fair value. The key changes will relate to the level of disclosures required.

The Council has commenced reviewing its fair value methodologies (including instructions to valuers, data used and assumptions made) for all items of property, plant and equipment measured at fair value to determine whether those methodologies comply with AASB 13. To the extent that the methodologies don't comply, the necessary changes will be implemented. While the Council is yet to complete this review, no significant changes are anticipated, based on the fair value methodologies presently used. Therefore, and at this stage, no consequential material impacts are expected for the Council's property, plant and equipment as from 2013-14.

AASB 13 will require an increased amount of information to be disclosed in relation to fair value measurements for both assets and liabilities. The recognised fair values will be classified according to the following fair value hierarchy that reflects the significance of the inputs used in making these measurements.

Level 1 - Fair values that reflect the unadjusted quoted prices in active markets for identical assets or liabilities

Level 2 - Fair values that are based on inputs other than quoted prices in that are directly or indirectly observable for the asset or liability

Level 3 - Fair values that are derived from data not observable in a market.

To the extent that any fair value measurement for an asset or liability uses data that is not 'observable' outside the Council, the amount of information to be disclosed will be relatively greater.

Amendments to AASB 119 Employee Benefits

A revised version of AASB 119 Employee Benefits applies from reporting periods beginning on or after 1 January 2013. The revised AASB 119 is generally to be applied retrospectively.

The revised standard includes changed criteria for accounting for employee benefits as "short-term employee benefits". Had Council applied the revised standard this year annual leave currently classified as a "short-term benefit" would have been reclassified as a "long-term benefit". However, no reported amounts would have been amended as the Council already discounts the annual leave liability to present value in respect of amounts not expected to be settled within 12 months (refer Note 1.S).

The concept of "termination benefits" is clarified and the recognition criteria for liabilities for terminations benefits will be different. If termination benefits meet the timeframe criterion for "short-term employee benefits", they will be measured according to the AASB 119 requirements for "short-term employee benefits". Otherwise, termination benefits will need to be measured according to the AASB 119 requirements for "other long-term employee benefits". Under the revised standard, the recognition and measurement of employer obligations for "other long-term employee benefits" will need to be accounted for according to most of the requirements for defined benefit plans.

The revised AASB 119 also includes changed requirements for the measurement of employer liabilities/assets arising from defined benefit plans, and the measurement and presentation of changes in such liabilities/assets. Council contributes to the Local Government Superannuation Scheme (QLD) as disclosed in note 23. The revised standard will require Council to make additional disclosures regarding the Defined Benefits Fund element of the scheme.

The reported results and position of the Council will not change on adoption of the other pronouncements as they do not result in any changes to the Council's existing accounting policies. Adoption will, however, result in changes to information currently disclosed in the financial statements. The Council does not intend to adopt any of these pronouncements before their effective dates.

1.H Critical accounting judgements and key sources of estimation uncertainty

In the application of Council's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and ongoing assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Judgements, estimates and assumptions that have a potential significant effect are outlined in the following financial statement notes:

Valuation and depreciation of property, plant and equipment - Note 1.O and Note 14
Impairment of property, plant and equipment - Note 1.P
Provisions - Note 1.S and Note 17
Contingencies - Note 22.

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Cloncurry Shire Council Notes to the financial statements For the year ended 30 June 2013

1.I Revenue

Rates, levies, grants and other revenue are recognised as revenue on receipt of funds or earlier upon unconditional entitlement to the funds.

Rates, levies and charges

Where rate monies are received prior to the commencement of the rating/levying period, the amount is recognised as revenue in the period in which they are received, otherwise rates are recognised at the commencement of rating period.

Grants, subsidies and contributions

Grants, subsidies and contributions that are non-reciprocal in nature are recognised as revenue in the year in which Council obtains control over them. In the financial year ended 30 June 2012, and previous years, an equivalent amount was transferred from retained earnings to the relevant reserve until the funds are expended. Unspent non-reciprocal capital grants were placed in the Unspent capital grants reserve. Council however has now resolved to close all existing reserves and account for these restrictions using an internal management accounting system. Internal restrictions that have been placed on Council's cash and cash equivalents are now disclosed in Note 10.

Where grants are received that are reciprocal in nature, revenue is recognised as the various performance obligations under the funding agreement are fulfilled. Council does not currently have any reciprocal grants.

Non-cash contributions

Non-cash contributions with a value in excess of the recognition thresholds, are recognised as revenue and as non-current assets. Non-cash contributions below the thresholds are recorded as revenue and expenses.

Rental income

Rental revenue is recognised as income on a periodic straight line basis over the lease term.

Interest received

Interest received from term deposits is accrued over the term of the investment.

Sales revenue

Sale of goods is recognised when the significant risks and rewards of ownership are transferred to the buyer, generally when the customer has taken undisputed delivery of the goods.

The Council generates revenues from a number of services including child care, contracts for road and earthworks. Revenue from contracts and recoverable works generally comprises a recoupment of material costs together with an hourly charge for use of equipment and employees. Contract revenue and associated costs are recognised by reference to the stage of completion of the contract activity at the reporting date. Revenue is measured at the fair value of consideration received or receivable in relation to that activity. Where consideration is received for the service in advance it is included in other liabilities and is recognised as revenue in the period when the service is performed.

Fees and charges

Fees and charges are recognised upon unconditional entitlement to the funds. Generally this is upon lodgement of the relevant applications or documents, issuing of the infringement notice or when the service is provided.

1.J 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 1.K)

Receivables - measured at amortised cost (Note 1.L)

Financial liabilities

Payables - measured at amortised cost (Note 1.R)

Borrowings - measured at amortised cost (Note 1.T)

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

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**Cloncurry Shire Council
Notes to the financial statements
For the year ended 30 June 2013**

The fair value of financial instruments is determined as follows:

The fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities approximate their carrying amounts and are not disclosed separately.

The fair value of borrowings, as disclosed in Note 16 to the accounts, is determined by reference to published price quotations in an active market and/or by reference to pricing models and valuation techniques. It reflects the value of the debt if the Council repaid it in full at balance date. As it is the intention of the Council to hold its borrowings for their full term, no adjustment provision is made in these accounts.

The fair value of trade receivables approximates the amortised cost less any impairment. The fair value of payables approximates the amortised cost.

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 28.

1.K Cash and cash equivalents

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

1.L Receivables

Trade receivables are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase price / contract price. Settlement of these amounts is required within 30 days from invoice date.

The collectability of receivables is assessed periodically and if there is objective evidence that Council will not be able to collect all amounts due, the carrying amount is reduced for impairment. The 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.

All known bad debts were written-off at 30 June. Subsequent recoveries of amounts previously written off in the same period are recognised as finance costs in the Statement of Comprehensive Income. If an amount is recovered in a subsequent period it is recognised as revenue.

Because Council is empowered under the provisions of the *Local Government Act 2009* to sell an owner's property to recover outstanding rate debts, Council does not generally impair any rate receivables. This does not however apply where the rateable property is land with negligible value.

1.M Inventories

Trading stocks are valued at the lower of cost and net realisable value and include, where applicable, direct material, direct labour and an appropriate portion of variable and fixed overheads. Costs are assigned on the basis of weighted average cost.

Inventories held for distribution are:

- goods to be supplied at no or nominal charge, and
- goods to be used for the provision of services at no or nominal charge.

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

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**Cloncurry Shire Council
Notes to the financial statements
For the year ended 30 June 2013**

1.N Land held for resale

Land acquired with the intention of reselling it (with or without further development) is classified as inventory. As inventory this land is valued at the lower of its carrying amount and fair value less costs to sell. Inventory items are always treated as current assets.

Proceeds from the sale of this land is recognised in the Statement of Comprehensive Income on the signing of a valid unconditional contract of sale.

1.O Property, plant and equipment

Each class of property, plant and equipment is stated at amortised 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 treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised.

The classes of property, plant and equipment recognised by the Council are:

Land and improvements
Buildings
Plant and equipment
Road, drainage and bridge network
Water
Sewerage
Other structures
Work in progress

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, architect's fees and engineering design fees and all other establishment costs.

Property, plant and equipment received in the form of contributions, are recognised as assets and revenues at fair value by Council valuation where that value exceeds the recognition thresholds for the respective asset class. Fair value means the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Capital and operating expenditure

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

Valuation

Land and improvements, buildings, and all infrastructure assets are measured on the revaluation basis, at fair value, in accordance with AASB 116 *Property, Plant & Equipment*. 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 5 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 uses internal engineers to assess the condition and cost assumptions associated with all infrastructure assets, the results of which are considered in combination with the Queensland non residential construction index published by the Australian Bureau of Statistics. Together these are used to form the basis of a management valuation for infrastructure asset classes in each of the intervening years. With respect to the valuation of the land and improvements, buildings and major plant asset classes in the intervening years, management 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.

An analysis performed by management has indicated that, on average, the variance between an indexed asset value and the valuation by an independent valuer when performed is not significant and the indices used by Council are sound. Further details in relation to valuers, the methods of valuation and the key assumptions used are disclosed in Note 14.

Any revaluation increment arising on the revaluation of an asset is credited to the appropriate class of the asset revaluation surplus, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense to the extent it exceeds the balance, if any, in the revaluation surplus of that asset class.





**Cloncurry Shire Council
Notes to the financial statements
For the year ended 30 June 2013**

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

Separately identified components of assets are measured on the same basis as the assets to which they relate.

Details of valuer and methods of valuations are disclosed in note 14.

Capital work in progress

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

Depreciation

Land and improvements are not depreciated as it has an unlimited useful life. 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.

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and commissioned ready for use.

Where assets have separately identifiable components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate. Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to the Council.

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.

Depreciation methods, estimated useful lives and residual values of property, plant and equipment assets 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 14.

Land under roads

Land under roads acquired before 30 June 2008 is recognised as a non-current asset where the Council holds title or a financial lease over the asset. The Council currently does not have any such land holdings.

Land under the road network within the Council area that has been dedicated and opened for public use under the *Land Act 1994* or the *Land Title Act 1994* is not controlled by Council but is controlled by the State pursuant to the relevant legislation. Therefore this land is not recognised in these financial statements.

1.P Impairment of non-current assets

Each non-current physical and intangible asset and group of assets is assessed for indicators of impairment annually. If an indicator of possible impairment exists, the Council determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

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.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation surplus increase.



**Cloncurry Shire Council
Notes to the financial statements
For the year ended 30 June 2013**

1.Q Leases

Leases of plant and equipment under which the Council as lessee assumes substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are classified as finance leases. Other leases, where substantially all the risks and benefits remain with the lessor, are classified as operating leases.

Finance leases (as lessee)

Where Council enters into a finance lease as lessee, Council recognises an asset equal to the lower of fair value of the leased property and the present value of the minimum lease payments. The lease liability is recognised at the same amount. Lease liabilities are reduced by repayments of principal. The interest components of the lease payments are charged as finance costs. The asset is accounted for on the same basis as other assets of the same class. Contingent rentals are written off as an expense in the accounting period in which they are incurred.

Operating leases

Payments made under operating leases are expensed in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property.

1.R Payables

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price net of applicable discounts other than contingent discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

1.S Liabilities - employee benefits

Liabilities are recognised for employee benefits such as wages and salaries, annual leave and long service leave in respect of services provided by the employees up to the reporting date. Liabilities for employee benefits are assessed at each reporting date. Where it is expected that the leave will be paid in the next twelve months the liability is treated as a current liability. Otherwise the liability is treated as non-current.

Salaries and wages

A liability for salaries and wages is recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date. This liability represents an accrued expense and is reported in Note 15 as a payable.

Annual leave

A liability for annual leave is recognised. Amounts expected to be settled within 12 months (the current portion) are calculated on current wage and salary levels and includes related employee on-costs. Amounts not expected to be settled within 12 months (the non-current portion) are calculated on projected future wage and salary levels and related employee on-costs, and are discounted to present values. This liability represents an accrued expense and is reported in Note 15 as a payable.

Superannuation

The superannuation expense for the reporting period is the amount of the contribution the Council makes to the superannuation plan which provides benefits to its employees. Details of those arrangements are set out in Note 23.

Long service leave

A liability 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. This liability is reported in Note 17 as a provision.

1.T Borrowings and borrowing costs

Borrowings are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these liabilities are measured at amortised cost.

In accordance with the *Local Government Regulation 2012* 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 borrowing guidelines and ensure that sustainability indicators remain within acceptable levels at all times. All borrowing costs are expensed in the period in which they are incurred. No borrowing costs are capitalised on qualifying assets.

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**Cloncurry Shire Council
Notes to the financial statements
For the year ended 30 June 2013**

1. U 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.

1.V Retained surplus

In reference to the comparative figures for the year ended 30 June 2012, this represents the amount of Council's net funds not set aside in reserves to meet specific future needs.

1.W Reserves

Council's cash and cash equivalents are subject to a number of internal and external restrictions that limit the amount that is available for discretionary or future use. In prior years Council accounted for these restrictions using a system of reserves.

Council has however resolved to close all existing reserves and account for these restrictions using an internal management accounting system. Internal restrictions that have been placed on Council's cash and cash equivalents are now disclosed in Note 10.

The former reserves operated as follows:

Unspent capital grants

This reserve represented amounts set aside for the future capital assets needs of Council. The amounts formally reported in the reserve at balance date are now disclosed as an internal restriction on cash in note 10.

Asset replacement reserve

The Council maintained funds for expenditures required for buildings. This amount is now disclosed in note 10.

Constrained works reserve

This reserve represents contributions received for capital works where the required works have not yet been carried out. The amounts previously reported in this reserve corresponded to the amount of cash (reported within cash and cash equivalents) which had been received in respect of capital works contributions received for specific capital projects where the required capital works had not yet been carried out. Where non reciprocal grants, subsidies and contributions were received for specific capital projects, amounts equivalent to the capital grants received were transferred from retained surplus to the constrained works reserve. When the grant monies were expended on the respective projects, an equivalent amount was transferred out of the constrained works reserve to retained surplus.

Future recurrent expenditure reserve

The amounts previously reported in this reserve correspond to the amount of cash (reported with cash and cash equivalents) that had been allocated for future maintenance expenditure on specific assets such as bridges within the Council area that are repainted once every three years. An amount equivalent to the cash allocated for this purpose was transferred from retained surplus to the future recurrent expenditure reserve annually. When the maintenance was undertaken, an amount equivalent to the maintenance expenditure was transferred out of the future recurrent expenditure reserve to retained surplus. All of the amounts transferred to this reserve related to a perceived future liability which was not currently a liability.

1.X Rounding and comparatives

The financial statements have been rounded to the nearest \$1.

Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period.

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**Cloncurry Shire Council
Notes to the financial statements
For the year ended 30 June 2013**

1.Y Trust funds held for 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 in Note 25.

1.Z Taxation

Council is exempt from Commonwealth taxation except for Fringe Benefits Tax and Goods and Services Tax ('GST'). The net amount of GST recoverable from the ATO or payable to the ATO is shown as an asset or liability respectively.

1.AA Carbon pricing

In 2011 the Australian Government introduced a Clean Energy Legislation package. One aspect of this package, which impacts Council indirectly is the introduction of a pricing mechanism for greenhouse gas emissions in the Australian economy.

Council operates a number of small landfill facilities that have annual emissions of carbon dioxide equivalent that are below the individual site threshold of 25,000 tonnes. Council modelling indicates that the facilities are unlikely to exceed this threshold in the foreseeable future and therefore no direct liability has arisen, or is likely to arise as a result of this legislation.

Council has been, and will continue to be indirectly impacted through increased costs arising from the carbon pricing mechanism. The most significant of these will be electricity and fuel. Commonwealth Treasury modelling published in July 2011 in the document "Strong growth, low pollution modelling a carbon price" indicates that the carbon pricing is expected to increase electricity prices by 10% within 5 years from 1 July 2012 and increase other costs by 0.7% on inflation. In addition fuel tax credits will be progressively reduced over the initial fixed price period.

Council's modelling indicates that the impact of electricity and fuel increases, due to carbon pricing, is not material to overall expenses.

1.AB Correction of prior period error

Council last undertook a comprehensive revaluation of its road, drainage and bridge network assets as at 30 June 2007. Accordingly, Council undertook a comprehensive revaluation of its road, drainage and bridge network as at 30 June 2013. Council also undertook a retrospective revaluation of the same as at 30 June 2012.

The results of the revaluation indicated a material difference between the Council asset values at 30 June 2012 and the values in Council's 2011-12 financial statements.

Council has therefore made a decision to restate the 30 June 2012 asset values to reflect the asset values from the revaluation as at 30 June 2012.

The impact of the restatement is disclosed at note 14 - Property, Plant and Equipment and Note 29 - Correction of prior period error.

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**Cloncurry Shire Council
Notes to the financial statements
For the year ended 30 June 2013**

2. Analysis of Results by Function

2(a) Components of Council functions

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

Corporate governance

This comprises the support functions for the Mayor and Councillors, Council and committee meetings and statutory requirements.

Finance and information

The support functions of management of the Council's finance, information technology and administration.

Community services

Community services and facilities including cultural, health, welfare, environmental and recreational services.

This function includes:

Libraries

Entertainment venues

Public health services including vaccination clinics

Environmental licences and approvals.

Planning and development

Management of the development of the shire and approval processes for development and building.

Transport infrastructure

Providing and maintaining roads and drainage.

Waste management

Providing refuse collection and disposal services.

Water infrastructure

Providing water supply services.

Sewerage infrastructure

Providing sewerage services.

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2 Analysis of results by function (continued)

Year ended 30 June 2012 (restated)

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Cloncurry Shire Council

Cloncurry Shire Council Notes to the financial statements For the year ended 30 June 2013

Note	Council	
	2013 \$	2012 \$
3 Revenue analysis		
(a) Rates, levies and charges		
General rates	7,687,212	6,970,433
Separate rates	231,161	225,000
Water	2,200,735	2,124,058
Sewerage	787,224	748,891
Waste management	542,910	527,221
Gross rates, levies and charges	11,449,242	10,595,603
Less: Discounts	(991,663)	(824,223)
Less: Pensioner remissions	(11,609)	(11,938)
Total rates, levies and charges	10,445,971	9,659,442
(b) Fees and charges		
Saleyard - weighing	108,097	118,540
Saleyard - dipping	410,334	374,854
Saleyard - tick free	52,730	74,908
Airport fees & charges	2,126,855	1,224,235
Childcare fees & charges	361,490	326,422
Water connection fees	1,214,513	55,704
Other fees and charges	452,390	443,610
	4,726,410	2,618,273
(c) Rental income		
Property rental	225,103	154,292
	225,103	154,292
(d) Interest received		
Interest received from term deposits	958,821	1,254,018
Interest from overdue rates and utility charges	55,094	56,747
	1,011,915	1,310,765
(e) Sales revenue		
Sale of services		
Contract and recoverable works	1,466,136	1,089,526
Private Works	414,672	220,105
	1,880,808	1,309,631
Total sales revenue	1,880,808	1,309,631

The amount recognised as revenue for contract revenue during the financial year is the amount receivable in respect of invoices issued during the period. There are no contracts in progress at the year end. The contract work carried out is not subject to retentions.

4 Grants, subsidies and contributions

(a) Recurrent		
General purpose grants	3,960,411	2,968,894
State government subsidies and grants	1,350,218	3,302,997
	5,310,629	6,271,891
(b) Capital		
State government subsidies and grants	6,853,263	7,483,498
Flood damage grants	6,181,050	636,742
Contributions	-	1,000,000
	13,034,313	9,120,240

Conditions over contributions

Contributions recognised as income during the reporting period and which were obtained on the condition that they be expended in a manner specified by the contributor but had not been expended at the reporting date:

Non-reciprocal grants for expenditure on infrastructure	4,226,443	2,237,669
	4,226,443	2,237,669

Contributions recognised as income during a previous reporting period that were obtained in respect of the current reporting period:

Non-reciprocal grants for expenditure on infrastructure	2,237,669	-
	2,237,669	-

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Cloncurry Shire Council

Cloncurry Shire Council Notes to the financial statements For the year ended 30 June 2013

Note	Council	
	2013 \$	2012 \$
5 Capital Income/(expenses)		
Gain / (loss) on disposal of non-current assets		
Proceeds from the sale of property, plant and equipment	769,228	226,273
Less: Book value of property, plant and equipment disposed of	(855,037)	(322,877)
	<u>(85,810)</u>	<u>(96,604)</u>
Total capital income/(expenses)	<u>(85,810)</u>	<u>(96,604)</u>
6 Employee benefits		
Total staff wages and salaries	5,075,506	4,300,161
Councillors' remuneration	241,934	249,912
Annual, sick and long service leave entitlements	795,834	673,382
Superannuation	542,272	435,751
	<u>6,655,547</u>	<u>5,659,206</u>
Other employee related expenses	108,796	142,318
	<u>6,764,342</u>	<u>5,801,523</u>
Less: Capitalised employee expenses	(110,424)	(213,283)
	<u>6,653,919</u>	<u>5,588,240</u>
Councillor remuneration represents salary, and other allowances paid in respect of carrying out their duties.		
Total Council employees at the reporting date:	2013	2012
Elected members	5	5
Administration staff	49	45
Depot and outdoors staff	37	37
Total full time equivalent employees	<u>91</u>	<u>87</u>
7 Materials and services		
Conference and deputations	46,082	38,837
Donations and contributions	58,226	43,882
Audit of annual financial statements	65,482	77,824
Plant Operations (on-cost recoveries)	(958,854)	(1,017,503)
Water Operations	1,529,966	981,520
Sewerage Operations	635,598	270,277
Salvage Operations	377,464	379,814
Airport Operations	502,357	420,455
Council Housing	153,452	148,325
Childcare costs	298,754	109,140
Tourism and area promotion	356,074	269,466
Other Community Services	491,931	691,945
Town Planning	261,795	286,520
Environmental Health	389,148	499,137
Refuse Management	738,111	726,997
Engineering (on-cost recoveries)	(253,757)	(280,611)
Stores (on-cost recoveries)	(2,689,328)	(1,546,013)
Public Facilities	899,800	648,791
Roads	3,318,605	4,780,065
Private Works	319,020	177,685
Insurance	562,356	357,541
Corporate Services	299,022	354,235
	<u>7,423,305</u>	<u>8,419,330</u>
8 Finance costs		
Finance costs charged by Queensland Treasury Corporation	825,367	707,186
Bank charges	23,670	28,869
Impairment of debts / (reversal)	(77,440)	300
	<u>771,596</u>	<u>736,355</u>

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**Cloncurry Shire Council
Notes to the financial statements
For the year ended 30 June 2013**

Note	Council	
	2013 \$	2012 \$
9 Depreciation		
Depreciation of non-current assets		
Land and improvements	-	-
Buildings	753,790	661,725
Plant and equipment	465,867	381,641
Road, drainage and bridge network	3,795,800	5,152,872
Water	703,893	720,668
Sewerage	285,248	278,648
Other structures	513,390	457,238
Total depreciation	14 6,517,988	7,652,792

10 Cash and cash equivalents

Cash at bank and on hand	8,545,925	8,471,198
Deposits at call	22,630,403	14,731,000
Balance per Statement of Cash Flows	31,176,328	23,202,198

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

Externally Imposed expenditure restrictions at the reporting date relate to the following cash assets:

Unspent government grants and subsidies	2,495,870	2,546,640
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Internally Imposed expenditure restrictions at the reporting date:

Unspent capital works	-	900,000
Future asset replacement	572,000	572,000
Future constrained works	4,228,443	2,237,669
Future recurrent expenditure	-	308,971
Total unspent restricted cash	7,294,313	6,555,280

These restrictions were previously allocated as reserves.

Cash and deposits at call are held in the Westpac Banking Corporation in normal term deposits and business cheque accounts. The bank currently has Standard & Poor's short term credit rating of A1+ and long term rating of AA-.

11 Trade and other receivables

Current

Rateable revenue and utility charges	508,620	507,505
Trade receivables and accruals	2,177,276	2,533,143
Less impairment	(72,000)	(158,630)
Prepayments	-	-
	2,611,896	2,882,018

Interest is charged on outstanding rates at a rate of 11% per annum. No interest is charged on other debtors. There is no concentration of credit risk for rates and utility charges, fees and other debtors receivable.

Loans relate to advances made to various sporting bodies. These loans arise from time to time and are subject to negotiated interest rates. The credit risk on these loans is considered low.

Movement in accumulated impairment losses (other debtors) is as follows:

Opening balance at 1 July	158,629	448,959
Impairment debts written off during the year	(9,189)	-
Additional impairments recognised	-	-
Impairments reversed	(77,440)	(290,330)
Closing balance at 30 June	72,000	158,629

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**Cloncurry Shire Council
Notes to the financial statements
For the year ended 30 June 2013**

	Note	Council	
		2013 \$	2012 \$
12 Inventories			
Inventories held for sale			
Trading stocks		27,620	10,922
		<u>27,620</u>	<u>10,922</u>
Inventories held for distribution			
Plant and equipment stores		206,055	202,948
		<u>206,055</u>	<u>202,948</u>
Land held for development and sale			
Land held for resale	13	3,612,223	-
		<u>3,612,223</u>	<u>-</u>
Total inventories		<u>3,845,898</u>	<u>213,870</u>
13 Land held for development and sale			
Opening balance		-	-
Land transferred from property, plant and equipment		340,000	-
Development costs incurred		3,481,825	-
Less: Cost of development land sold		(209,602)	-
		<u>3,612,223</u>	<u>-</u>
Classified as			
Current		<u>3,612,223</u>	<u>-</u>

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Cloncurry Shire Council Notes to the financial statements For the year ended 30 June 2013

14 Property, plant and equipment

30 June 2013

Note

Basis of measurement
Asset values
Opening gross value as at 1 July 2012
Additions
Disposals
Revaluation adjustment to asset revaluation
Revaluation adjustment to income
Assets classified as inventory
Assets transferred to investment property
Transfers between classes
Closing gross value as at 30 June 2013

	Land and improvements	Buildings	Plant and equipment	Road, drainage and bridge network	Water	Sewerage	Other Structures	Work in progress	Total
	Fair Value	Fair Value	Cost	Fair Value	Fair Value	Fair Value	Fair Value	Cost	\$
	\$	\$	\$	\$	\$	\$	\$	\$	\$
	8,875,900	29,088,844	8,747,487	176,280,401	32,868,843	14,151,324	17,576,963	18,054,555	305,644,317
5	-	-	2,074,930	-	-	-	-	10,461,413	12,536,343
18	(8,000)	-	(907,508)	-	-	-	-	-	(915,508)
	-	-	-	4,847,855	-	-	-	-	4,847,855
	-	-	-	-	-	-	-	-	-
	(340,000)	-	-	-	-	-	-	(3,481,825)	(3,821,825)
	-	-	-	-	-	-	-	-	-
	528,402	15,031,607	-	3,018,144	1,794,803	697,014	872,828	(21,942,799)	-
	9,056,302	44,120,451	9,914,909	184,146,400	34,663,646	14,848,338	18,449,791	3,091,345	318,291,182

Accumulated depreciation and impairment

Opening balance as at 1 July 2012
Depreciation provided in period
Depreciation on disposals
Revaluation adjustment to asset revaluation
Impairment adjustment to asset revaluation surplus
Impairment adjustment to income
Assets classified as held for sale
Assets transferred to investment property
Transfers between classes
Accumulated depreciation as at 30 June 2013

	Land and improvements	Buildings	Plant and equipment	Road, drainage and bridge network	Water	Sewerage	Other Structures	Work in progress	Total
	Fair Value	Fair Value	Cost	Fair Value	Fair Value	Fair Value	Fair Value	Cost	\$
	\$	\$	\$	\$	\$	\$	\$	\$	\$
	-	15,553,325	4,112,858	31,918,596	13,321,688	8,736,848	5,909,838	-	79,553,153
9	-	753,790	465,867	3,795,800	703,893	285,248	513,390	-	6,517,988
5	-	-	(400,471)	-	-	-	-	-	(400,471)
18	-	-	-	1,429,095	-	-	-	-	1,429,095
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	16,307,115	4,178,254	37,143,491	14,025,581	9,022,096	6,423,228	-	87,099,765

Total written down value as at 30 June 2013

Residual value
Range of estimated useful life in years

	Land and improvements: Not depreciated.	Buildings	Plant and equipment	Road, drainage and bridge network	Water	Sewerage	Other Structures	Work in progress	Total
	Fair Value	Fair Value	Cost	Fair Value	Fair Value	Fair Value	Fair Value	Cost	\$
	\$	\$	\$	\$	\$	\$	\$	\$	\$
	9,056,302	27,813,336	5,736,655	147,002,909	20,638,065	5,826,242	12,026,563	3,091,345	231,191,417
	9,056,302	3,511,785	3,008,241	85,897,318	-	-	4,173,820	-	105,647,466
	-	40 - 100	2 - 20	5 - 100	20 - 60	20 - 60	20 - 40	-	-

Additions Comprise:

Renewals
Other additions
Total additions

	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	\$
	\$	\$	\$	\$	\$	\$	\$	\$	\$
	-	-	2,060,665	-	-	-	-	4,491,167	6,551,832
	-	-	14,265	-	-	-	-	5,970,246	5,984,511
	-	-	2,074,930	-	-	-	-	10,461,413	12,536,343



14 Property, plant and equipment (continued)

Note

18

29

29



Cloncurry Shire Council Notes to the financial statements For the year ended 30 June 2013

14 Property, plant and equipment (continued):

Land and Improvements

The fair value of land and Improvements was measured at current market value as at 30 June 2009 as independently determined by AssetVal, independent valuers. Fair value is derived by reference to market based evidence including observable historical sales data for properties of similar nature and specification within the Cloncurry Shire Council and surrounding areas.

Management also undertook a desktop valuation as at 30 June 2011.

Management has considered an assessment of Land and land improvement values at 30 June 2013 by referencing published land indices and current market activity. This was determined by management to be the most appropriate approach and resulted in no restatement of carrying values of land assets being necessary. Consequently, management determined that existing carrying values materially reflect market value as at 30 June 2013.

Buildings

There is no market for Council's buildings as these are held to provide essential services to the community. Accordingly, the fair value of all building assets is measured at written down current replacement cost. Buildings were last comprehensively revalued to written down current replacement cost by AssetVal Pty Ltd. Registered Valuers as at 30 June 2009. The gross current values were derived by reference to market data for recent projects and costing guides issued by the Australian Institute of Quantity Surveyors, Rawlinson's (Australian Construction Handbook). A desktop valuation was subsequently undertaken as at 30 June 2011. At that date, Building fair values were assessed on the basis of replacement with a new asset having similar service potential including allowances for preliminaries and professional fees.

As at 30 June 2013 the Queensland building construction index, as published by the Australian Bureau of Statistics was reviewed, however the movement in the index since June 2011 was not considered to be material. Accordingly, no index adjustment was applied.

Other Structures

There is no market for Council's Other Structures assets as these are held to provide essential services to the community. Accordingly the fair value of all Other Structures assets is measured at written down current replacement cost.

Other Structures were last comprehensively revalued to written down current replacement cost at 30 June 2009, by AssetVal Pty Ltd. Registered Valuers. A desktop revaluation was undertaken as at 30 June 2011. At those dates, Other Structures fair values were assessed on the basis of replacement with a new asset having similar service potential including allowances for preliminaries and professional fees. The gross current values were derived by reference to market data for recent projects and costing guides issued by the Australian Institute of Quantity Surveyors, Rawlinson's (Australian Construction Handbook).

As at 30 June 2013 the Queensland non building construction index, as published by the Australian Bureau of Statistics was reviewed, however the movement in the index since June 2011 was not considered to be material. Accordingly, no index adjustment was applied.

Water

There is no market for Council's water infrastructure assets as these are held to provide essential services to the community. Accordingly the fair value of all water infrastructure assets is measured at written down current replacement cost.

Water infrastructure was last comprehensively revalued to written down current replacement cost at 30 June 2009, by AssetVal Pty Ltd. Registered Valuers. A desktop revaluation was undertaken as at 30 June 2011. At those dates, Water infrastructure fair values were determined by reference to market data for recent projects, costing guides such as Rawlinson's (Australian Construction Handbook) and benchmark data from similar councils. As the assets are not traded in an open market, fair value was determined as being the depreciated current replacement cost. The key underlying assumptions in respect of the valuation were a combination of unit cost rates in respect of specific components and condition assessments of the water infrastructure based on recent repairs and maintenance performed on the network.

As at 30 June 2013 the Queensland non building construction index was reviewed, however the movement in the index since June 2011 was not considered to be material. Accordingly no index adjustment has been applied.

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Cloncurry Shire Council Notes to the financial statements For the year ended 30 June 2013

Sewerage

There is no market for Council's sewerage infrastructure assets as these are held to provide essential services to the community. Accordingly the fair value of all sewerage infrastructure assets is measured at written down current replacement cost.

Sewerage Infrastructure was last comprehensively revalued to written down current replacement cost at 30 June 2009, by AssetVal Pty Ltd. Registered Valuers. A desktop revaluation was undertaken as at 30 June 2011. At those dates Sewerage infrastructure fair values were determined by reference to market data for recent projects, costing guides such as Rawlinson's (Australian Construction Handbook) and benchmark data from similar councils. As the assets are not traded in an open market, fair value was determined as being the depreciated current replacement cost. The key underlying assumptions in respect of the valuation were a combination of unit cost rates in respect of specific components and condition assessments of the sewerage infrastructure based on recent repairs and maintenance performed on the network.

As at 30 June 2013 the Queensland non building construction index was reviewed, however the movement in the Index since June 2011 was not considered to be material. Accordingly no index adjustment has been applied.

Plant and equipment

Plant and equipment is measured at original cost less accumulated depreciation and accumulated impairment.

Road, drainage and bridge network

There is no market for Council's road, drainage and bridge network assets as these are held to provide essential services to the community. Accordingly the fair value of these infrastructure assets is measured at written down current replacement cost.

Road, drainage and bridge network were comprehensively revalued to written down current replacement cost as at 30 June 2013 by AssetVal Pty Ltd. Registered Valuers. Fair values have been determined by reference to market data for recent projects, costing guides such as Rawlinson's (Australian Construction Handbook) and benchmark data from similar councils. As the assets are not traded in an open and liquid market, fair value has been determined as the depreciated current replacement cost. Additional reference was made to data available from the Australian Bureau of Statistics Index 3101 Road and Bridge Construction.

The key underlying assumptions were based on the following:

- useful lives based on individual asset components
- information based on construction dates of assets (where available)
- condition assessments performed by both the valuers on a sample basis and additional information provided by Council
- unit rates based on recent projects

In relation to the fair value of road, drainage and bridge network assets at 30 June 2012, refer to Note 29.

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**Cloncurry Shire Council
Notes to the financial statements
For the year ended 30 June 2013**

Note	Council	
	2013 \$	2012 \$
15 Trade and other payables		
Current		
Creditors and accruals	1,663,858	3,387,020
Annual leave	360,001	356,468
Other entitlements	119,599	71,223
	<u>2,143,258</u>	<u>3,814,711</u>
Non-current		
Annual leave	120,317	121,543
	<u>120,317</u>	<u>121,543</u>
16 Borrowings		
Current		
Loans - Queensland Treasury Corporation	557,031	527,645
	<u>557,031</u>	<u>527,645</u>
Non-current		
Loans - Queensland Treasury Corporation	13,786,364	14,342,776
	<u>13,786,364</u>	<u>14,342,776</u>
Loans - Queensland Treasury Corporation		
Opening balance at beginning of financial year	14,870,421	12,082,147
Loans raised	-	3,500,000
Principal repayments	(527,026)	(711,726)
Book value at end of financial year	<u>14,343,395</u>	<u>14,870,421</u>
The QTC loan market value at the reporting date was \$15,207,022. 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.		
17 Provisions		
Current		
Long service leave	78,318	270,850
	<u>78,318</u>	<u>270,850</u>
Non-current		
Long service leave	313,272	86,038
	<u>313,272</u>	<u>86,038</u>
Details of movements in provisions:		
Long service leave		
Balance at beginning of financial year	356,888	306,990
Long service leave entitlement arising/paid	97,150	81,985
Long service entitlement paid	(62,449)	(32,067)
Balance at end of financial year	<u>391,590</u>	<u>356,888</u>

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Cloncurry Shire Council

Cloncurry Shire Council Notes to the financial statements For the year ended 30 June 2013

	Note	Council	
		2013 \$	2012 \$
18 Asset revaluation surplus			
Movements in the asset revaluation surplus were as follows:			
Balance at beginning of financial year (after restatement)		75,267,472	52,649,259
Net adjustment to non-current assets at end of period to reflect a change in current fair value:			
Land and improvements		-	-
Buildings		-	-
Road, drainage and bridge network		3,418,760	-
Water		-	-
Sewerage		-	-
Other structures		-	-
Balance at end of financial year		78,686,232	52,649,259
Effect of correction of error	20	-	22,618,213
Balance at end of financial year (restated)		78,686,232	75,267,472
Asset revaluation surplus analysis (after restatement)			
The closing balance of the asset revaluation surplus comprises the following asset categories:			
Land and improvements		2,373,205	2,373,205
Buildings		10,798,175	10,798,175
Road, drainage and bridge network		51,795,514	48,376,754
Water		9,204,413	9,204,413
Sewerage		2,008,533	2,008,533
Other structures		2,508,392	2,508,392
		78,686,232	75,267,472
19 Retained surplus			
Movements in the retained surplus were as follows:			
Retained surplus at beginning of financial year		153,939,575	145,130,477
Net result		15,182,532	7,951,212
Transfers (to)/ from capital reserves for future capital project funding, or from reserves funds that have been expended or closed:	20		
Asset replacement reserve		572,000	734,619
Future capital works reserve		900,000	1,825,408
Constrained works reserve		2,237,669	(1,481,859)
Transfers (to) from recurrent reserves for future project funding, or from reserves funds that have been expended:			
Recurrent expenditure reserve		308,971	(220,282)
Retained surplus at end of financial year		173,140,747	153,939,575

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Cloncurry Shire Council

Cloncurry Shire Council Notes to the financial statements For the year ended 30 June 2013

	Note	Council	
		2013 \$	2012 \$
20 Reserves			
Council's cash and cash equivalents are subject to a number of internal and external restrictions that limit the amount that is available for discretionary or future use. In prior years Council accounted for these restrictions using a system of reserves.			
During the course of the 2013 financial year Council resolved to close all existing reserves and account for these restrictions using an internal management accounting system.			
The restrictions that have been placed on Council's cash and cash equivalents are now disclosed in Note 10.			
Reserves held for funding future capital expenditure			
Asset replacement reserve		-	572,000
Unspent capital grants reserve		-	900,000
Constrained works reserve		-	2,237,669
			<u>3,709,669</u>
Reserves held for funding future recurrent expenditure			
Future recurrent expenditure reserve		-	308,971
			<u>308,971</u>
Total reserves		-	<u>4,018,640</u>
Movements in capital reserves:			
Asset replacement reserve			
Balance at beginning of financial year		572,000	1,306,619
Transfer from retained surplus for future expenditure			572,000
Transfer to the retained surplus		(572,000)	(1,306,619)
Balance at end of financial year		-	<u>572,000</u>
Unspent capital grants			
Balance at beginning of financial year		900,000	2,725,408
Transfer from retained surplus for future expenditure			900,000
Transfer to the retained surplus/capital funds expended in the period		(900,000)	(2,725,408)
Balance at end of financial year		-	<u>900,000</u>
Constrained works reserve			
Balance at beginning of financial year		2,237,669	755,810
Transfer from retained surplus for future expenditure			2,237,669
Transfer to the retained surplus		(2,237,669)	(755,810)
Balance at end of financial year		-	<u>2,237,669</u>
Movements in recurrent reserves:			
Future recurrent expenditure reserve			
Balance at beginning of financial year		308,971	88,689
Transfer from retained surplus for future expenditure		-	220,282
Transfer to the retained surplus		(308,971)	-
Balance at end of financial year		-	<u>308,971</u>
21 Commitments for expenditure			
Contractual commitments			
Contractual commitments at end of financial year but not recognised in the financial statements are as follows:			
Garbage collection contract (expires 14 September 2013)		71,250	366,450
Mine access roads		-	900,000
		<u>71,250</u>	<u>1,266,450</u>

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Cloncurry Shire Council Notes to the financial statements For the year ended 30 June 2013

22 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.

As at 30 June 2012, (the most recent available) the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

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 \$157,788.

23 Superannuation

The Cloncurry Shire Council contributes to the Local Government Superannuation Scheme (Qld) (the scheme). The scheme is a Multi-employer Plan as defined in the Australian Accounting Standard AASB119 *Employee Benefits*.

The Queensland Local Government Superannuation Board, the trustee of the scheme, advised that the local government superannuation scheme was a complying superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation.

The scheme has three elements referred to as the City Defined Benefits Fund (CDBF) which covers former members of the City Super Defined Benefits Fund, the Regional Defined Benefits Fund (Regional DBF) which covers defined benefit fund members working for regional local governments and the Accumulation Benefits Fund (ABF). The ABF is a defined contribution scheme as defined in AASB 119. Council has no liability to or interest in the ABF other than the payment of the statutory contributions as required by the *Local Government Act 2009*.

The Regional DBF is a defined benefit plan as defined in AASB119. The Council is not able to account for the Regional DBF as a defined benefit plan in accordance with AASB119 because the scheme is unable to account to the Council for its proportionate share of the defined benefit obligation, plan assets and costs.

Any amount by which either fund is over or under funded would only affect future benefits and contributions to the Regional DBF, and is not an asset or liability of the Council. Accordingly there is no recognition in the financial statements of any over or under funding of the scheme.

The audited general purpose financial report of the scheme as at 30 June 2012 (the most recent available) which was not subject to any audit qualification, indicates that the assets of the scheme are sufficient to meet the vested benefits.

The most recent actuarial assessment of the scheme was undertaken as at 1 July 2012. The actuary indicated that "the Regional DBF is currently in a satisfactory but modest financial position and remains vulnerable to adverse short and medium term experience."

Following the previous actuarial assessment in 2009, councils were advised by the trustee of the scheme, following advice from the scheme's actuary, that additional contributions may be imposed in the future at a level necessary to protect the entitlements of Regional DBF members. In the 2012 actuarial report the actuary has recommended no change to the employer contribution levels at this time.

Under the Local Government Act 2009 the trustee of the scheme has the power to levy additional contributions on councils which have employees in the Regional DBF when the actuary advises such additional contributions are payable - normally when the assets of the DBF are insufficient to meet members' benefits.

The next actuarial investigation was to be made as at 1 July 2015.

	Note	2013 \$	2012 \$
The amount of superannuation contributions paid by Council to the scheme in this period for the benefit of employees was:	6	542,272	435,751

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**Cloncurry Shire Council
Notes to the financial statements
For the year ended 30 June 2013**

	2013	2012
Note	\$	\$
24 Operating lease Income		
Council's minimum operating lease receipts are as follows:		
Not later than one year	23,003	51,903
One to five years	92,011	207,612
Later than five years	218,809	-
	<u>333,823</u>	<u>259,515</u>

The Council leases a number of buildings and lots of land under operating leases. The airport leases typically run for a period of 20 years, with an option to renew the lease after that date. Other leases typically run for periods ranging from monthly to 3 years. Lease payments are increased annually to reflect market rentals.

25 Trust funds

Trust funds held for outside parties

Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities

135,325	117,142
<u>135,325</u>	<u>117,142</u>

The Council performs only a custodial role in respect of these monies. As these funds cannot be used by the Council, they are not brought to account in these financial statements.

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

Net result	15,182,531	7,951,212
Non-cash Items:		
Depreciation and amortisation	6,517,989	7,652,792
	<u>6,517,989</u>	<u>7,652,792</u>
Investing and development activities:		
Net (profit)/loss on disposal of non-current assets	85,810	96,604
Capital grants and contributions	(13,034,313)	(9,120,240)
	<u>(12,948,503)</u>	<u>(9,023,636)</u>
Changes in operating assets and liabilities:		
(Increase)/decrease in receivables	270,122	(1,448,687)
(Increase)/decrease in inventory	(3,632,028)	(63,921)
Increase/(decrease) in payables	(1,672,679)	736,625
Increase/(decrease) in other provisions	34,702	49,898
	<u>(4,999,883)</u>	<u>(726,085)</u>
Net cash inflow from operating activities	<u>3,752,133</u>	<u>5,854,284</u>

27 Events after the reporting period

There were no material adjusting or disclosing events after the balance date.

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Cloncurry Shire Council Notes to the financial statements For the year ended 30 June 2013

28 Financial instruments

Cloncurry Shire Council's activities expose it to a variety of financial risks including interest rate 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.

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
Interest rate risk	Sensitivity analysis

Credit risk exposure

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 obligations.

In the case of rate receivables, the Council has the power to sell the property to recover any defaulted amounts. In effect this power protects the Council against credit risk in the case of these debts.

In other cases, the Council assesses the credit risk before providing goods or services and applies normal business credit protection procedures to minimise the risk.

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 remote.

By the nature of the Council's operations, there is a geographical concentration of risk in the Council's area. Because the area is largely mining, there is also a concentration in the mining sector.

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.

Council's maximum exposure to credit risk is as follows:

	Note	Council	
		2013	2012
Financial assets		\$	\$
Cash and cash equivalents	10	31,176,328	23,202,198
Receivables - rates	11	506,620	507,505
Receivables - other	11	2,105,276	2,374,513
Other credit exposures			
Guarantee	22	157,788	120,000
		<u>33,946,012</u>	<u>26,204,216</u>

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Cloncurry Shire Council Notes to the financial statements For the year ended 30 June 2013

The following represents an analysis of the age of the Council's financial assets that are either fully performing, past due or impaired:

30/06/2013 Receivables - other	Fully performing	Past due			Total
		Less than 30 days	30-60 days	61-90 days	
	\$	\$	\$	\$	\$
Receivables	1,722,766	317,838	11,559	125,113	2,177,276
Less impairment	-	-	-	(39,765)	(39,765)
Net Receivables	1,722,766	317,838	11,559	85,348	2,137,511

30/06/2013 Receivables - rates	Fully performing	Past due			Total
		0-1 year	1-5 year	Impaired	
	\$	\$	\$	\$	\$
Receivables	-	263,912	242,708	-	506,620
Less impairment	-	-	-	(32,235)	(32,235)
Net Receivables	-	263,912	242,708	(32,235)	474,385

30/06/2012 Receivables - other	Fully performing	Past due			Total
		Less than 30 days	30-60 days	61-90 days	
	\$	\$	\$	\$	\$
Receivables	1,858,623	99,428	40,496	534,596	2,533,143
Less impairment	-	-	-	(6,675)	(6,675)
Net Receivables	1,858,623	99,428	40,496	527,921	2,526,468

30/06/2012 Receivables - rates	Fully performing	Past due			Total
		0-1 year	1-5 year	Impaired	
	\$	\$	\$	\$	\$
Receivables	-	297,681	209,824	-	507,505
Less impairment	-	-	-	(151,955)	(151,955)
Net Receivables	-	297,681	209,824	(151,955)	355,550

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 trading in the normal course of business and borrowings from the Queensland Treasury Corporation for capital works.

The following table sets out the liquidity risk of financial liabilities held by the Council in a format as it might be provided to management. The amounts disclosed in the maturity analysis represent the contractual undiscounted cash flows at balance date:

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**Cloncurry Shire Council
Notes to the financial statements
For the year ended 30 June 2013**

	0 to 1 year	1 to 5 years	Over 5 years	Total contractual cash flows	Carrying amount
	\$	\$	\$	\$	\$
2013					
Trade and other payables	1,663,658	-	-	1,663,658	1,663,658
Loans - QTC	1,350,162	5,400,646	15,818,291	22,569,098	14,343,395
	<u>3,013,820</u>	<u>5,400,646</u>	<u>15,818,291</u>	<u>24,232,756</u>	<u>16,007,053</u>

2012					
Trade and other payables	3,387,020	-	-	3,387,020	3,387,020
Loans - QTC	1,352,393	5,400,646	16,744,926	23,497,965	14,870,421
	<u>4,739,413</u>	<u>5,400,646</u>	<u>16,744,926</u>	<u>26,884,985</u>	<u>18,257,441</u>

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

Interest rate risk

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.

The Cloncurry Shire Council does not undertake any hedging of interest rate risk.

The following interest rate sensitivity analysis is based on a report similar to that which would be provided to management, depicting the outcome to profit and loss should there be a 1% increase in market interest rates. The calculations assume that the rate would be held constant over the next financial year, with the change occurring at the beginning of that year. It is assumed that interest rates on overdue rates would not change. If the rates decreased by 1% the impact would be equal in amount in the reverse direction.

	Net carrying amount		Surplus		Equity	
	2013	2012	2013	2012	2013	2012
	\$	\$	\$	\$	\$	\$
Financial assets	31,176,328	23,202,198	311,763	232,022	311,763	232,022
Financial liabilities	(14,343,395)	(14,870,421)	(143,434)	(148,704)	(143,434)	(148,704)
Net total	<u>16,832,933</u>	<u>8,331,777</u>	<u>168,329</u>	<u>83,318</u>	<u>168,329</u>	<u>83,318</u>

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Cloncurry Shire Council Notes to the financial statements For the year ended 30 June 2013

29 Correction of prior period error

Council last undertook a comprehensive valuation of its road, drainage and bridge network assets as at 30 June 2007. Accordingly Council undertook a comprehensive revaluation of its road, drainage and bridge network assets as at 30 June 2013. Council also undertook a retrospective revaluation of the same as at 30 June 2012.

The revaluation as at 30 June 2012 resulted in a substantial revaluation increment of Council's property, plant and equipment assets. Consequently Council has determined that the carrying values of Council's property, plant and equipment assets as at 30 June 2012 were materially understated in Council's 2011-12 financial statements.

It has been impracticable for Council to determine whether and to what extent Council's road, drainage and bridge network assets may have been undervalued in periods prior to 30 June 2012 and accordingly, the cumulative effect of the error has been corrected against the current year's opening balances (ie 30 June 2012) in accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. As there has been no change to assets and liabilities of years prior to the year ended 30 June 2012, a comparative statement of financial position as at 1 July 2011 has not been included in these financial statements.

The resultant restatement of road, drainage and bridge network assets as at 30 June 2012 has had the following effect on the financial statements of Council:

Financial Report line item / balance affected:	As at 30-Jun-12	Correction	As at 30-Jun-12
Statement of Financial Position (Extract)			
Non current assets			
Property, plant & equipment	203,472,951	22,618,213	226,091,163
Total non current assets	203,472,951	22,618,213	226,091,164
Total assets	229,771,037	22,618,213	252,389,249
Net community assets	210,607,474	22,618,213	233,225,686
Community equity			
Asset revaluation surplus	52,649,259	22,618,213	75,267,472
Total community equity	210,607,474	22,618,213	233,225,686

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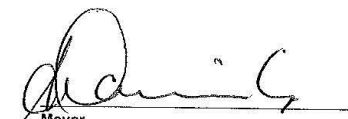
CLONCURRY SHIRE COUNCIL
Financial statements
For the year ended 30 June 2013

Management Certificate
For the year ended 30 June 2013

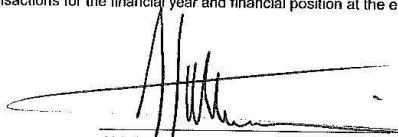
These general purpose financial statements have been prepared pursuant to sections 176 and 177 of the *Local Government Regulation 2012* (the Regulation) and other prescribed requirements.

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

- (i) the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulation 2012* for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the general purpose financial statements, as set out on pages 1 to 33, present a true and fair view, in accordance with Australian Accounting Standards, of the Council's transactions for the financial year and financial position at the end of the year.


Mayor
Cr Andrew Daniels

Date: 28 / 11 / 13


Chief Executive Officer
Mr David Neeves

Date: 28 / 11 / 13

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INDEPENDENT AUDITOR'S REPORT

To the Mayor of Cloncurry Shire Council.

Report on the Financial Report

I have audited the accompanying financial report of Cloncurry Shire Council, which comprises the statement of financial position as at 30 June 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and certificates given by the Mayor and Chief Executive Officer.

The Council's Responsibility for the Financial Report

The Council is responsible for the preparation of the financial report that gives a true and fair view in accordance with prescribed accounting requirements identified in the *Local Government Act 2009* and *Local Government Regulation 2012*, including compliance with Australian Accounting Standards. The Council's responsibility also includes such internal control as the Council determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

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

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.



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

Basis for Qualified Opinion – 2012 Comparatives

My report for 2011-12 was qualified because the Council was unable to provide sufficient and appropriate audit evidence to support that the stated carry amounts of its Roads, Drainage and Bridge Network assets did not differ materially from their fair value at the end of the reporting period in accordance with AASB 116 Property, Plant and Equipment.

While Council has subsequently corrected this error as at 30 June 2012 (refer Note 29), the Council is still unable to support the 2012 comparative depreciation expense associated with its Roads, Drainage and Bridge Network assets. As a consequence, I am still unable to and do not express an opinion on the 2012 comparative depreciation expense of \$5,152,872 as disclosed in Note 9. The impact of this matter on the financial report was unable to be quantified due to a lack of valuation information prior to 30 June 2012.

Qualified Opinion

In accordance with s.40 of the *Auditor-General Act 2009* –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion, except for the effect of the matter described in the Basis for Qualified Opinion paragraphs above –
 - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the financial performance and cash flows of Cloncurry Shire Council for the financial year 1 July 2012 to 30 June 2013 and of the financial position as at the end of that year.

Other Matters - Electronic Presentation of the Audited Financial Report

Those viewing an electronic presentation of these financial statements should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.

B MACRAE FCPA
(as Delegate of the Auditor-General of Queensland)



Queensland Audit Office
Brisbane





Cloncurry Shire Council Current-year Financial Sustainability Statement For the year ended 30 June 2013

Measures of Financial Sustainability

Council's performance at 30 June 2013 against key financial ratios and targets:

	How the measure is calculated	Actual - Council	Target
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	9%	Between 0% and 10%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	101%	greater than 90%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	-87%	not greater than 60%

Note 1 - Basis of Preparation

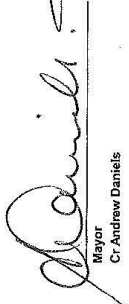
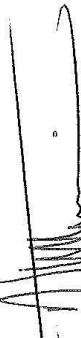
The current-year financial sustainability statement is a special purpose statement prepared in accordance with the requirements of the *Local Government Regulation 2012* and the *Financial Management (Sustainability) Guideline 2013*. The amounts used to calculate the three reported measures are prepared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

Certificate of Accuracy

For the year ended 30 June 2013

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

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

	
Mayor Cr Andrew Daniels	Chief Executive Officer Mr David Reeves
Date: 28 / 11 / 13	Date: 28 / 11 / 13

QAO
certified statements



INDEPENDENT AUDITOR'S REPORT

To the Mayor of Cloncurry Shire Council

Report on the Current-Year Financial Sustainability Statement

I have audited the accompanying current-year financial sustainability statement, which is a special purpose financial report of Cloncurry Shire Council for the year ended 30 June 2013, comprising the statement and explanatory notes, and certificates given by the Mayor and Chief Executive Officer.

The Council's Responsibility for the Current-Year Financial Sustainability Statement

The Council is responsible for the preparation and fair presentation of the current-year financial sustainability statement in accordance with the *Local Government Regulation 2012*. The Council's responsibility also includes such internal control as the Council determines 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 Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of the statement 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the statement.

My responsibility is to form an opinion as to whether the statement has been accurately calculated based on the Council's general purpose financial report. 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.

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





Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

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

Opinion

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 2013, has been accurately calculated.

Emphasis of Matter – Basis of Accounting

Without modifying my opinion, attention is drawn 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.

Other Matters - Electronic Presentation of the Audited Statement

Those viewing an electronic presentation of this special purpose financial report should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.

B MACRAE FCPA
(as Delegate of the Auditor-General of Queensland)



Queensland Audit Office
Brisbane





**Cloncurry Shire Council
Long-Term Financial Sustainability Statement
Prepared as at 30 June 2013**

**Measures of Financial Sustainability
Council**

Measures of Financial Sustainability		Measure	Target	Projected for the years ended										
				Actuals at 30 June 2013	30 June 2014	30 June 2015	30 June 2016	30 June 2017	30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	
Operating surplus ratio		Net result divided by total operating revenue	Between 0% and 10%	9%	-8%	8%	9%	9%	9%	9%	10%	10%	11%	
Asset sustainability ratio		Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	greater than 90%	101%	90%	95%	97%	99%	101%	102%	104%	105%	108%	
Net financial liabilities ratio		Total liabilities less current assets divided by total operating revenue	not greater than 60%	-87%	-34%	-31%	-25%	-19%	-12%	-5%	1%	7%	13%	

Cloncurry Shire Council's Financial Management Strategy

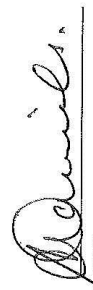
Council measures revenue and expenditure trends over time as a guide to future requirements and to make decisions about the efficient allocation of resources to ensure the most effective provision of services. Council ensures that its financial management strategy is prudent and that its long-term financial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


Certificate of Accuracy

For the long-term financial sustainability statement prepared as at 30 June 2013

This long-term financial sustainability statement has been prepared pursuant to Section 179 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.


Mayor
Cr Andrew Daniels
Date: 28 / 11 / 13


Chief Executive Officer
Mr David Reeves
Date: 28 / 11 / 13



Annexure C – Councillors Reimbursement of Expenses and Provision of Facilities Policy

COUNCILLOR REIMBURSEMENT OF EXPENSES AND PROVISION OF FACILITIES POLICY

1. Objectives

- 1.1. This policy ensures that the Council's provision of facilities to Councillors is consistent with the local government principals and financial sustainability criteria as defined in the *Local Government Act 2009*.
- 1.2. In addition the principles that underpin this policy are:
 - the use of public monies in the public interest by responsible budgeting and accounting;
 - fair and reasonable allocation of Council resources (allowance, facilities and other benefits) to enable all Councillors to conduct the duties of their office;
 - transparent decision-making by public disclosure of policy and resolutions; and
 - accountability for expenditure and use of facilities through full justification and acquittal.
- 1.3. Councillors should not be financially disadvantaged when carrying out their roles, and should be provided with reasonable facilities in accordance with statutory requirements.
- 1.4. Councillors should not receive a private benefit in relation to the provision of facilities and full disclosure through appropriate accountability requirements will be met.

2. Scope

- 2.1. This policy is for the provision of facilities to Councillors for the purpose of discharging their responsibilities and civic duties.
- 2.2. The provision of facilities will be authorised by the Chief Executive Officer
- 2.3. This policy does not provide for salaries or other forms of Councillor remuneration. Councillor remuneration is determined annually by the Queensland Local Government Remuneration Tribunal.

3. Policy Statement of Principles

- 3.1 This policy is consistent with the local government principles; and the financial sustainability criteria under section 102 of the *Local Government Act 2009*. To provide Councillors with the facilities necessary to efficiently discharge their duties and responsibilities as Councillors.





4. Payment of Expenses

Expenses will be paid to a Councillor through administrative processes approved by the Chief Executive Officer (CEO) subject to the limits outlined in this policy. As a rule, Council will raise orders and pay for expenses that can reasonably be determined in advance.

5. Definitions

5.1 Council Business – This is official business of a Council as generally described in Chapter 2, Part 1 of the *Local Government Act 2009* conducted on behalf of and approved by Council where a Councillor is required to undertake certain tasks to satisfy legislative requirements or achieve business continuity for the Council. Council business should result in a benefit being achieved either for the Local government and/or the Local Government area. Participating in a community group event or being a representative on a Board not associated with Council is not regarded as Council Business.

5.2 Expense – Expenses are payments made by Council to reimburse Councillors for their reasonable expenses incurred or to be incurred when discharging their duties as Councillors. These payments are not regarded as remuneration. The expenses may be either reimbursed to Councillors or paid direct by Council for something that is deemed a necessary cost or charge when performing their roles.

5.3 Facilities – Facilities provided by Council to Councillors are the “tools of the trade” required to enable them to perform their duties with relative ease and at a standard appropriate to fulfil their professional role for the community.

5.4 Reasonable – Council must make sound judgements and consider what is prudent, responsible and acceptable to their communities when determining reasonable levels of facilities and expenditure. The community expects limits and does not want to see excessive use or abuse of public funds.

5.5 Professional development – includes study tours, attendance at industry workshops, courses, seminars and conferences that improves Councillor’s skills and knowledge relevant to their responsibilities as Councillor.

5.6 Training – any facilitated learning activity which is considered by Council to be a requirement for Councillors to discharge their duties and responsibilities as Councillors.

5.7 Budget allocation – the budget allocation for Councillor expenditure will form part of the Corporate Services Department’s budget. Council will approve the upper limit of funding of all forms of professional development, training and representation of Council and attendance at other forms of conferences, workshops and the like in its annual budget or as determined by resolution from time to time.

6. Roles and Responsibilities

6.1. The Chief Executive Officer is responsible for ensuring this policy is understood and adhered to by the Mayor and Councillors.





7. Policy

The Council will reimburse Councillors for expenses as set out in this policy. Any expenses not provided for by this policy will not be reimbursed without express approval from the Chief Executive Officer.

When considering an application for approval of any matter related to this policy, the Council or the Chief Executive Officer must have regard to any relevant budget allocation.

Expense Categories

7.1 Council Business

The Council will reimburse expenses incurred in undertaking Council business which includes:

- preparing, attending and participating in council meetings, committee meetings, workshops, strategic briefings, deputations and inspections;
- attending civic functions or civic events to perform official duties or as an official Council representative;
- attending public/community meetings, presentation dinners and annual general meetings where invited as a Councillor;
- attending a community event where a formal invitation has been received;
- for the Mayor or a Councillor attending on behalf of the Mayor, representing Council at ordinary meetings, annual general meetings, annual or bi-annual conferences of the North Queensland Local Government Association Branch (NQLGA), Local Government Association of Queensland (LGAQ) and Australian Local Government Association (ALGA) are considered Council business.
- the reasonable expenses incurred by any other Councillor attending these events will be reimbursed only if the Councillor's attendance has been approved by the Council.
- Council may book and pay for the costs of a partner or spouse accompanying the Councillor provided that such costs are reimbursed within 14 days of the booking or payment by Council, whichever is the later, unless partner attendance has been endorsed by resolution of Council.

7.2. Professional Development

Council will reimburse expenses incurred for Council-approved professional development.

Council will endeavour to ensure all Councillors have equal opportunity to attend conferences, seminars, courses and workshops within the available budget. A register of Councillor attendance and expenditure at professional development events will be developed and made available to Councillors.





A budget for Councillors professional development expenditure will be approved on an annual basis as part of budget deliberations.

7.3. Training

Attendance at the following annual training programs will be approved as part of the annual budget: Councillor induction and orientation programs, the annual Governance for Elected Members (GEM) program facilitated by the LGAQ, programs facilitated by the Department of Infrastructure and Planning and the Australian Institute of Company Directors Diploma Course tailored for local government and held in Townsville are considered requirements for Councillors. Councillors' individual training budgets will not be debited for these expenses.

Any additional training programs other than those listed above will require approval from Council or the Chief Executive Officer.

7.4. Travel Expenses

The Council will reimburse local, interstate and overseas travel expenses (e.g. flights, car, accommodation, meals and associated registration fees) deemed necessary to achieve the business of Council and professional development where:

- a Councillor is an official representative of Council; and
- the activity/event and travel has been endorsed by resolution of Council.

Councillors must travel via the most direct route, using the most economical and efficient mode of transport. The amount of the reimbursement will be the actual amount expended by the Councillor.

Council will pay for reasonable expenses incurred for overnight accommodation when a Councillor is required to stay outside the Local Government's region.

NOTE: Any fines incurred while travelling in Council-owned vehicles, privately owned vehicles or rental vehicles when attending to Council business will be the responsibility of the Councillor incurring the fine.

7.4.1. Flight Bookings

All Councillor travel approved by Council will be booked and paid for by Council. Economy class is to be used where possible although Council may approve business class in certain circumstances through Council resolution.

Airline tickets are not transferable and can only be procured for the Councillor's travel on Council business. They cannot be used to offset other unapproved expenses (e.g. cost of partner accompanying the Councillor). Council may book and pay for the travel costs of a





partner or spouse accompanying the Councillor provided that such costs are reimbursed within 14 days of the later of booking or payment by Council.

7.4.2 Travel Transfer Costs – Cabcharge, Public Transport tickets (rail, ferry, bus)

Council will reimburse all reasonable costs associated with Councillors transport needs for taxis or public transport while attending conferences, workshops, or meetings outside the region. Travel transfer expenses (e.g. trains, buses and ferry fares) associated with travel will be reimbursed on production of original receipts.

7.4.3 Hire Cars

The requirement for a hire car should be identified at the time of seeking Council approval for travel.

Any subsequent need for a hire car must be approved by the Chief Executive Officer.

7.4.4 Private Vehicle Usage

Payment for use of the Councillor's private vehicle on Council business will be reimbursed to the Councillor on a kilometre rate as set out in the Australian Taxation Office allowable deductions for motor vehicles.

A Councillor's private vehicle usage will be reimbursed by Council if the claim for mileage is substantiated with log book details, and:

- the travel is within the local government area and was for Council purposes; or
- the travel has been approved by the Council and the total travel claim does not exceed the cost of the same travel using economy flights plus the cost of taxi transfers. (If the claim does exceed those flight and taxi costs, then the reimbursement will be limited to the value of the flight and taxi costs).

Councillors who reside outside of the town in which an ordinary or special meeting of Council is held shall be eligible for reimbursement of private vehicle usage to travel from their place of residence to the meeting place or to the point of departure of Council owned transport.

A claim for mileage for identical travel (eg. from a Councillors place of residence to Council Chambers) need only be substantiated by log book once.





7.4.5. Private Aircraft Use

Where a Councillors private aircraft is used for Council business, the reimbursement of expenses will not exceed the fare of an equivalent domestic flight to that required destination.

7.4.6. Accommodation

All Councillor accommodation for Council business will be booked and paid for by Council.

Accommodation should be selected that provides:

- Council with the best price value; and
- convenient to the conference/meeting.

When attending conferences, Councillors must take advantage of (any cost savings available from) any package provided by conference organisers and, therefore, stay in the recommended accommodation unless prior approval has been granted by Council.

Council may approve alternative accommodation arrangements taking into account the total costs, location, value for money, convenience and traveller safety.

In determining accommodation locations and standards for all Councillors, every effort will be made to minimise the total cost associated with attendance at the event. Travel time to the event, taxi costs, convenience and hotel services will be considered when booking accommodation. When practical and available, accommodation will be arranged within close proximity to the event venue.

One night's accommodation prior to the event will only be approved where travel to the event on the day of commencement is not practical.

All expenses incurred at the accommodation venue other than accommodation and meals must be settled at the time of departure. It is the Councillor's responsibility to seek reimbursement of legitimate expenses upon return. Reimbursement must be sought using a travel expenses claim form and will not be approved without original receipts.





7.4.7 Meals

Councillors will be reimbursed for the actual cost of meals when:

- the Councillor incurs the cost personally;
- the meal was not provided within the registration costs of the approved activity/event/travel; and
- the Councillor can produce original documents sufficient to verify the actual meal cost or a tax invoice.

The following limits apply to the amount Council will reimburse for meals:

- Breakfast \$25.00
- Lunch \$25.00
- Dinner \$50.00

If a Councillor cannot produce a receipt for a meal they have purchased then a statutory declaration must be completed to claim the reimbursement.

If private accommodation is provided by a relative or friend, then they are entitled to be reimbursed at a rate of \$70/night.

No alcohol will be paid for by Council.

7.4.8. Incidental Expenses

Councillors will be reimbursed for incidental items necessary for travel e.g. newspapers, magazines, and snacks including tea, coffee and drinks.

Incidental expenses will be reimbursed to Councillors after the event on receipt of original receipts.

Where receipts are not available up to \$20 per day may be paid by Council to cover any incidental costs incurred by Councillors required to travel, and who are away from home overnight for official Council business.

7.4.9. Travel Insurance

Council has travel insurance arrangements in place that cover all Councillors on authorised Council business, conferences and courses etc.





7.5. Hospitality Expenses

The Mayor may have occasion to incur hospitality expenses while conducting Council business apart from official civic receptions organised by Council. The Mayor will be reimbursed \$4,000 per annum for hospitality expenses deemed necessary in the conduct of Council business.

Councillors will be reimbursed hospitality expenses deemed necessary in the conduct of Council business and in accordance with the allocated annual budget as approved by the Chief Executive Officer and resolution of Council.

These costs will be reimbursed on presentation of receipts or a tax invoice.

7.6 Provision of Facilities

Councillors will be provided with facilities as set out in this policy. All facilities provided to Councillors remain the property of Council and must be returned to Council when a Councillor's term expires.

7.6.1 Private Use of Council Owned Facilities

Based on the principle that *no private benefit is to be gained* the facilities provided to Councillors by local governments are to be used only for Council business unless prior approval has been granted by resolution of Council.

The Council resolution authorising private use of Council owned facilities will set out the terms under which the Councillor will reimburse Council for the percentage of private use. This would apply when Councillors have private use of Council owned motor vehicles and/or mobile telecommunication devices.

7.6.2 Facilities Categories

7.6.2.1 Uniform Entitlement

Councillors will be entitled, upon request, to receive a name badge and all necessary safety equipment to the standard supplied to employees (eg. safety helmet /boots). Councillors are expected to observe the appropriate Workplace Health and Safety measures when at any workplace. Councillors upon request will also be provided with a uniform identifying Cloncurry Shire Council.





7.6.2.2. Council Office Facilities

Council will provide the following to Councillors:

- facilities such as office space and Council meeting rooms;
- secretarial support for Mayor and limited secretarial support for Councillors;
- laptop and/or Desktop computer, and Ipad;
- use of Council landline telephone and internet access;
- fax and/or scanner;
- stationery;
- access to photocopier, printer and paper shredder
- publications – copies of the Act and other Legislation, books, journals considered necessary; and
- other administrative necessities which Council consider necessary to meet the business of Council.

Council may provide a Councillor with home office equipment including computer with internet access if necessary.

7.6.2.3. Vehicle Use

There is Council approval of the home garaging by the Mayor of a Council supplied vehicle as determined by Council for Council business purposes. Where home garaging is not suitable the vehicle will be housed at the Shire Office.

Councillors may claim reimbursement for business use of their own vehicle. Refer to Private Vehicle Usage – Item 6.4.4 of this Policy or elect to receive a Council vehicle on the following conditions:

- Councillors will be provided with a motor vehicle for Council business;
- Fuel for a Council-owned vehicle used for official Council business, will be provided or paid for by Council; and
- Private use of Council owned vehicles is permitted if prior approval has been granted by resolution of Council. Council will, in its Resolution, authorise private use, set out the terms for the Councillor to reimburse Council for the private use;
- Motor vehicle insurance is covered by Council;
- Council to provide Councillors with car parking at the local government office premises and / or reimbursement of parking costs paid by Councillors' while attending to official Council business.

7.6.2.4. Telecommunication Needs – Mobile Devices

Council approves the provision of necessary telecommunication equipment to be supplied to the Mayor for the purpose of conducting Council business. Such equipment





may include mobile telephone, fax, tablet, computer, wireless internet and land line. Council will be responsible for all associated costs.

Where Council deems necessary and appropriate reimbursement may occur for expenses of phone, internet and email for Mayor and Councillors. This reimbursement will be based on "Payment of Expenses" and must be approved by Council resolution.

All other Councillors shall be paid an annual Telecommunications allowance equal to \$600 annually and paid monthly towards their telecommunications needs

7.6.2.5. Maintenance Costs of Any Council Owned Equipment

Council will be responsible for all ongoing maintenance and reasonable wear and tear costs associated with Council owned equipment to ensure it is operating for optimal professional use.

This includes the replacement of any facilities which fall under Council's asset replacement program.

7.6.2.6. Legal Costs and Insurance Cover

Council will insure Councillors in the event of injury sustained while discharging their civic duties. Council will pay the excess for injury claims made by a Councillor resulting from conducting official Council business.

8. Accountability and Reporting

Council is accountable to the community in regards to compliance with this policy. The Local Government Regulation 2012 legislates that Council must maintain a policy providing for payment of reasonable expenses incurred, or to be incurred, by Councillors for discharging their duties and responsibilities as Councillors and provision of facilities to the Councillors for that purpose.

The Local Government Regulation 2012 legislates that Council must in its Annual report detail the expenses incurred by and the facilities provided to each Councillor during the year under the Local Government's Expenses Reimbursement Policy and include a copy of the Local Government's Expenses Reimbursement Policy

Details are reported in Council's Annual Report and will include:

- the provision of copies of Council resolutions resolving to reimburse expenses to Councillors;
- a copy of this policy;





- the amount of expenses (including travel, professional development, advertising and hospitality) incurred by each individual Councillor;
- details of any overseas travel including Councillor names, destination, purpose and all associated costs.

All claims for expenses reimbursement will only be processed using Council's approved Expenses Reimbursement Claim Form with original receipts attached. No claims will be processed through Council's petty cash system.

The Chief Executive Officer has the authority to approve or reject claims made by Councillors for reimbursement of expenses. All rejected claims shall be provided to the Mayor for information. The CEO has the authority to authorise expenses and to provide facilities in accordance with the policy.

References and Related Documents:

Local Government Regulation 2012

Local Government Act 2009

Income Tax Assessment Act 1997

Adopted by Council Resolution

POLICY VERSION AND REVISION INFORMATION

Version No.	Date Adopted	Review Date
1	8 May 2013	May 2014

Policy Authorised by: David Neeves

Title: Chief Executive Officer





Annexure D- Complaints Management & Procedure



COMPLAINTS MANAGEMENT POLICY

PURPOSE OF POLICY

The 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.

To establish a Complaints Process that ensures compliance with the provisions *Local Government Act 2009* and Regulations. The specific sections are as follows:

1. Section 268 of the *Local Government Act 2009*;
2. Section 115 of the *Local Government (Finance, Plans and Reporting) Regulation 2010*;
3. Section 119 of the *Local Government (Operations) Regulation 2010*

The procedures outlined in this Policy aim to achieve an effective and transparent method of responding to complaints regarding Council services, administrative actions and competitive neutrality.

COMMENCEMENT OF POLICY

This Policy will commence from the date of the Council resolution of adoption. It replaces all other complaints policies of Cloncurry Shire Council ("Council") (whether written or not).

APPLICATION OF THE POLICY

This Policy applies to all employees of Council.

The Chief Executive Officer, Executive Managers and Managers are responsible for the implementation and support of this policy and procedures within their areas or responsibility.

Employees are responsible for the accurate recording and actioning of complaints within their areas of responsibility.

Council may at its sole discretion, on a case by case basis, by resolution, alter the manner in which the process outlined in this Policy is conducted to ensure the particular complaint is dealt with appropriately.





DEFINITIONS

An **administrative action complaint** is a complaint about a matter of administration, including each of the following –

- a decision and an act;
- a failure to make a decision or do an act, including a failure to provide written reasons for a decision;
- the formulation of a proposal or intention;
- the making of a recommendation

A **competitive neutrality complaint** is a complaint that relates to the failure of council to conduct a business activity in accordance with the competitive neutrality principle and is made by an affected person.

Council service complaints are of an external request nature about the service delivery provided by council.

An **affected person** is as follows:

- A. Administrative action complaints - a person who is apparently directly affected by an administrative action of council;
- B. Competitive neutrality complaints - a person who:
 - i. competes with council in relation to the business activity; and
 - ii. Claims to be adversely affect by a competitive advantage that the person alleges is enjoyed by council; or
 - iii. Wants to compete with council in relation to the business activity; and
 - iv. Claims to be hindered from doing so by a competitive advantage that the person alleges is enjoyed by council.

A **complainant** is an affected person as defined above.

Staff includes permanent, part-time, temporary, casual, contractors, volunteers and all others who perform work on behalf of council.

POLICY

Council will endeavour to ensure that:

- all complaints will be treated confidentially and with due respect, and action will be taken to protect complainants from any reprisal from council, staff or others for making a complaint;
- all complaints will be thoroughly investigated in a timely manner and within the reasonable application of Council's resources with the aim of reaching a resolution acceptable to both council and the complainant;
- all persons affected by the complaint are expected to co-operate with Council to ensure the efficient and fair resolution of the complaint;



- each complaint is initially assessed in terms of its seriousness, safety implications, complexity and degree of urgency and demand on Council resources;
- complaints are responded to as quickly as possible, based on the circumstances and the resources that can be applied within Council's normal operations;
- complaints are properly monitored with a view to continuous improvement of council's business processes;
- if a complainant is not satisfied that a complaint has been satisfactorily resolved, he/she will be informed of any right of review and, if they request, be provided with details of any further review mechanism that is available.

Complaints about the conduct and performance of councillors and staff behaviour and misconduct are not covered under this policy. Please refer the Code of Conduct Legislation.

RELATED LEGISLATION:

- *Local Government Act 2009*
- *Crime & Misconduct Act 2001*
- *Public Interest Disclosure Act 2010*
- *Right to Information Act 2009*
- *Information Privacy Act 2009*
- *Judicial Review Act 1991*

VARIATIONS

Council reserves the right to vary, replace or terminate this policy from time to time.

POLICY VERSION AND REVISION INFORMATION

Policy Authorised by: JOANNE GREEN

Original issue: 25/10/2011

Title: A/Chief Executive Officer

Policy Maintained by: JANINE SUTTON

Current Version: 1

Title: Records Manager





COMPLAINTS MANAGEMENT PROCEDURE

PURPOSE

The purpose of this procedure is to formalise the Council processes in relation to the receipt, actioning and reporting of complaints.

Sources of Complaints

Council may receive complaints from the general public or external agencies. Complaints could be received via:

- Verbally from members of the public;
- In writing from members of the public via mail or email;
- The Ombudsman Office, Crime & Misconduct Commission or other external agency referring a matter to Council.

Required Action

Verbal Complaints – These could be received either in person or over the phone. All verbal customer complaints or requests are to be lodged into the External Service Request template within Council's Electronic Document Management System ("InfoXpert"). An action request is then assigned to a responsible officer.

Written Complaints – These may be mailed, hand delivered or received by submission of a "feedback" form located under Contact on Council's website. All written and electronic complaints should be addressed to the CEO. The complainant's contact details should be identified so the council can contact the complainant.

All correspondence received by Council is reviewed by the centralised Records Department then distributed through InfoXpert to a responsible officer for action.

Should a written complaint be considered of a more serious nature, the matter may be referred directly to the Chief Executive

INVESTIGATION OPTIONS – REVIEW OF DECISIONS ABOUT COMPLAINTS

A review of Council's investigation of complaints received can be undertaken by way of either an internal or external review. As a guide the following criteria can be applied in making the decision about the method of review:

Internal Review – An Internal review of a complaint may be conducted where the administrative action in question was undertaken by a council officer.

External Review – An external review of a complaint may be conducted where the administrative action in question was taken by:

- a) Council, or a committee of Council, at a meeting;



- b) The mayor or the chairman of a standing committee acting under statutory or delegated authority;
- c) The Chief Executive Officer

Council may choose to refer the complaint to an External investigator.

Complaint Reporting

- Monthly reporting from InfoXpert regarding Service Complaints logged to be provided to the Chief Executive Officer.

PROCEDURE

Service Complaints (Service Requests)

Verbal or written complaint is received and lodged into InfoXpert's External Service Request template by receiving officer.

An action request is then assigned to a Manager/Responsible officer in the area the complaint relates to. This person will arrange for the request to be completed. Details of action to be taken are to be entered into the comments section of InfoXpert.

Once action has been completed, the Manager/Responsible officer will respond to the complainant to ensure task has been completed to their satisfaction. This correspondence is to be entered into the comments section of InfoXpert.

If complainant and Manager are satisfied the Service Complaint is closed.

If the complainant is not satisfied, and cannot be resolved, the Manager will refer it to the Chief Executive Officer.

Administrative Complaints

- All administrative complaints must be received in writing
- This may be in person, via mail, via email or via the "contact us" feedback form located on the website.
- The Complaint is to be lodged into InfoXpert by a Records Department Officer
- All written complaints will be referred to the CEO
- The Chief Executive Office may decide to do one or more of the following:
 - **DEAL WITH THE COMPLAINT PERSONALLY**
 - CEO to acknowledge receipt of the complaint
 - CEO to conduct Investigation in a fair and objective manner
 - CEO to inform the affected person of the local government's decision about the complaint and the reasons for the decision.
 - Record all outcomes and follow-ups (if applicable) in InfoXpert
 - **DIRECT THE COMPLAINT TO THE MANAGER OF THE DEPARTMENT THE COMPLAINT RELATES TO**





- Manager to acknowledge receipt of complaint
- Manager to conduct investigation in a fair and objective manner
- Manager to inform the affected person of the local government's decision about the complaint and the reasons for the decision.
- Manager to advise CEO of the outcome
- Record all outcomes and follow-up actions in InfoXpert.
- When complaint has been resolved to the satisfaction of the complainant the matter is then closed.
- Records all outcomes and follow-ups in InfoXpert
- If the complaint is not resolved to the complainants' satisfaction, the matter is then referred to the CEO for further review.

o **DIRECT THE COMPLAINT FOR EXTERNAL REVIEW**

- CEO to acknowledge receipt of the complaint.
- Investigation to be carried out by external review
- External reviewer to provide written advice of recommended actions for Council to resolve complaint
- CEO to inform the affected person of the local government's decision about the complaint and the reasons for the decision.
- Record all outcomes and follow-ups (if applicable) in InfoXpert



