



2022-2023 Annual Report

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MAYOR AND CEO MESSAGE

The 2022/2023 year was a challenging one for Council and our community. While the economy had bounced back modestly from the COVID pandemic, the inflationary pressures of rising costs and supply chain challenges that ensued, continue to apply pressure to residents and governments alike.

In setting expectations, we were very conscious of the impact of ongoing cost of living pressures. We set a modest rate rise of 3.1% while focusing on the core mission of Local Government – to deliver essential services and critical infrastructure, while protecting the way of life that makes Cairns the envy of many across the country.

And, we have planned for the future. Local Government is charged not just with delivering today's needs, but ensuring the region is well equipped to manage the challenges, and capitalise on the opportunities, of tomorrow.

This has included the Towards 2050 project, which asks the very important question – what will Cairns look like three decades from now, and more importantly, what do we want it to be.

We are expecting our region to grow by more than 100,000 people from today's population, as more and more people choose the unique lifestyle that we, as current residents, value so highly.

Towards 2050 is seeking input across industry, policy and our community, to ensure a cohesive, collective vision for Cairns as we head into the second part of this century.

We also advanced the Cairns Water Security Stage 1 (CWSS1) project that will secure our drinking water supply for the near future. This is the largest infrastructure project Council has ever undertaken, so it is important that we get it right, while managing the significant cost. Work continues on the procurement process that will deliver a shovel-ready project that has undergone rigorous financial scrutiny to guarantee value for money. We take this opportunity to again acknowledge the State and Federal governments which have jointly provided \$215 million in funding for CWSS1.

In the current economic environment, it is more important than ever to continue to advocate for a fair share of funding from both levels of Government to alleviate the burden on ratepayers of increasing costs. While looking to the future, Council has not lost sight of the present in responding to community needs.



Bob Manning Cairns Mayor
Mica Martin Chief Executive Officer

MAYOR AND CEO MESSAGE

The 2022-2023 capital works program of \$102 million, targeted infrastructure and maintenance funding in the suburbs where it has the greatest impact on day-to-day life.

We introduced the Community Safety Plan to support the State Government to improve safety in the city centre and assist those most vulnerable in our community.

Work on the Cairns Gallery Precinct was advanced with the transformation of the former Mulgrave Shire Council building and the removal of the building at 51 The Esplanade to create a platform to grow our flourishing Arts and Culture offering.

And we continued to provide direct support through the COVID-19 Response Investment Incentives Policy. Over 3 years, Council waived \$2.2million in charges leading to a conservative estimate of \$45 million in development; a 22-times return on investment. This provided very welcome economic stimulus.

In that regard, Council spent \$339 million in the community over the 2022/2023 financial year, or 87% of Council's total expenditure of \$389 million. As it is a key commitment of this Council to support local businesses wherever possible, we are proud to maintain a strong record of keeping ratepayer contributions flowing through our regional economy and therefore back into household incomes.

As inflationary pressures are yet to ease, Council continues to focus on our core mandate of delivering infrastructure and services that have a direct impact in securing what makes Cairns great. By working with our community, together we are all Shaping the Future of Cairns.

CORPORATE PLAN

ASSESSMENT OF PROGRESS TOWARDS CORPORATE PLAN

On 28 June 2021, Council adopted the Corporate Plan 2021-2026. This document provides strategic direction for all activities to be undertaken by Council over the five (5) financial years, up to 30 June 2026. Each financial year, Council adopts an annual operational plan with operational plan activities outlining key services, projects, and initiatives that link with the strategic goals outlined in the corporate plan.

The Operational Plan 2022/23 has 25 key initiatives/actions to align and deliver the five strategic goals outlined in Council's Corporate Plan 2021-2026. Of the 25 initiatives, 64% have been completed and/or form part of the ongoing operational tasks of Council. Of the remaining 36%, these initiatives will continue to be addressed as part of our business-as-usual activities.

The Chief Executive Officer's assessment of Council's progress in 2022/23 towards implementing the Corporate Plan 2021-2026 and Operational Plan 2022/23 is outlined on the following pages.

OUR VISION

Shaping the future

OUR VALUES



Trust

Honouring the trust of our residents, each other and staff.



Responsibility

Transparency and responsibility to our community.



Cairns-ness

Safeguarding what makes Cairns, Cairns.

OUR FOCUS



Robust economy

Supporting a diversified and resilient economy that backs business innovation, growth and jobs.

Strategies

Optimise visitation and tourism opportunities.

Promote and protect the growth of diverse industries and small business.

Inspire innovation and embrace new technologies.

Grow and sustain education and employment opportunities.

Promote Cairns as the place to relocate.

KPIs

Growth in visitation and yield.

Growth of high-profile events.

Population growth.

Growth in employment.

Diversification and growth in the economy.



Natural assets

Promoting, protecting and enhancing our iconic natural environment now and for generations to come.

Strategies

Prioritise water security to accommodate population growth.

Improve resource recovery through new technologies for a green circular economy.

Value and protect Cairns' pristine natural environment.

Encourage community and business to adopt sustainable practices.

KPIs

Stage one Water Security Strategy delivered.

State of the Environment Report delivered.

Improved landfill diversion rates and uptake in recycling.

Increased investment in renewable energy.

Improved quality of our waterways.

Progression towards net zero emissions.



Design for liveability

Creating a safe, sustainable and connected place that supports a quality life.

Strategies

Proactive advocacy and collaboration with state and federal governments.

Address opportunities for sustainable travel choices.

Enhance community wellbeing, safety and natural disaster resilience.

Deliver valued suburban community infrastructure.

Deliver contemporary land use planning that supports growth, liveability and sustainability.

KPIs

Improved feeling of community safety and wellbeing.

More people choosing sustainable transport options.

Improved connectivity of cycleways and footpaths.



Community & culture

Fostering a vibrant and healthy community where everyone feels they belong.

Strategies

Promote Cairns as the arts and cultural capital of Northern Australia.

Support diverse sport, cultural and community groups that contribute to wellbeing.

Complete the arts and cultural precinct with support from State and Federal Governments.

Provide spaces and programs for the wellbeing of the community.

KPIs

Participation in events and activities funded, supported or delivered by council.

Improved sustainability of community groups.

Increased visitation to and activation of Council's venues.



Focused council

Be a leader in local government.

Strategies

Maintain and drive a safety culture of everyone home safe and well today and everyday.

Deliver a positive customer experience to the community.

Support an inclusive organisational culture that invests in continuous improvement, learning leadership.

Build effective partnerships with community and governments.

Maintain sound financial management including robust long-term modelling.

Ensure decision making is collaborative, transparent and accountable.

KPIs

Long-term financial plan achieves sustainability benchmarks.

Improve staff engagement and wellbeing.

Improve Council's health, safety and wellbeing cultural maturity.

Capital projects delivered in line with key milestones and Budget.

Annual Operational Plan delivered.

CORPORATE PLAN

FOCUS ONE – ROBUST ECONOMY

Supporting a diversified and resilient economy that backs business innovation, growth, and jobs.

Key outcomes/progress

- **Adopt a vision and plan for major events precinct capable of delivering large, regular, sporting, cultural and community events**
The Major Events Precinct Vision was endorsed by Council in September 2022 and articulates the development opportunities and principles that enables a financially responsible approach to the future development Barlow Park and Cairns Showgrounds site.
- **Support the successful delivery of the 2022 Crankworkx Cairns major event**
The Crankworx World Tour is an international multi-stop series of mountain bike festivals, that brings together some of the best mountain bike athletes in the world to compete across a variety of disciplines. The inaugural Crackbackworkx Cairns event (the only Australian stop on the Crankworx World Tour) took place between 5 and 9 October 2022 and was very successful, exceeding attendance KPI's and achieving a significant international broadcast reach. The 2023 event (17 - 21 May 2023) was extremely successful. Council supported the event through the provision of major event funding and event delivery assistance working in partnership with TTNQ, TEQ and the event proponent (GTR Events).
- **Introduce a new Development and Incentives Policy Framework**
The Development and Investment Support General Policy was endorsed by Council at the Planning and Environment Committee Meeting on 10 May 2023.

CORPORATE PLAN

FOCUS TWO – NATURAL ASSETS

That our iconic natural assets are maintained, enhanced, and connected.

Key outcomes/progress

- **Progress the implementation of the Cairns Climate Change Strategy (CCCS) 2023 with a scoping study for a carbon offset policy**
Year One of the CCCS Implementation Plan completed including scoping study for a carbon offset policy. Major projects included Power Purchase Agreement, Low Carbon Procurement opportunities, LED street lighting replacement, Climate Risk integration in Emission Reduction Fund (ERF) and Strategic Asset Management Plan (SAMP).
- **Finalise the Coastal Hazard Adaption Strategy Phases Seven and Eight reporting**
Phase Seven and Eight reporting finalised and submitted to funder: QCoast.
- **Cairns Water Security Strategy stage one**
Reference Design completed. Key procurement activities undertaken include Market Sounding Exercise, Expression of Interest, and commencement of an Early Contractor Involvement (ECI) process prior to Design and Construct Contract Award.
- **Commence options analysis for Council Resource Recovery 2040 Strategy**
Stage One of the Queensland Business Case Development Framework and associated report completed. Stage Two including program prioritisation has been undertaken to determine options for the first investment and increase solution robustness in a dynamic environment. Commenced options analysis for the first investment.

CORPORATE PLAN

FOCUS THREE - DESIGN FOR LIVEABILITY

Creating a safe, sustainable, and connected place that supports a quality life.

Key outcomes/progress

- **Work with key partners to adopt a pro-active approach to community safety with the implementation of the Community Safety Plan (CSP) – CBD Pilot 2022-2026.**

The CSP was adopted by Council in July 2022. Since then, the Homeless Camps Protocol has been completed. Police Liaison Officers were relocated to the Esplanade office and a Council-sponsored vehicle supplied to assist with increased presence in the CBD.

A Rapid Response CBD Clean Up service was established to better assist the presentation of business premises while Council staff continue to work with social services to assist homeless persons into services or return to country options. Staff continue to seek State Government resourcing support in the form of additional Police or social support services.

- **Develop a Community Resilience Plan**

A draft Social Resilience Directions Paper was presented to Executive in April 2023. This paper will guide the development of an overall organisational approach to social and community resilience. The development of the plan will commence in 2023/24 and will be completed in 2024/25, incorporating the CSP CBD Pilot and Social and Affordable Housing and Homelessness Plan.

- **Develop a Housing and Homelessness Strategy (HHS), including an Advocacy Strategy, to identify areas for Council contribution to increase social and affordable housing options that meet the diverse community needs.**

The Cairns Local Government Area Social and Affordable Housing and Homelessness Plan 2023-2026 was adopted by Council in March 2023. It outlines Council's position in relation to responding to issues of housing and homelessness by advocating for, stimulating, incentivising, and facilitating diverse housing affordability and availability options.

- **Improve the behavior of animal owners through the implementation of the Proactive Animal Management Plan.**

Proactive officer patrols commenced in June 2022 with an average of 1,250 patrols across the region per month. Marketing and activities programs have been established, and initiatives continue to be implemented. These include media campaigns, events and messaging murals. Education sessions with seniors, school children and relevant business owners continue to be conducted on a regular basis.

CORPORATE PLAN

FOCUS THREE - DESIGN FOR LIVEABILITY

Creating a safe, sustainable, and connected place that supports a quality life.

Key outcomes/progress

- **Develop a Recreation Trail Strategy for the management and development of walking and mountain bike trails.**
The strategy seeks to support safe, accessible, and fit for purpose use of our recreational trails for locals and visitors across a range of activities. The draft strategy is complete, and workshops were held with Council with a view to implementation in 2023/24.
- **Formally commence the Towards 2050 Growth Management Plan study and close out phase one (Technical Studies) of the project.**
Towards 2050 Growth Strategy commenced with all Phase One deliverables finalised including Project Plan, Engagement Plan and Roadmap, LGA Profile Paper, Literature Review, Planning Context and Gaps Analysis, Hazard Assessment, Vision Engagement report. Draft Technical Studies close out has been delayed, e.g., Transport Study (Transport Main Roads commenced Q4 2022-23).
- **In collaboration with Department of Transport and Main Roads (TMR) commence the Cairns Urban Integrated Transport Network Study.**
TMR commissioned Arup to undertake the development phase of the Cairns Transport Study project. Project Definition Workshop held in June. Outputs of this study to align with and complement the T2050 Growth Strategy and prioritise actions to develop a multi-modal transport system for Cairns.

CORPORATE PLAN

FOCUS FOUR - COMMUNITY AND CULTURE

Fostering a vibrant and healthy community where everyone feels they belong.

YEAR IN
REVIEW

Key outcomes/progress

- **Progress the development of the Cairns Gallery Precinct through the delivery of stage two (Construction of the Mulgrave Gallery) and the commencement of stage three (Cairns Gallery Precinct Masterplan Design).**
Mulgrave Gallery Construction tender and the Gallery Precinct Design and Masterplan were awarded to the successful proponents with both stages of the project scheduled for completion in 2023/24.
- **Develop a Youth Activity Spaces Strategy to manage and develop Council's skate, BMX, and pump track facilities.**
A situation review including an audit of existing asset information and utilization has been completed. Future stages of the project were realigned in order to pick up recommendations and principles from the Community Infrastructure Plan which is currently being developed as part of the Towards 2050 Growth Strategy.
- **Investigate the development of a purpose-built facility for multicultural community groups in Cairns.**
A Needs and Options Study was endorsed in October 2022 following an extensive community consultation process. Findings will inform the design work which will commence in 2023/24.

CORPORATE PLAN

FOCUS FIVE – FOCUSED COUNCIL

Being a leader in local government.

YEAR IN
REVIEW

Key outcomes/progress

- **Develop the Reconciliation Action Plan (RAP) 2022-2025.**
Ongoing work on the development of the new RAP has progressed throughout the year via the RAP Working Group. The final draft RAP has received preliminary approval from Reconciliation Australia and is expected to be adopted in late 2023/24.
- **Develop a governance framework for the integration of the Climate Strategy 2030 into the organisation.**
Governance framework developed and endorsed by Project Leadership team May 2023.
- **Investigate United Nations Sustainable Development Goal (SDG) reporting framework and suitability as a reporting tool for Council.**
Reporting framework investigated and suitability as reporting tool was assessed.
- **The implementation of a Cyber Resiliency Plan to ensure Council proactively maintain lines of defence to mitigate cyber threats appropriately.**
Phase 1 of the program is on track to achieve agreed deliverables. The Final Capability Assessment and rectification roadmap will be completed in July 2023 which will detail actionable recommendations based on priority and risk for subsequent phases.
- **Embed the High Reliability Framework to manage wellbeing, health, and safety as a priority activity.**
High Reliability Framework is now part of Council's standard WHS training programs.
- **Develop an External Communication Strategy.**
Workshop with Councilors completed in July 2023.
- **Undertake an employee engagement survey.**
Completed with 78% participation rate.
- **Commence the development of the Workforce Planning Strategy.**
Framework and tools developed; implementation commenced.

COMMERCIALISED BUSINESS UNITS - ANNUAL PERFORMANCE PLANS

Council's Annual Operational Plan 2022/23 included Annual Performance Plans for Council's commercialised business units, Cairns Water and Cairns Resource Recovery. These Annual Performance Plans have been implemented throughout the year with operational and financial performance reported to Council quarterly as part of the Operational Plan reporting requirements. The Annual Operational Plan 2022/23 fourth quarter Progress Report to Council's Ordinary Meeting on 26 July 2023 highlighted the 2022/23 performance of both commercialised business units.

A detailed assessment of both of Council's commercialised business units' performance in relation to the 2022/23 Annual Performance Plans is available from page 61 of this report.

COUNCILLORS

COUNCILLOR REMUNERATION

The following table shows the total of Councillors' remuneration and Fringe Benefits Tax (FBT) payments for the period from 1 July 2022 to 30 June 2023.

DIV	ELECTED MEMBER	TOTAL REMUNERATION PAYMENT \$	* SUPER CONTRIBUTIONS \$	TOTAL \$	FBT EXPENSE \$
M	Bob Manning	186,806	19,615	206,421	5,100
1	Brett Moller	110,386	13,246	123,632	2,368
2	Rob Pyne	110,386	11,591	121,977	1,098
3	Cathy Zeiger	110,386	13,246	123,632	3,220
4	Terry James	127,366	15,284	142,650	-
5	Amy Eden	110,386	13,246	123,632	3,239
6	Kristy Vallely	110,386	13,246	123,632	1,154
7	Max O'Halloran	110,386	13,246	123,632	-
8	Rhonda Coghlan	110,386	13,246	123,632	6,224
9	Brett Olds	110,386	13,246	123,632	11,970

* Differences in super contributions are due to each Elected Member's contribution preferences

EXPENSES REIMBURSEMENT AND FACILITIES

In accordance with the Expenses Reimbursement and Support for Elected Representatives General Policy, if a Councillor uses a private vehicle for official Council business, reimbursement may be claimed based on logbook substantiation of the relevance of the travel to Council.

The table below shows the total reimbursement costs to Councillors for the 12-month period from 1 July 2022 to 30 June 2023 under this policy.

DIV	ELECTED MEMBER	VEHICLE REIMBURSEMENT \$	VEHICLE COST \$
M	Bob Manning	-	8,872
1	Brett Moller	6,267	-
2	Rob Pyne	1,037	-
3	Cathy Zeiger	6,278	-
4	Terry James	-	-
5	Amy Eden	4,848	-
6	Kristy Vallely	4,586	-
7	Max O'Halloran	-	-
8	Rhonda Coghlan	8,385	-
9	Brett Olds	12,888	-
		44,289	8,872

EXPENSES REIMBURSEMENT AND FACILITIES

In accordance with the Expenses Reimbursement and Support for Elected Representatives General Policy, Councillors are provided with:

Mayor

- Separate office accommodation and administrative officer for administrative support.

Deputy Mayor and Other Councillors

- Access to workstations within the administration building as well as kitchen amenities and restrooms.
- Use of Council meeting rooms as required and when available.
- Administrative support at the administration building for Council-related business.
- Use of Council landline telephone and internet access while at the administration building.
- Council-provided mobile phone to assist Councillors in undertaking their role.
- Council-provided laptop, computer, or iPad as defined by Council.
- Access to printer, photocopiers, paper shredder, fax and/or scanner at the administration building.
- Stationery and personalised letterhead including postage costs, for undertaking duties associated with their position.
- Any other administrative necessities which Council resolves, are necessary to meet the business of Council.
- Up to \$600 annually for home communication expenses, reimbursed on presentation of relevant receipts.
- Necessary safety equipment for use on official business as and when required.
- Insurance coverage while on Council business.
- Up to \$500 annually for Councillors and as per budget for the Mayor, for hospitality costs in hosting dignitaries etc. outside of formal Council events.
- Costs include travel and accommodation associated with attending Council-approved conferences, external workshops/seminars or events as a representative of Council.
- Allowance of up to \$2,500 per Councillor's term of Council to undertake professional development course or similar, including associated travel and accommodation expenses if applicable.
- Payment of legal assistance costs as required in support of actions against Councillors undertaking their role.

MEETING ATTENDANCE

Council's Ordinary Meetings are typically held once a month on a Wednesday and are chaired by the Mayor.

The following table displays Councillor attendance at Council meetings for the period of 1 July 2022 to 30 June 2023.

	Mayor Bob Manning	Division 1 Cr Brett Moller	Division 2 Cr Rob Pyne	Division 3 Cr Cathy Zeiger	Division 4 Cr Terry James	Division 5 Cr Amy Eden	Division 6 Cr Kristy Vallely	Division 7 Cr Max O'Halloran	Division 8 Cr Rhonda Coghlan	Division 9 Cr Brett Olds
Ordinary Meetings										
13 held	12	13	13	13	13	13	13	13	13	12
Special Meetings										
1 held	1	1	1	1	1	1	1	1	1	1

OUR
COUNCILLORS

Council operates two Committees, the Planning and Environment Committee and the Audit Committee. All Councillors have been appointed as members of the Planning and Environment Committee. Not all Councillors are members of the Audit Committee.

The following table displays Councillor attendance at Council Committee Meetings for the period of 1 July 2022 to 30 June 2023.

	Mayor Bob Manning	Division 1 Cr Brett Moller	Division 2 Cr Rob Pyne	Division 3 Cr Cathy Zeiger	Division 4 Cr Terry James	Division 5 Cr Amy Eden	Division 6 Cr Kristy Vallely	Division 7 Cr Max O'Halloran	Division 8 Cr Rhonda Coghlan	Division 9 Cr Brett Olds
Planning and Environment Committee										
8 held	6	7	6	8	7	7	8	7	8	8
Audit Committee										
4 held	3	3	-	-	-	-	-	-	4	-

COUNCILLORS

CONDUCT AND PERFORMANCE OF COUNCILLORS

Councillors are governed by the Code of Conduct for Councillors General Policy to ensure appropriate standards of conduct and performance. There is also a formal process in place to deal with complaints. The

requirements of the Code are in addition to the roles, responsibilities and obligations of Councillors set out in the *Local Government Act 2009*.

On 21 May 2018 the *Local Government (Councillor Complaints) and Other Legislation Amendment Bill 2018* received ascent. The Bill amends the *Local Government Act 2009* (LGA) and the *Public Service Act* to provide a simpler, more streamlined system for making, investigating, and determining complaints about Councillor conduct in Queensland.

The reforms established the Independent Assessor and the Office of the Independent Assessor to investigate and deal with the conduct of Councillors where it is alleged or suspected to be inappropriate conduct, misconduct or, when referred to the Independent Assessor by the Crime and Corruption Commission (CCC), corrupt conduct.

The *Local Government Regulation 2012*, Section 186 specifies the particulars of Councillors' conduct which must be contained in the annual report for a financial year. The following tables shows the required particulars of Councillors' conduct for the period from 1 July 2022 to 30 June 2023.

Number of Councillor Conduct orders and disciplinary actions 1 July 2022 - 30 June 2023

Subsection of the LGA	Description	Number
150I(2)	Chairperson makes an order for unsuitable meeting conduct	0
150AH(1)	Disciplinary action against a Councillor for inappropriate conduct	0
150AR(1)	Disciplinary action against a Councillor for misconduct	0

COUNCILLORS

CONDUCT AND PERFORMANCE OF COUNCILLORS

Section 186(f) the total number of the following during the year;

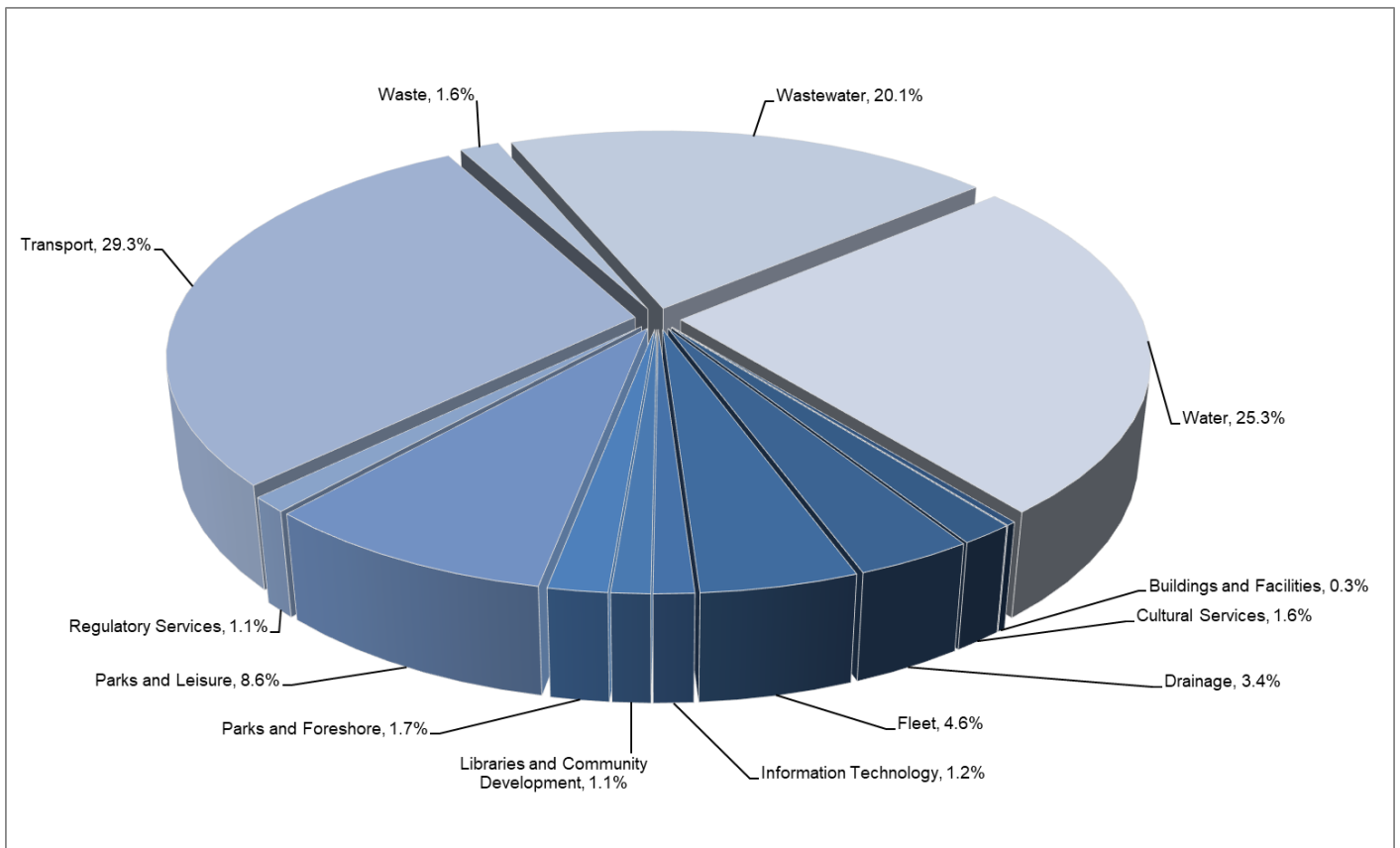
Complaints referred to the assessor under section 150P(2)(a) of the Act by local government entities for the local government	1
Matters, mentioned in section 150P(3) of the Act, notified to the Crime and Corruption Commission	1
Notices given under section 150R(2) of the Act	1
Notices given under section 150S(2)(a) of the Act	0
Decisions made under section 150W (1)(a), (b) and (e) of the Act	8
Referral notices accompanied by a recommendation mentioned in section 150AC(3)(a) of the Act	0
Occasions information was given under section 150AF(4)(a) of the Act	0
Occasions the local government asked another entity to investigate, under chapter 5A, part 3, division 5 of the Act for the local government, the suspected inappropriate conduct of a Councillor.	0
Applications heard by the conduct tribunal about the alleged misconduct of a Councillor	1

OUR
COUNCILLORS

CAPITAL WORKS PROJECTS

CAPITAL WORKS HIGHLIGHTS

During the 2022/23 financial year, expenditure on capital works was \$101.6M. The following graph provides a breakdown of the capital works by asset category during the period 1 July 2022 to 30 June 2023.



OUR CITY AND COMMUNITY

CAPITAL WORKS HIGHLIGHTS

Council incurred expenditure on the following capital works projects during the period 1 July 2022 to 30 June 2023.

	Amount \$'000
CULTURAL SERVICES	
Gallery Precinct	606
Tank 3 and 5 refurbishment	392
	998
PARKS and LEISURE	
Northern Beaches Leisure Trail	2,560
Aquatic renewals	1,470
Active Travel – new footpaths	936
Toilet facility upgrades	890
Lions Park tennis court upgrade	762
Lagoon renewals	266
	6,884
REGULATORY SERVICES	
CCTV upgrades	419
	419
TRANSPORT AND MOBILITY	
Road infrastructure new roads	6,717
Pavement rehabilitation	6,054
Trinity Beach Road connection	5,411
Road infrastructure renewals	3,543
Drainage works	3,443
Suburban Enhancement Program (SEP)	2,755
Footpath renewals	1,302
Bus stop upgrades	1,213
Intersection improvements	1,103
	31,541

CAPITAL WORKS HIGHLIGHTS

	Amount \$'000
WATER AND WASTE INFRASTRUCTURE	
Wastewater infrastructure renewals and upgrades	21,800
Water infrastructure renewals and upgrades	20,060
Cairns Water Security project	4,308
Transfer Station upgrades	1,133
	47,301

EXPENDITURE ON GRANTS

GRANTS

The annual report for a financial year must contain a summary of the local government's expenditure for the financial year on grants to community organisations and expenditure from each Councillor's discretionary fund.

Council has a commitment to building strong, vibrant, and robust communities. To assist in achieving this goal, Council's Grant Program provides financial and in-kind assistance to community-based groups, individuals and organisations that are providing programs, activities, events, and projects that enrich the diversity of cultural, social, sport, and economic development opportunities available to the residents of the Cairns region.

The desired outcome is to support more creative, innovative, and self-reliant communities, where participation in community life is enabled and encouraged.

In the 2022/23 financial year, Council provided the following community grants and discretionary funds:

COUNCILLOR DISCRETIONARY FUNDS

ARTS AND CULTURE

Regional Arts Development Fund

Arts and Cultural Venue Hire and Resources Assistance

Arts and Culture Partnerships

COMMUNITY, SPORT AND RECREATION

Go Clubs Essentials Assistance

Go Clubs Community Infrastructure

EVENTS

Community Partnerships

Economic Event Partnerships

Major Events

GRANTS

ECONOMIC DEVELOPMENT

Industry and Economic Development Fund

ENVIRONMENT AND SUSTAINABILITY

Community Sustainability

Nature-based Learning

OTHER SUPPORT

Resource and Performance Agreements

Donations

Sponsorship

Rates Based Financial Assistance

DISCRETIONARY FUNDS

A Councillor may allocate their Councillor discretionary funds under Section 202 of the *Local Government Act 2009* in any of the following ways:

- For capital works of the local government that are for a community purpose
- To a community organisation for a community purpose
- For another community purpose.

Cairns Regional Council is required to list all allocations of Councillor discretionary funds and the purpose of the allocation.

	Total Budget \$	Each Councillor \$	Mayor \$
Capital works of Council that are for a community purpose	500,000	50,000	50,000

The prescribed amount for other community purposes in the 2022/23 financial year was \$122,804. No discretionary funds were allocated to other community purposes within the financial year.

This year the Mayor did not spend the discretionary funds allocation.

COUNCILLORS DISCRETIONARY FUND

All Councillors' discretionary funds were made for 'capital works of Council that are for a community purpose'.

DIVISION 1 - COUNCILLOR BRETT MOLLER			
Date	Person or organisation (if applicable)	Description	Amount \$
14-Oct-22	Cairns Model Aero Club	Contribution towards Cairns Model Aero Club project (construct runway) as part of their Go Clubs Infrastructure Grant Assistance	5,000
04-Jan-23		1. Paperbark Park Bramston Beach - Replace old failing timber post and rail barrier to enhance park security by stopping vehicles getting into the park and onto the foreshore (causing hazard and environmental damage). 2. Johnson Park Gordonvale - extend the kerb & channel and shoulder widening (60m kerb & channel and 180m ² sealed pavement.	36,800
30-May-23		Contribution to Babinda Community Kindy towards fencing upgrade	8,200
TOTAL FOR DIVISION 1			50,000

OUR CITY AND COMMUNITY

DIVISION 2 - COUNCILLOR ROB PYNE			
Date	Person or organisation (if applicable)	Description	Amount \$
20-Jan-23		Undertake landscaping improvements at the Mill Road, Mount Peter Road & Ravizza Drive road intersection roundabout in Edmonton. The works are to be delivered internally by Council workforce	32,000
26-May-23	Edmonton Men's Shed	Contribution towards Edmonton Men's Shed to supply and install air conditioning	18,000
TOTAL FOR DIVISION 2			50,000

COUNCILLORS DISCRETIONARY FUND

DIVISION 3 - COUNCILLOR CATHY ZEIGER

Date	Person or organisation (If applicable)	Description	Amount \$
25-May-23		Khalu Park improvements	50,000
TOTAL FOR DIVISION 4			50,000

DIVISION 4 - COUNCILLOR TERRY JAMES

Date	Person or organisation (If applicable)	Description	Amount \$
18-Jan-23		Supply and installation of shade structure and seat at Irene St Dog Park	20,000
07-Mar-23	Edge Hill United Football Club	Contribution to Edge Hill Football Club towards H2O Consultants (fire safety to club house)	30,000
TOTAL FOR DIVISION 4			50,000

DIVISION 5 - COUNCILLOR AMY EDEN

Date	Person or organisation (If applicable)	Description	Amount \$
30-Jun-23		Contribution towards mains power connection at Peace Park on the Esplanade	30,000
13-Feb-23		Contribution towards the installation of an art or graffiti wall at Harald Falge Park	20,000
TOTAL FOR DIVISION 5			50,000

DIVISION 6 - COUNCILLOR KRISTY VALLELY

Date	Person or organisation (if applicable)	Description	Amount \$
15-Mar-23		Freshwater footpath connection (Old Smithfield Rd to Kamerunga St)	50,000
TOTAL FOR DIVISION 6			50,000

COUNCILLORS DISCRETIONARY FUND

DIVISION 7 - COUNCILLOR MAX O'HALLORAN

Date	Person or organisation (If applicable)	Description	Amount \$
30-Jun-23		Contribution towards mains power connection at Peace Park on the Esplanade	50,000
TOTAL FOR DIVISION 7			50,000

DIVISION 8 - COUNCILLOR RHONDA COGLAN

Date	Person or organisation (if applicable)	Description	Amount \$
14-Oct-22	Ivanhoes Rugby League Club	Contribution to Ivanhoes Rugby League Club to supply and install (5) Daikin/Panasonic under-ceiling units rated at a cooling capacity of 14kW at 50 Leisure Road Smithfield	41,000
TOTAL FOR DIVISION 8			41,000

DIVISION 9 - COUNCILLOR BRETT OLDS

Date	Person or organisation (if applicable)	Description	Amount \$
14-Oct-22	Marlin Coast Bowls Club	Contribution towards Marlin Coast Bowls Club supply and installation of automatic sliding door equipment	5,150
14-Oct-22		Contribution towards the supply and installation of rugby goals and replacement of the cricket grass at Evergreen Park	20,000
24-Nov-22	Trinity Beach Bulldogs Netball Club	Contribution towards Trinity Beach Netball Club for concrete of a netball court at the Trinity Beach Sports Precinct	20,000
12-Jan-23	Marlin Coast Men's Shed	Contribution towards Marlin Coast Men's Shed for construction of a tool shed	4,850
TOTAL FOR DIVISION 9			50,000

TOTAL FOR DISCRETIONARY FUNDS 441,000

COMMUNITY GRANTS

Arts and Culture

Regional Arts Development Fund (RADF)

The RADF program supports the development of quality arts and arts practice in regional communities. The RADF funding is in partnership with the State Government.

Applicant	Description	Amount \$
Julie Brookes and Merryn Hughes	2022/2023 RADF City of the Arts Hero Project	25,000
Amanda Mcgahan	RADF 2021/2022 Professional Development Grant	1,000
Amanda Rowen	RADF 2021/2022 Professional Development Grant	1,500
Evie Clinton	RADF 2021/2022 Professional Development Grant	1,500
Greta Stanley	RADF 2021/2022 Professional Development Grant	1,000
Lachesis Esperence	RADF 2021/2022 Professional Development Grant	1,500
Patricia Wood	RADF 2021/2022 Professional Development Grant	1,000
Thomas Strohfeltd	RADF 2021/2022 Professional Development Grant	1,000
Monique Burkhead	RADF 2021/2022 Small Arts Grant	500
Peninsula Art Educators Association	RADF 2022/2023 Flame Art Access Target Project	845
Garth Edwards	RADF 2022/2023 Flame Arts Access - Leg Up Grant	1,000
Holly Muir	RADF 2022/2023 Flame Arts Access - Leg Up Grant	1,000
Naomi Wenitong	RADF 2022/2023 Flame Arts Access - Leg Up Grant	750
Patricia (Rita) Price	RADF 2022/2023 Individual Professional Development	1,500
Aaron Lee & Avril Duck	RADF 2022/2023 Major Round 1	9,386
ARC Disability	RADF 2022/2023 Major Round 1	6,900
Dennis McIntosh	RADF 2022/2023 Major Round 1	9,050
India Collins	RADF 2022/2023 Major Round 1	9,860
JUTE Theatre Company	RADF 2022/2023 Major Round 1	6,560
Northsite	RADF 2022/2023 Major Round 1	10,000
Tegan Koster	RADF 2022/2023 Major Round 1	10,000

COMMUNITY GRANTS

Arts and Culture

Regional Arts Development Fund (RADF) (continued)

Applicant	Description	Amount \$
Amber Grossmann	RADF 2022/2023 Major Round 2	9,972
Clare Meere	RADF 2022/2023 Major Round 2	10,000
Joel Huey (aka Joel Devere)	RADF 2022/2023 Major Round 2	8,811
Maria Julia Fujita	RADF 2022/2023 Major Round 2	10,000
Mariana Verdaasdonk	RADF 2022/2023 Major Round 2	9,460
Melanie Stevens (aka Melania Jack)	RADF 2022/2023 Major Round 2	9,689
Oliver Marsden	RADF 2022/2023 Major Round 2	10,000
Patricia Wood	RADF 2022/2023 Major Round 2	4,868
Rebecca Youdell	RADF 2022/2023 Major Round 2	10,000
Ricky Beresford	RADF 2022/2023 Major Round 2	10,000
Jannah Dryden	RADF 2022/2023 Professional Development Grant	1,946
Jolanta Milewski	RADF 2022/2023 Professional Development Grant	500
Karen Jackson	RADF 2022/2023 Professional Development Grant	1,000
Keesha Lee Mclean	RADF 2022/2023 Professional Development Grant	1,500
Leanne Tennant	RADF 2022/2023 Professional Development Grant	1,500
Melania Jack	RADF 2022/2023 Professional Development Grant	1,500
Patricia Wood	RADF 2022/2023 Professional Development Grant	1,500
Tania Lacy	RADF 2022/2023 Professional Development Grant	1,500
Clara Satzke/Jade Schuck	RADF 2022/2023 Small Arts Grant	500
Jolanta Milewski	RADF 2022/2023 Small Arts Grant	500
Molly Duncan	RADF 2022/2023 Small Arts Grant	500
Poetic Chaos	RADF 2022/2023 Small Arts Grant	500
TOTAL FOR REGIONAL ARTS DEVELOPMENT FUND GRANT		206,597

COMMUNITY GRANTS

Arts and Culture

Arts and Cultural Venue Hire and Resources Assistance

Under the Arts and Cultural Venue Hire and Resources Assistance Grant, Council provides venues, resources and capabilities to cultural projects and activities that make a positive creative contribution to the region.

Applicant	Description	Amount \$
ARC Disability Services	Beyond the Waves	4,981
Australian International Documentary Conference Limited	Regionality Cairns 2022	5,000
Cairns Art Society	Artist of the North	5,000
Cairns Artistic Photography	Social Shoot Soiree #9	2,215
Cairns Urban Sketchers & Scottsdale Art School	Courthouse Venue Hire	5,000
Far North Air Cats	Forbidden Fruit Aerial Show	5,000
Meredith Anne Rundell Inc	Dance Extravaganza 2023	5,000
Molly Duncan	Abstracts in Oil & Gold Wax Medium	518
Peninsula Art Educators Association	Annual ENERGY Exhibition 2022	5,000
Phoebe Alison	The Blink of an Eye (Tanks Venue Hire)	4,920
Selina Kudo	Jump	2,906
Sonya Helms	International Dance Experience	2,609
Soul Song Choirs Inc.	Soul Song Choirs Concert	5,000
Spiritual Learning Centre Aust	Cairns Musical Night	5,000
TOTAL FOR ARTS AND CULTURE VENUE HIRE AND RESOURCES ASSISTANCE GRANT		58,149

COMMUNITY GRANTS

Arts and Cultural Partnerships

The Arts and Culture Partnerships Grant aims to make available Council resources and capabilities to support arts and cultural projects and activities that make a positive creative contribution to the region's arts and cultural profile.

Applicant	Description	Amount \$
Cairns Choral Society	Resource and Performance Agreement	17,862
Circa Contemporary Circus Ltd.	Resource and Performance Agreement	28,880
TOTAL FOR ARTS AND CULTURE PARTNERSHIPS GRANT		46,742

TOTAL ARTS AND CULTURE GRANTS 311,488

COMMUNITY GRANTS

Community, Sport and Recreation

Go Clubs Essentials Assistance

This grant is for services that can be delivered by Council that support improved asset management initiatives (maintenance) including turf management.

Applicant	Description	Amount \$
Babinda Community Kindergarten Inc	Tree maintenance	1,747
Babinda Golf Club	Drain maintenance	893
Barrier Coast Archery Inc	Drains and drain cleaning, driveways and potholes	5,649
Barron Trinity Sports Club Inc.	Field Remediation 2022	1,336
Cairns City Kennel Club Inc	Training surface remediation	1,146
Cairns City Lions Australian Football & Sporting Club	Carpark & tree maintenance	7,851
Cairns Cricket Association Inc.	Field Maintenance 2022	1,880
Cairns Hockey Association Inc.	Tree maintenance	2,900
Cairns Hockey Association Inc.	Earthworks	2,820
Cairns Model Aero Club Inc.	Provision of reticulated water supply to Cairns Model Aero Club site	1,571
Cairns Pirates Touch Football Assoc Inc.	Aerating of fields 4, 5 & 6	977
Cairns Potters Club Inc.	Driveway resurfacing	1,389
Clifton Beach Tennis Club Inc	Tree maintenance	1,806
Edmonton & District Pony and Horse Club	Tree maintenance & painting	3,216
Football QLD Ltd	Top dressing of fields	3,492
Friends of Cominos House Inc.	Tree maintenance	4,545
Gordonvale and District Tennis Association Inc.	Court lighting repairs	3,432
Holloways-Cairns Croquet Club	Turf remediation	1,706

COMMUNITY GRANTS

Community, Sport and Recreation

Go Clubs Essentials Assistance (continued)

Applicant	Description	Amount \$
Ivanhoe Football & Recreation Club Inc.	Field 1 light bulb replacement	3,285
Kangaroo Rugby League Club Inc.	Turf remediation	2,295
Leichhardt Football Club Inc	Turf remediation	2,627
Leichhardt Junior Soccer Club	Field remediation 2022	520
Leichhardt Junior Soccer Club	Field remediation 2023	2,545
Marlin Coast Rangers Football Club Inc.	Field maintenance and tree removal	5,177
Meals on Wheels	Painting	4,689
Mulgrave Athletics Inc.	Pest management	6,628
Mulgrave Athletics Inc.	Replace sand in long jump pit	2,113
Northern Beaches Mudcrabs Rugby Union Club Inc.	Field remediation 2023	15,604
Patriots Australia Cairns Chapter Inc.	Water access to shed	21
Redlynch Equestrian Association Inc.	Aerate grass area	690
The Cairns Agricultural Pastoral and Mining Association	Turf remediation	2,607
Wooden Boat Association of Cairns	Crossover from Tingira St to the club	8,456
Young Australia League Ltd.	Earthworks	8,518
TOTAL FOR GO CLUBS ESSENTIALS ASSISTANCE GRANT		114,131

COMMUNITY GRANTS

Community, Sport and Recreation

Go Clubs Community Infrastructure

This grant assists local sport, recreation, arts, culture and community organisations with the development of improved facilities.

Applicant	Description	Amount \$
Barron Trinity Sports Club Inc.	Clubhouse exterior maintenance	15,710
Cairns Model Aero Club Inc.	Installation of cyclone proof shade shelters	14,920
Cairns Region Toy Library Inc.	Outdoor area drainage improvement	5,152
Edge Hill Tennis Club Inc.	Construct new tennis court fencing	18,970
Edmonton Storm Senior Rugby League	Connection of gas supply and appliances	20,878
Ellis Beach Surf Life Saving Club Inc.	Decking and drainage repair	22,727
Friends of Cominos House Inc.	FOCH kitchen facilities refurbishment	8,409
Gordonvale RSL Sub Branch	Providing disabled access to advocacy office	1,729
Half Moon Bay Golf Club Inc.	Perimeter fencing	22,727
Holloways Beach Men's Shed	Security system	1,848
Leichhardt Junior Soccer Club	Equipment storage shed	22,727
Marlin Coast Bowls Club Inc.	Replace clubhouse seated area & office carpet	7,836
North Cairns Australian Football & Sporting Club Ltd.	Solar installation	22,727
Queensland Police Citizens Youth Welfare Association PCYC Cairns	LED lighting upgrade	21,770
Queensland Police Citizens Youth Welfare Association PCYC Edmonton	PCYC Edmonton gym upgrade	11,364
Southside Comets Football Club Inc.	Field entrance barrier fence safety coral	17,200
TOTAL FOR GO CLUBS COMMUNITY INFRASTRUCTURE		236,694

TOTAL FOR COMMUNITY, SPORT AND RECREATION

350,825

COMMUNITY GRANTS

Events Grants

Community Partnerships

Applicant	Description	Amount \$
Lions Club of Cairns Marlin Coast	FNQ Dogs Day Out	11,000
Lions Club of Cairns Marlin Coast	Festival of the beaches	6,000
All In Line Events Inc.	Stars in the Tropics	7,400
Australian Arakanese Association Cairns Inc	Arakanese New Year Water Festival	15,000
Australian Pole Sports Federation Inc	Refund 2022 Australian Pole Sports Championships	(747)
Australian Police Rugby Union Association Inc.	Australian Police Rugby Union National Championships	9,220
Babinda District Community Assoc Inc.	Xmas in Babinda	3,500
Babinda Harvest Festival Inc.	Babinda Harvest Festival 2022	24,364
Bats and Trees Society of Cairns Inc.	Cairns Bat Festival	4,000
Cairns and District Chinese Association Inc.	2023 Cairns Chinese New Year	20,000
Cairns African Association Inc.	Cairns African Festival 2023	11,400
Cairns Athletics Inc.	Cairns Athletics Coral Coast Carnival 2022	4,501
Cairns Basketball Inc.	Under 14 Girls State Basketball Championship 2022	10,000
Cairns Children's Museum	Pi Day: A Celebration of Circles	6,486
Cairns Christian Ministers Network Inc.	Joy to the World - Carols and Fireworks	11,000
Cairns Food & Wine Festival Inc.	Cairns Food & Wine Festival 2022	25,000

COMMUNITY GRANTS

Events Grants

Community Partnerships (continued)

Applicant	Description	Amount \$
Cairns Hindu Samaj Inc.	Ganeshotsav	5,000
Cairns Hindu Samaj Inc.	Deepavali Mela (Diwali Festival Fair)	5,000
Cairns Indian Association Inc.	Holi Festival of Colour	6,200
Cairns Italian Festival Inc.	Cairns Italian Festival 2022	10,086
Cairns Multicultural Committee	Cairns CARMA Multicultural Festival and Youth Empowerment & Peace Finale	20,523
Cairns Multicultural Committee	CARMA Youth Empowerment "Cairns Youth Got Talent"	4,000
Cairns Multicultural Islamic Ladies Association	Community Iftar Get Together	1,700
Cairns Municipal Band Incorporated Association	Winter Fest	5,000
Cairns Pirates Touch Football Assoc Inc.	Year 10-12 Schools State Touch Football Carnival	2,234
Cairns Thai Community Association FNQ Inc.	Songkran Festival 2023	16,000
Cairns Volleyball Association Inc.	Queensland Beach Volleyball Tour	2,800
Cancer Council QLD	Far North QLD Relay for Life 2022	9,649
Cairns and Region Multicultural Association (CARMA)	Cairns Youth Got Talents	13,000
Castle Hill Spinney Ltd (Ronald McDonald House)	Christmas Lights on the Move 2022	2,026
Centrals Trinity Beach Australian Rules and Sporting Club Inc.	Gary Ablett Jr. to play for Centrals Trinity Beach AFC	1,700
Chabad North Queensland Inc.	Chanukah - Festival of Lights	1,778
Deadly Inspiring Youth Doing Good Aboriginal & Torres Strait Islander	Cairns NAIDOC Friday in the Park 2022	6,428
Earlville Pony Club Inc.	Earlville Pony Club Carnevale weekend	5,064

COMMUNITY GRANTS

Events Grants

Community Partnerships (continued)

Applicant	Description	Amount \$
Far North Queensland Council of Unions	Mayday Celebration 2023	3,230
Fiji Community Association Far North Queensland	Cairns Bula 7's Rugby Tournament 2022	10,000
Fiji Community Association Far North Queensland	Cairns Bula 7's Rugby Tournament 2023	10,000
FNQ Hospital Foundation	Cardiac Challenge 2022	602
FNQ Regional Swimming Association	2023 FNQ Swimming Long and Short Course Championships	11,000
FNQ Rugby Inc.	2022 Cairns Women's Rugby Reunion	1,000
FNQ Rugby League Ltd	FNQRL Grand Final Series	16,035
FNQ Rugby League Ltd	2023 Foley Shield	11,739
FNQ Samoa Advisory Council Inc.	Samoa's 60 th Independence Celebration	700
FNQ Thai Cultural Community Inc.	FNQ Thai Loy Krathong Festival 2023	9,000
FNQ Thai Cultural Community Inc.	Thai Cultural Loy Krathong Festival 2022	5,000
FNQ Volunteers Inc.	VEXPO 2022	4,302
FNQ Volunteers Inc.	Symposium "Better Together"	818
Fresh Start Academy	Fresh Start Pop Up Barbers	25,000
Freshwater Tennis Club Inc.	Freshwater Festival	6,000
Gordonvale District Chamber of Commerce Inc.	Carols in the Park 2022	3,500
Gordonvale District Chamber of Commerce Inc.	Gordonvale Sugar Solstice Country Fair	6,000
Gordonvale Pony Club Equestrian Centre Inc.	Great Northern Bullride	1,700
Guide Dogs QLD	Guide Dogs QLD Cairns Canine Carnival 2022	5,000

COMMUNITY GRANTS

Events Grants

Community Partnerships (continued)

Applicant	Description	Amount \$
Heartkids	Two Feet & a Heartbeat 2022	130
Holloways Beach Markets Inc.	Christmas Carols 2022	1,500
Lions Club of Cairns Marlin Coast Inc.	FNQ Dogs Day Out Festival 2022	6,000
Machans Beach Community Association	Moon Over Machans 2022	4,000
Manunda Hawks Australian Football Club Inc.	Barlow Park Venue Hire	2,591
Marlin Coast Neighborhood Centre Inc.	MCNC Community Fund Day 2023	2,000
Marlin Coast Rangers Football Club Inc.	QRSS 10 - 12 years Girls and Boys Football State Championships 2023	12,000
Maxima Training Group (Australia) Limited	Spark Joy 2022	2,000
Nautilus Scuba Club Inc.	Underwater Photo Competition 2022	4,062
Peninsula School Sports	All Abilities Sports Day 2022	700
QLD Aids Council Inc.	Cairns Pride Festival 2022	15,000
Red Nose Ltd	Walk to Remember 2022	1,900
Redlynch Equestrian Association Inc.	Redlynch Community Twilight Markets	11,270
Redlynch Valley Community Group Inc.	Redlynch Halloween Tunnel of Terror 2022	2,422
Southern Suburbs Rugby League Club Cairns Inc.	Nate Myles Cup 2022	8,000
Stratford Bowls Club	70 th Anniversary Celebrations	2,000

COMMUNITY GRANTS

Events Grants

Community Partnerships (continued)

Applicant	Description	Amount \$
The Agile Project - Wildlife Rescue Inc.	Avian and Wildlife Rescue and Care Community Fun Day	7,560
The Cairns Agricultural Pastoral and Mining Association	Cairns Show 2023	46,990
The Dr Edward Koch Foundation Ltd.	All of Us Festival- Celebrating Mental Health Week 2022	9,326
The Dr Edward Koch Foundation Ltd.	All of Us Festival- Celebrating Mental Health Week 2023	2,000
The Great Pyramid Race and Country Fair	The Great Pyramid Race	13,500
The Japanese Society of Cairns Inc.	Japanese Bon Dance Festival 2022	16,395
UMI Arts Ltd.	Big Talk One Fire Cultural Festival	9,885
Uniting Care	Out of the Shadows 2022	2,300
University & Teachers Smithfield Rugby Union Club Inc.	Round 1 of FNQ Rugby Union	1,831
Whitfield State School P&C Association	All Abilities Sports Day	1,050
Yorkeys Knob Residents Association Inc.	Yorkeys Knob Twilight Christmas Markets 2022	3,000
TOTAL FOR COMMUNITY PARTNERSHIPS GRANTS		606,349

COMMUNITY GRANTS

Events Grants

Economic Event Partnerships

The aim of this grant is to nurture and grow a diverse portfolio of events that will drive positive economic returns for the Cairns community, raise the profile of the Cairns region nationally and internationally, generate positive social and cultural benefits and inspire the residents of Cairns. Economic Event Partnerships facilitate visitation growth to the region to achieve positive community and economic outcomes.

Applicant	Description	Amount \$
Handpicked Event and Marketing Pty Ltd.	The Grass is Greener 2022	50,000
Far North Queensland Amateur Turf Club	Cairns Amateur Carnival 2022	46,273
Queensland Rugby Football League Ltd.	QLD Maroons Fan Day 2023	30,000
Cairns Fashion Week	Cairns Fashion Week 2023	25,000
Shine on Productions Pty Ltd.	Shine on Gimuy 2023	25,000
Tour of the Tropics	Tour of the Tropics 2023	25,000
Edge Hill Tennis Club Inc.	Cairns Tennis International Pro Tour 2023	20,000
Connect Sport Australia Pty Ltd.	Port Douglas Gran Fondo 2023	10,000
Surf Life Saving Qld	Pool Rescue Championships 2023	10,000
Worldwide Sports Agency Ltd.	Crocodile Trophy 2022	514
TOTAL FOR ECONOMIC EVENT PARTNERSHIP GRANTS		241,787

COMMUNITY GRANTS

Events Grants

Major Events

These grants support the growth of a diverse portfolio of major events that will drive economic development of the region, promote Tropical North Queensland (TNQ) nationally and internationally, generate positive social, cultural, and environmental benefits and inspire the residents of TNQ.

Applicant	Description
ATLAS Events Pty Ltd.	7 Cairns Marathon 2022
ATLAS Events Pty Ltd..	7 Cairns Marathon 2023
FNQ Rugby League Ltd.	NRL trial Cowboys Vs Dolphins 2023
RT Event Enterprises Pty Ltd.	Red Hot Summer Tour 2023
South Sydney District Rugby League Football Club Ltd	2023 South Sydney Rabbitohs 'Home' NRL Premiership Match
Targa Australia Pty Ltd.	Targa 2022 - return of funds for cancelled events
Tourism Tropical North QLD (TTNQ)	Crankworx 2022
Tourism Tropical North QLD (TTNQ)	Crankworx 2023
Tourism Tropical North QLD (TTNQ)	Crankworx 2024 Track Stand Up Contribution
USM Events Pty Ltd.	Reef to Reef 2023
USM Events Pty Ltd. T/A Ironman Australia	Ironman Cairns
TOTAL FOR MAJOR EVENT GRANTS	
1,186,245	

TOTAL EVENTS GRANTS

2,034,381

COMMUNITY GRANTS

Economic Development

Industry and Economic Development Fund

Council's Industry and Economic Development Fund (IEDF) provides assistance to organisations in support of specific industry and economic development activities and to support the economic goals of the Cairns Regional Council Corporate Plan, specifically: Economy: A strong, diversified and resilient regional economy that supports the growth of new and existing industry, business activities and provides long-term employment opportunities and to support the delivery of Council's Economic Development Strategy.

Applicant	Description	Amount \$
Tradelinked Cairns Incorporated	Opportunity for Cairns based NFP's to join business delegation to Papua New Guinea	10,000
Cairns Mountain Bike Club Inc.	Economic impact of mountain biking to Cairns	7,280
TOTAL INDUSTRY AND ECONOMIC FUND GRANTS		17,280
TOTAL ECONOMIC DEVELOPMENT FUND GRANT		17,280

COMMUNITY GRANTS

Environment and Sustainability

Community Sustainability

These grants encourage the community to develop and implement projects that reduce the region's non-renewable resource consumption, reduce waste, conserve/restore biodiversity values and enhance community understanding of sustainability and resilience.

Applicant	Description	Amount \$
Barron Valley Gymnastics Club	Expansion of food garden-raised beds	661
Bungalow Community Gardens Inc.	Solar for Gardening's Greener Future	4,964
Cairns and Far North Environment Centre Inc.	Refund of unspent funds - Zero Emissions Cairns 2021	(495)
Cairns Mountain Bike Club Inc.	Renew Batteries to Solar Power System	3,300
Cairns Region Toy Library Inc.	Rooftop Solar Panel System	4,545
Dynamic Running Ltd.	Sustainable Race Bibs and Bags	700
Edmonton Community Kindergarten Association Inc.	Water Conservation and Education Projects	2,207
Edmonton Men's Shed Inc.	Paint roof and walls of building with reflective paint	3,300
Gordonvale Community Garden Inc.	More beds, more food shared	1,366
Permaculture Cairns Inc.	Building Resilient Communities Workshops	3,000
Reef Check Foundation Ltd.	Thriving Cairns Communities above and below the water	2,000
Whitfield Community Kindergarten Association Inc.	Native Bee Keeping and Education Projects	628
Young Australia League Ltd.	YAL Patch (Garden Beds, Compost Bins, Rainwater Tanks)	3,000
TOTAL COMMUNITY SUSTAINABILITY GRANTS		29,176

COMMUNITY GRANTS

Environment and Sustainability

Nature-based Learning

This grant fosters an appreciation of our world-renowned natural environment in the younger generation through financial support for nature-based excursions undertaken by schools in the Cairns local government area.

Applicant	Description	Amount \$
Babinda State School	Green Island Experience	690
Bentley Park College	Daintree Rainforest Observatory	2,000
Cairns Adventist College	Green Island Experience	1,092
Cairns State High School	Green Island Discovery Tour	1,693
Holy Spirit College	Fitzroy Island Excursion	2,000
Machans Beach State School	Green Island Living Classroom	600
Newman Catholic College	Green Island Coral Rehab	2,000
Parramatta State School	STEM Camp 2023 - Holloways Beach Environmental Education Centre	2,000
Smithfield State High School	Cattana Wetlands	1,100
Trinity Bay State School	Holloways Beach Environmental Education Centre	801
Whitfield State Primary School	Cairns Aquarium	1,780
TOTAL NATURE-BASED LEARNING GRANTS		15,756

TOTAL ENVIRONMENT AND SUSTAINABILITY GRANTS

44,932

COMMUNITY GRANTS

Resource and Performance Agreements

Council will, as required, consider entering into tailored agreements with specific community organisations to support programs, events and activities that are considered by Council to be in the public interest and to be of substantial benefit to the Cairns region, broadly consistent with a set criterion.

Applicant	Description	Amount \$
North Queensland Sports Foundation	Annual Membership	45,308
Babinda ANZAC Service Organiser - RSL Babinda Sub Branch	ANZAC Day 2023	2,137
Edge Hill ANZAC Service Organiser - Edge Hill/Cairns West RSL Sub Branch	ANZAC Day 2023	55
Edmonton ANZAC Service Organiser - Doug Belton on behalf of Edmonton RSL	ANZAC Day 2023	1,641
Gordonvale ANZAC Service Organiser - RSL Gordonvale Sub Branch	ANZAC Day 2023	2,410
Stratford ANZAC Service Organiser - 104 Squadron, Australian Air Force Cadets	ANZAC Day 2023	4,813
Trinity Beach ANZAC Service Organiser - Rotary Cairns Northern Beaches	ANZAC Day 2023	4,637
Yorkeys ANZAC Service Organiser - Yorkeys Knob Boating Club	ANZAC Day 2023	1,364
Northern Pride Rugby League Football Club Inc.	Barlow Park Venue Hire	138,479
Cairns & District Junior Eisteddfod Association Inc.	Cairns & District Junior Eisteddfod 2022	42,926
Cairns Indigenous Art Fair Limited	Cairns Indigenous Art Fair	209,909

COMMUNITY GRANTS

Resource and Performance Agreements (continued)

Applicant	Description	Amount \$
The Cairns Agricultural Pastoral and Mining Association	Cairns Show 2022	13,270
Holloways Beach Environmental Education Centre	Gifted Global Green Program	10,000
Mulgrave Shire Historical Society	Mulgrave Settlers Museum	17,958
Queensland Museum Network	Museum Development Office Program	24,727
Babinda District Community Assoc Inc.	Resource and Performance Agreement	15,000
Babinda Information Centre	Resource and Performance Agreement	12,000
Bats and Trees Society of Cairns Inc.	Resource and Performance Agreement	12,000
Citizens of the Great Barrier Reef	Resource and Performance Agreement	50,000
Study Cairns (Cairns International Education Providers Inc.)	Resource and Performance Agreement	100,000
Super Yacht Group - Great Barrier Reef Inc.	Resource and Performance Agreement	30,000
The Historical Society Cairns North Queensland Inc.	Resource and Performance Agreement	396,856
Tourism Tropical North QLD (TTNQ)	Resource and Performance Agreement	2,485,000
Tourism Tropical North QLD (TTNQ)	Aviation Support Fund: ATEC Meeting Place 2022	100,000
Tourism Tropical North QLD (TTNQ)	Aviation Support Fund: Domestic Aviation Sustainable Services Project (Retail Campaign) 2022/23	300,000

COMMUNITY GRANTS

Resource and Performance Agreements (continued)

Applicant	Description	Amount \$
Tourism Tropical North QLD (TTNQ)	Aviation Support Fund: Subvention Funding Program 2022/23	300,000
Tropical Arts Association	Resource and Performance Agreement	26,123
Cairns Area Fish Stocking Group	Restocking Barramundi in CRC Area	10,000
Holloways Beach Coastcare Inc.	Revegetation Project (Tamarind Bend-Richter's Creek)	12,000
Mulgrave Landcare & Catchment Group	Revegetation Project (Tamarind Bend-Richter's Creek)	6,000
Treeforce Association	Revegetation Project (Tamarind Bend-Richter's Creek)	12,000
Russell Heads Progress Association Inc.	Russell Heads Groyne Maintenance & renewal of Sand Pump	24,900
Cairns & District Family History Society Inc.	Shadows from the Past	12,000
YEP Entrepreneurship Facilitators (Health Management Pty Ltd.)	Tropical Innovation Festival 2023	30,000
TOTAL RESOURCE AND PERFORMANCE AGREEMENTS		4,453,513

COMMUNITY GRANTS

Sponsorships

Applicant	Description	Amount \$
Taipans Basketball Incorporated	22/23 Sponsorship	125,000
Tourism Tropical North QLD (TTNQ)	TNQ Tourism Industry Awards Sponsorship	7,000
HIA Limited	Australian Housing Award	4,075
Dept of Employment, Small Business and Training	2023 Queensland Training Award	4,000
Cairns Business Women's Club	Awards Sponsorship	3,182
Master Builders Queensland	Master Builders QLD Award Sponsorship	3,160
Department of Environment and Sciences	WTMA Cassowary Award	2,500
Australian Institute of Architects	Regional Awards Event	1,000
EAROPH Australia	EAROPH Australia Event	500
TOTAL SPONSORSHIP		150,417

COMMUNITY GRANTS

Donations

Applicant	Description	Amount \$
Cairns Turtle Rehabilitation Centre	Annual Donation	4,056
TOTAL DONATIONS		4,056

Rates Based Financial Assistance

Applicant	Number	Amount \$
Not-for-profit community groups	152 recipients	1,065,499
Not-for-profit sporting and recreation groups	83 recipients	507,660
Cairns Agricultural Pastoral and Mining Association	1 recipient	42,067
TOTAL RATES BASED FINANCIAL ASSISTANCE		1,615,226

OUR CITY AND
COMMUNITY

TOTAL OTHER 6,223,211

TOTAL EXPENDITURE ON GRANTS 9,423,117

COMMUNITY FINANCIAL REPORT

This report shows a summary of the Council's Consolidated Financial Statements with the aim to provide understandable information to the members of our community. The use of graphs allows readers to easily evaluate Council's consolidated financial performance and financial position. In addition, this report includes key financial statistics and ratios that can also be useful indicators of Council's performance.

2022/23 results at a glance

Council has performed well throughout the 2022/23 financial year, finishing the year with a \$39.3 million net result.

Council continued to invest heavily in community infrastructure by delivering a capital works program in excess of \$101.6 million.

The Financial Statements in this report cover a 12-month period ending 30 June 2023. The Financial Statements contained in this report include:

- **Statement of Comprehensive Income** - displays Council's revenue and expenses with the resulting profit or loss amount, called the net result, attributable to Council. This also displays Council's other comprehensive income.
- **Statement of Financial Position** - displays the assets (what we own), liabilities (what we owe) and community equity (total assets minus total liabilities). Community equity can be a reflection of how healthy the position of Council is at any given point in time.
- **Statement of Cash Flows** - reports how revenue received, and expenses paid impact on Council's cash balances (money in the bank).
- **Statement of Changes in Equity** - presents a summary of transfers to and from equity accounts including retained surplus, capital, and other reserves.
- **Notes to the Financial Statements** - provides a detailed breakdown of all significant items in the Financial Statements and what these items represent.
- **Current and Long-Term Measures of Financial Sustainability** - presents three sustainability indicators that have been set up by the Queensland Department of State Development, Infrastructure, Local Government and Planning to help monitor the current and long-term sustainability of all councils across Queensland.

CORPORATE FINANCIAL STATEMENTS

	\$ Million
Operating Revenue	363.4
Operating Expenses	(362.8)
Capital Income	55.6
Capital Expenses	(16.9)
Net Result	39.3
Total Assets	4,765.4
Total Liabilities	(261.7)
Net Community Assets	4,503.7
Total Capital works Expenditure	101.6

BACKGROUND

Assumptions and Principles

Under the requirements of the *Local Government Regulation 2012*, Council is required to prepare general purpose Financial Statements for the period. This report has been prepared in accordance with Australian Accounting Standards and complies with the requirements of the *Local Government Act 2009* and the *Local Government Regulation 2012*. These are the consolidated financial statements of Council and its controlled entity, Cairns Art Gallery Limited.

Council controls and manages infrastructure assets that are largely unique to the public sector. These infrastructure assets include roads, bridges, footpaths, water reticulation and sewerage assets, which generally have very long useful lives and can only be used for providing local government services. The costs associated with the maintenance, depreciation and replacement of these assets form a material part of Council's annual expenditure.

Council continues to implement its Asset Management Plans to facilitate sound strategic asset management decisions.

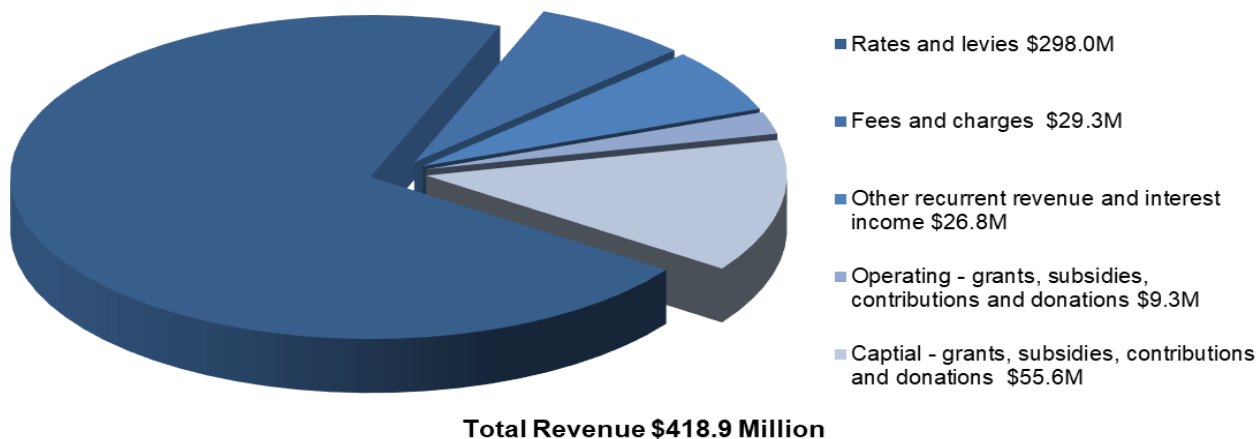
Council's Debt Policy aims to finance capital works and new assets to the greatest extent possible from revenue, grants, and subsidies. Operating activities or recurrent expenditure cannot be funded by borrowings.

The business activities of Cairns Water and Cairns Resource Recovery return a dividend to Council in recognition that they have been established to further good governance. Dividends are then utilised to provide services and infrastructure to the community.

STATEMENT OF COMPREHENSIVE INCOME

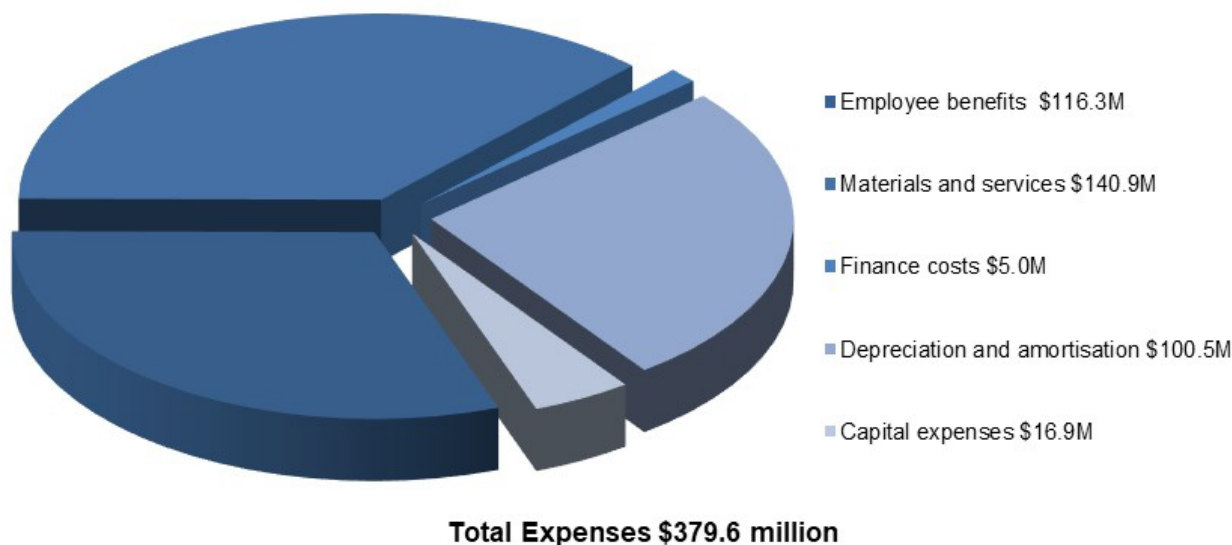
Revenue

Revenues for the 2022/23 financial year come from various sources, as shown in the following graph.



The majority of Council's revenue (71.1%) is sourced from net rates and utility charges. Another significant source of revenue is capital grants, subsidies, and donations (13.3%), which are received solely for the purpose of funding current and future capital works in order for Council to continue to supply important infrastructure to the community.

Expenses



Employee Benefits and Materials and Services make up 67.8% of the total expenditure of Council. Council has a strong labour workforce to provide maintenance, water and resource recovery services, planning, community, sport and cultural services and capital infrastructure for the community.

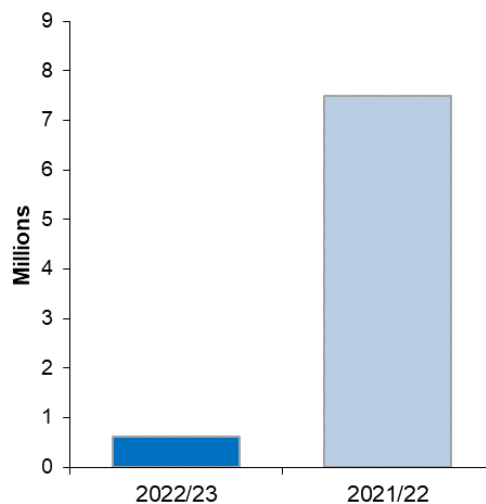
OPERATING POSITION

Council's operating position reflects the organisation's ability to meet its day-to-day running costs from operating revenue.

The operating position is calculated by taking total operating revenue (\$363.4 million) and deducting total operating expenses (\$362.8 million). It does not include revenue or expenditure amounts for capital projects.

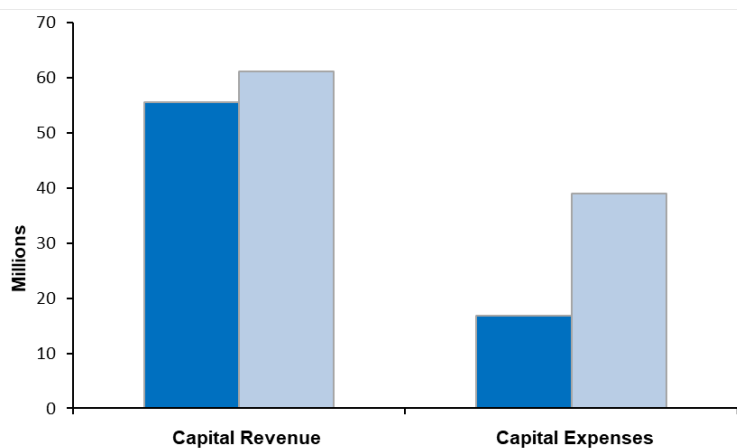
Council ended the 2022/23 financial year with a \$609,000 surplus, compared to the \$7.5 million surplus in the 2021/22 financial period.

This graph shows the operating position for 2022/23 compared to the operating position for the 2021/22 period.



NET RESULT

Council's net result of \$39.3 million is calculated by taking the operating position of \$609,000 above and adding capital revenue (\$55.6 million) and deducting capital expenses (\$16.9 million).



NET RESULT

Capital revenue represents the following income streams:

- Donated assets – infrastructure assets contributed by developers such as roads, drains, sewerage mains and water mains represent non-cash revenue that is not available for Council operations or future capital expenditure.
- Developer contributions – cash contributions made by developers to fund future infrastructure assets have restrictions placed on their use and are constrained to capital reserves unspent in the year.
- Government subsidies and grants - this represents income received for the sole purpose of funding capital work projects.

Capital expenses predominantly represent the value of non-current assets replaced or disposed of throughout the year.

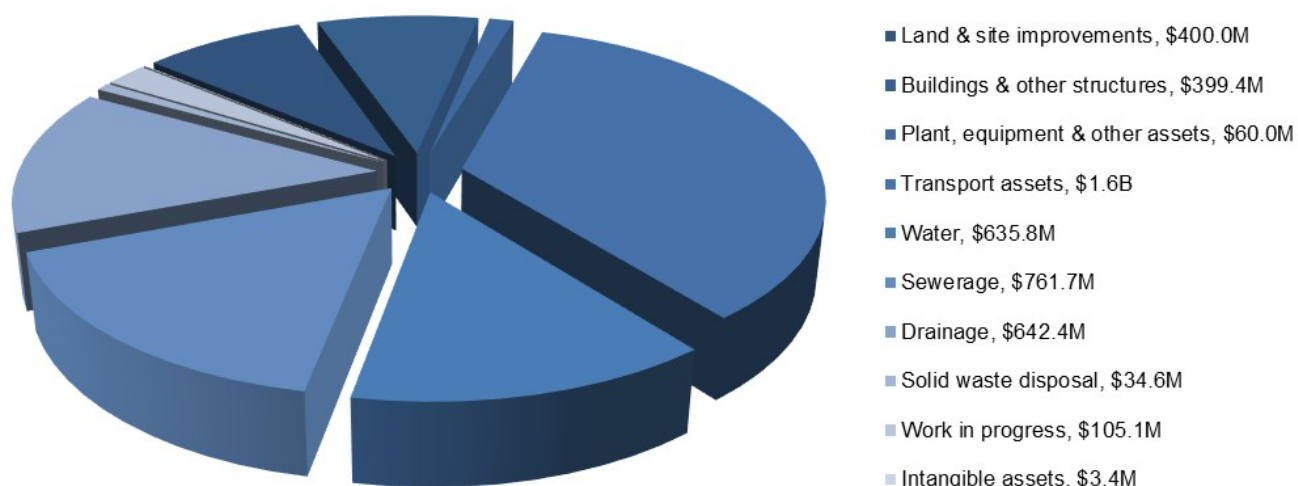
Further details on capital revenue and expenses are contained in notes 4 and 7 of the Financial Statements.

STATEMENT OF FINANCIAL POSITION

	2022/23	2021/22
	\$ Million	\$ Million
Current assets	91.9	87.2
Non-current assets	4,673.5	4,304.2
Total Assets	4,765.4	4,391.4

Council assets as at 30 June 2023 totalled over \$4.77 billion. This includes \$91.9 million of current assets (liquid assets or amounts due to be received within 12 months) and \$4.67 billion of non-current assets. Property, plant, and equipment makes up 98.0% of total assets.

The following graph shows a breakdown of property, plant, and equipment by asset category.



Property, plant and equipment \$4.7 billion

STATEMENT OF FINANCIAL POSITION

Liabilities

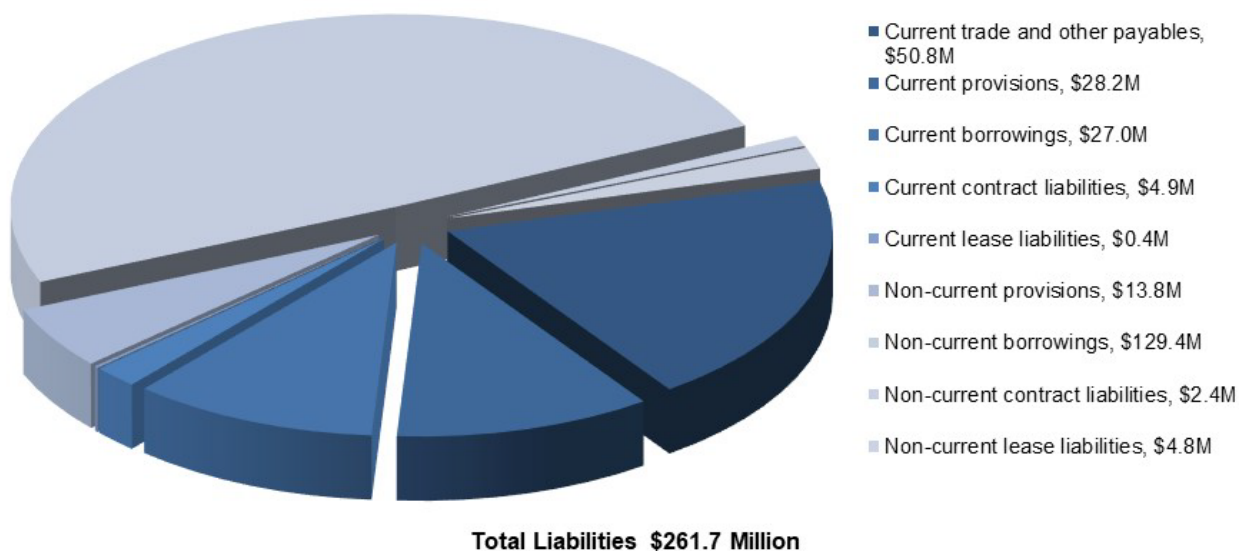
	2022/23	2021/22
	\$ Million	\$ Million
Current liabilities	111.4	111.2
Non-current liabilities	150.3	178.5
Total liabilities	261.7	289.7

Total liabilities as at 30 June 2023 were \$261.7 million. This includes \$111.4 million of current liabilities (due to be paid out within 12 months) and \$150.3 million of non-current liabilities.

Liabilities mostly consist of loans, amounts owing to suppliers and amounts owing to employees for leave entitlements.

Interest-bearing liabilities represent the largest component within Council's liabilities and consists of loans from Queensland Treasury Corporation (QTC). Council loan borrowings are discussed further in the Queensland Treasury Debt section.

The following graph shows a breakdown of liabilities by category.



STATEMENT OF FINANCIAL POSITION

Borrowings

Council maintains a Working Capital Facility (\$60 million) with QTC. As at 30 June 2023 there were no drawdowns against the facility.

The following table outlines the current (due within 12 months) and non-current (due after 12 months) allocation of outstanding loan borrowings.

	2022/23	2021/22
	\$ Million	\$ Million
Current Borrowings	27.0	26.5
Non-Current Borrowings	129.4	156.5
Total QTC Borrowings	156.4	183.0

Principal and interest repayments are made on these borrowings on a monthly basis in accordance with the terms and conditions set by QTC. The repayment terms are reviewed on a regular basis to ensure that the expected loan term aligns with market movements.

The following table shows the split of Council's debt service payments between principal and interest.

	2022/23	2021/22
	\$ Million	\$ Million
Principal	26.6	23.7
Interest	3.1	2.9
Total Debt Service Payments	29.7	26.6

As at 30 June 2023 Council's debt per ratable property was \$2,084 (2022: \$2,460).

STATEMENT OF FINANCIAL POSITION

Sustainability ratios

The following ratios are designed to provide an indication of the performance of Council against key financial sustainability criteria that should be met to ensure the prudent management of financial risks in accordance with Chapter 5, Part 3, Division 1 of the *Local Government Regulation 2012*. The benchmarks used for the required ratios are per the Queensland Department of State Development, Infrastructure, Local Government and Planning (DSDILGP) guidelines.

Sustainability Ratios						
Ratio	Description	Formula	Benchmark	2022/23	2021/22	Within limits
Asset sustainability ratio	This is an approximation of the extent to which the infrastructure assets managed by Council are being replaced as they reach the end of their useful lives	Capital expenditure on renewals	>90%	67%	71%	✗*
		Depreciation expense				
Net financial liabilities ratio	This is an indicator of the extent to which the net financial liabilities of Council can be serviced by its operating revenues	Total liabilities less current assets	<=60%	47%	57%	✓
		Total operating revenue				
Operating surplus ratio	This is an indicator of the extent to which revenues raised cover operational expenses only or are available for capital funding purposes	Net operating surplus	0-10%	0%	2%	✓
		Total operating revenue				

* **Note:** The asset sustainability ratio is slightly outside the DSDILGP benchmark. Council is confident that current and forecast capital expenditure satisfies asset renewal and replacement requirements in the long term.

STATEMENT OF FINANCIAL POSITION

Conclusion

Council has finished the 2022/23 financial year with a \$39.3 million net result and has continued strong investment in community infrastructure through the delivery of a capital works program in excess of \$101.6 million.

The above results leave Council well placed for the future with long term modelling indicating Council's ability to maintain outstanding levels of service and continue investment in infrastructure throughout the community.

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

COMPLAINTS MANAGEMENT

ADMINISTRATIVE ACTION COMPLAINTS

Cairns Regional Council is committed to ensuring the principles of procedural fairness and natural justice are applied to all administrative complaints received from our customers. Council reviews, assesses and actions all complaints from members of the public; including anonymous complaints.

Council's complaints management process comprises four main levels of complaints:

- Level 1 - Frontline Complaints Handling (early resolution)
- Level 2 - Internal Assessment and Investigation (Administrative Action Complaint, Employee Conduct Complaint, Privacy, Human Rights)
- Level 3 - Internal Review & Investigation of a Serious Nature (i.e., Crime and Corruption Commission, Public Interest Disclosure)
- Level 4 - External Review - Ombudsman's Office or Office of the Information Commissioner

In accordance with section 187 of the *Local Government Regulation 2012*, Council is required to report on the performance of the organisation in dealing with complaints in its Annual Report.

The following table provides a summary of Administrative Action Complaints during 2022/23

The number of Administrative Action Complaints made in the reporting period	763
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The number of Administrative Action Complaints resolved in the reporting period*	765
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The number of Administrative Action Complaints outstanding at 1 July 2023	3
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The number of Administrative Action Complaints that were made in a previous financial year and resolved in 2022/23	5
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* This number includes all Administrative Action Complaints (General complaints, Waste & Water (Drinking Water including Quality and No Supply, Waste Complaints including General, Recycling Collections, Bedminster Facility, Spilt Waste, Transfer Stations and Waste Collections)), Internal Reviews (including Administrative Action Complaints and Request for Compensation) and Employee Conduct Complaints from members of the public.

ADMINISTRATIVE ACTION COMPLAINTS

Assessment of Council's Performance

Cairns Regional Council has a centralised complaints management process to ensure tracking of individual complaints and to use the complaints to inform opportunities for improvement which aligns with Council's corporate objectives. The Complaints General Policy and Administration Instruction has been reviewed and updated to ensure compliance with the *Local Government Regulation 2012*.

A total of 114 employee conduct complaints were received in 2022/23, of which:

- 21 were substantiated.
- 93 were not substantiated.

Reasons for the Administrative Action Complaints, received in 2022/23, were due to:

- 39 - lack of contact/communication from Council.
- 724 - customer expectations were not met and/or dissatisfaction with a Council decision.

18 Administrative Action Complaints were escalated for Internal Review by the customer. Of the 18 Internal Reviews, 9 recommendations were made to the relevant departments for consideration. Of those recommendations:

- 7 were accepted and actioned.
- 2 recommendations are ongoing.

Public Sector Ethics

Council provides the following implementation statements regarding the action taken during the Financial Year to comply with the following:

Preparation and Publication of Codes of Conduct

Cairns Regional Council has an approved Code of Conduct for Staff and a Code of Conduct for Councillors.

Education and Training

Council's Corporate Induction Program ensures all staff appointed to positions at Council are aware of and understand their rights and obligations under the Code of Conduct for Staff.

All of Council's procedures and practices reflect Council's commitment to the ethical principles and obligations of the *Public Sector Ethics Act 1994*.

COMMERCIAL BUSINESS UNITS

CAIRNS WATER AND CAIRNS RESOURCE RECOVERY

Overview

Cairns Water and Cairns Resource Recovery are commercialised business units of Cairns Regional Council with a charter for:

- Supply of safe, reliable drinking water to consumers.
- Collection and treatment of domestic wastewater, commercial and industrial trade waste.
- Collection, recycling, and disposal of municipal solid waste.
- Planning for and delivering water, wastewater, and resource recovery infrastructure.
- Maintenance of the community's water, wastewater, and resource recovery infrastructure.
- Environmental management of water, wastewater, and resource recovery infrastructure facilities.

Operationally, these business units are managed as a single entity within the Cairns Infrastructure and Assets Directorate. For reporting purposes under the National Competition Policy, Cairns Regional Council is classed as providing two significant business activities: these being water and wastewater (collectively) and resource recovery (waste) services. Both Cairns Water and Cairns Resource Recovery are considered significant business activities under the Local Government Regulations 2012. Accordingly, these business units have been commercialised under this legislation and report to Council as such.

The Cairns Water and Cairns Resource Recovery business units provide a high level of customer service to the Cairns community by building relationships and capability, having the right people and the right culture, and using efficient processes to deliver effective results.

For a breakdown of financial operations and dividend returns to Council, please see the below Annual Statement of Operations and the corresponding Financial Statements.

CAIRNS WATER

Water Supply

Cairns Water operates 10 water supply schemes: Bartle Frere, Bramston Beach, Mirriwinni, Babinda, Bellenden Ker, Fishery Falls, Mountain View, Orchid Valley, Copperlode/Behana and Bessie Point. The main water sources that supply the area from Gordonvale to Palm Cove are the Copperlode Falls Dam and Behana Creek. The small southern communities draw water from a number of intakes on local streams.

Principal assets include:

Major Water Sources	Copperlode Falls Dam (Lake Morris). Behana Creek.
Major Treatment Plants	Freshwater Creek, Tunnel Hill.
Minor Intakes	Eleven minor intakes consistent with Drinking Water Quality Management Plan.
Kilometers of Mains	~2,252.39 kilometers*

*Intake figure includes two decommissioned intakes and one non-potable intake

*Data sourced from 2022/23 Asset Management Plan Water Asset Class

CAIRNS WATER AND CAIRNS RESOURCE RECOVERY

Water Supply

Major Capital Works projects undertaken within the water supply system, and corresponding expenditure for the year, are listed below.

- \$2 million Water and Waste Sodium Hypochlorite Sites Remediation Works
- \$1.1 million Warren Road Water Pump Station Renewal
- \$1 million Edmonton West Water Pump Station Renewal
- \$1.3 million New revenue water meter installations 22/23
- \$2.8 million Water Main Refurbishment 22/23
- \$1.8 million University Reservoir Leak and Structural Integrity Remediation

Wastewater

Cairns Water manages six wastewater schemes. The Cairns region has distinct catchment areas serviced by six wastewater treatment plants (WWTPs): Marlin Coast, Northern, Southern, Edmonton, Gordonvale and Babinda. The WWTPs are a combination of activated sludge and biological treatment processes, with the two larger plants (Northern and Southern) also having membrane filtration processes. The smaller plants treat effluent to a secondary standard, while the larger plants treat to a tertiary standard. Council has been issued with an Environmental Authority from the Queensland Department of Environment and Science (the regulator) for the management of these WWTPs.

Principal assets include:

Major Treatment Plants	6
Sewage Pumping Stations	182
Kilometers of Mains	~1,309.118km*

*Data sourced from 2022/23 Asset Management Plan Wastewater Assets.

Major Capital Work projects undertaken within the wastewater system, and corresponding expenditure for the financial year, are listed below.

- \$2.2 million Sewage Pump Station FG1 Upgrade and Rising Main Upgrades (FG1/WR1/WR4)
- \$4.9 million Northern Wastewater Treatment Plant and Southern Wastewater Treatment Plant - Replacement of Membranes (Stage 4 to Stage 6)
- \$1.6 million Sewage Pump Station HB1 Rising Main
- \$2.2 million Sewer Relining Program 22/23

CAIRNS WATER AND CAIRNS RESOURCE RECOVERY

Resource Recovery

Cairns Resource Recovery manages a range of solid waste and resource recovery operations, activities, and services across the region. These include kerbside waste and recycling collection contracts, a regional waste management contract for the treatment and disposal of waste through an Advanced Resource Recovery Facility (ARRF), a Materials Recovery Facility (MRF), a Glass Processing Facility, five transfer stations, the Buy Back Shop for the resale of recovered materials, and the environmental monitoring of Council’s closed landfills. The business focus is on maximising resource recovery and reducing waste to landfill primarily driven through the Waste Reduction and Recycling Strategy 2018-2027.

Principal assets include:

Principal Asset	Asset Location/s
Materials Recovery Facility	Portsmith
Regional Container Processing Facility	Portsmith
Waste Transfer Stations	Portsmith
	Smithfield
	Gordonvale
	Babinda
Buy Back Shop	Bramston Beach
	Portsmith
	Portsmith
Closed landfills	Babinda
	Gordonvale
	White Rock
	Machans Beach
	Yorkeys Knob
Waste treatment and disposal	Contractual arrangements with a commercial entity Veolia to accept, treat and dispose of all Council waste at an Advanced Resource Recovery Facility (ARRF)

Major Capital Works projects undertaken within Cairns Resource Recovery, and corresponding expenditure for the year was \$1.1 million.

CAIRNS WATER AND CAIRNS RESOURCE RECOVERY

Annual Statement of Operations

The 2022/23 Annual Performance Plan (the Plan) for Cairns Water and Cairns Resource Recovery was the agreement with Cairns Regional Council to deliver water, wastewater, and resource recovery operations. The Plan describes Cairns Water and Cairns Resource Recovery's scope of activities, responsibilities, service to customers, environment protection, asset management, and its financial policies.

In all undertakings, Cairns Water and Cairns Resource Recovery strives to achieve service provisions to the Cairns community in a manner that maximises both Cairns Regional Council and community ideals. This is achieved through economic, social, and environmental objectives being assessed in all stages of Water and Resource Recovery operations from long-term strategic planning through to operational delivery.

The *Water Supply (Safety and Reliability) Act 2008*, Section 115, requires water service providers to prepare and publish Customer Service Standards. The Customer Service Standards are intended to protect customers where there is no contract between them and the water service provider. This is to ensure customers are adequately informed about the service they are receiving, the level of service they can expect to experience, and how they interact with the provider. The Water and Resource Recovery Customer Service Standards were approved in September 2020.

Amendments to Annual Performance Plans

There were no substantive amendments made to the 2022/23 Annual Performance Plans.

Key Deliverables

The Plan meets the requirements for the two commercial business units of Council being:

- Cairns Water
- Cairns Resource Recovery

The Cairns Infrastructure and Assets Directorate is responsible for the provision of water and wastewater services to consumers throughout the Cairns region and the provision of municipal solid waste services to the community, including:

- Impounding, harvesting and treatment of raw water.
- Reticulated treated water services.
- Reticulated wastewater collection services including wastewater treatment and by-product disposal.
- Treated effluent and bio-solids for re-use purposes.
- Planning, design, documentation and construction of water, wastewater, and resource recovery infrastructure.
- Collection, treatment, and disposal and/or recycling of municipal solid wastes.
- Aggregation, processing, recovery and disposal of domestic, commercial, and not-for-profit charitable self-hauled waste and recycling.
- Environmental monitoring and management of closed landfills.
- Trade waste services.
- Review of plumbing applications, plumbing approvals.

CAIRNS WATER AND CAIRNS RESOURCE RECOVERY

Key Deliverables (continued)

- Community education programs
- Water demand management services, including meter testing
- Hydraulic information to allow design of water network infrastructure
- As-constructed plans for water and wastewater
- Installation of new water supply and wastewater services
- Miscellaneous maintenance services for water and wastewater
- Buy Back Shop
- Business recycling
- Regional Container Refund Scheme Processing

CAIRNS WATER AND CAIRNS RESOURCE RECOVERY

Community Service Obligations carried out by Cairns Water and Cairns Resource Recovery are as follows:

A Community Service Obligation arises when a government specifically requires a public enterprise to carry out activities relating to outputs or inputs which it would not elect to do on a commercial basis and which the government does not require other businesses in the public or private sectors to generally undertake or which it would only do commercially at higher prices.

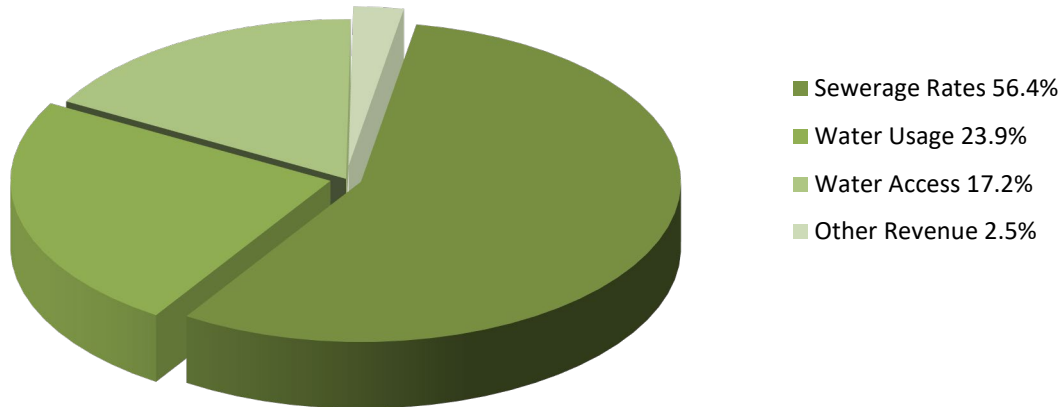
Activities	Community Service Obligation	2022/23
Type 1 Activities		\$
Water	Water Rates Based Financial Assistance	54,241
	Total	54,241
Wastewater	Sewerage Rates Based Financial Assistance	902,962
	Total	902,962
Resource Recovery (Waste)	Free disposal green waste	501,226
	Free disposal general waste	463,486
	Schools recycling	36,098
	In-kind waste and recycling collections	5,724
	Total	1,006,534

CAIRNS WATER AND CAIRNS RESOURCE RECOVERY

Financial Indicators - Water and Wastewater

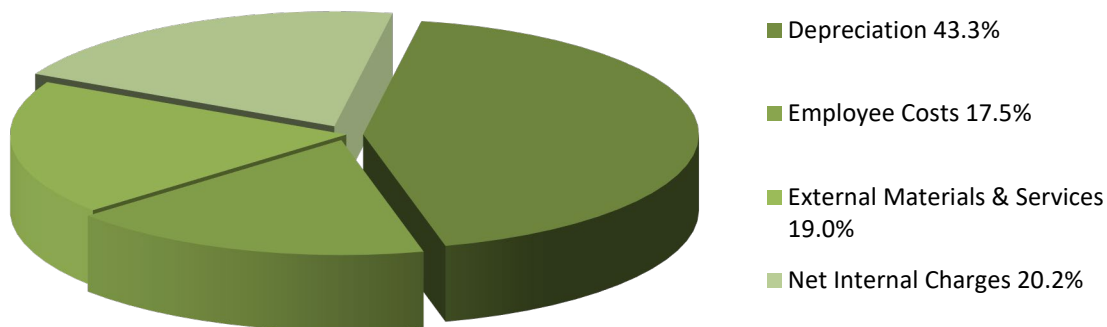
The source breakdown of water and wastewater actual revenue is detailed in the graph below.

Cairns Water & Wastewater Revenue 2022/23



The source breakdown of Water and Wastewater actual expenses is detailed in the graph below.

Cairns Water & Wastewater Expenditure 2022/23



CORPORATE
GOVERNANCE

A detailed breakdown of all revenue and expenses associated with Cairns Water and Cairns Resource Recovery activities can be found in the Financial Statements.

CAIRNS WATER AND CAIRNS RESOURCE RECOVERY

Service Indicators - Water and Wastewater Services

Cairns Water reported on the following Key Performance Indicators (KPIs) to Council on a quarterly basis during 2022/23. Graphs showing the performance for each indicator by month are displayed below. Cairns Water reporting timeframes within the 2022/23 financial year were amended to align with Cairns Resource Recovery, and as such, June 2023 data has been excluded from the 2022/23 financial year Annual Performance Report and shall be reported against in the 2023/24 financial year's Annual Performance Report.

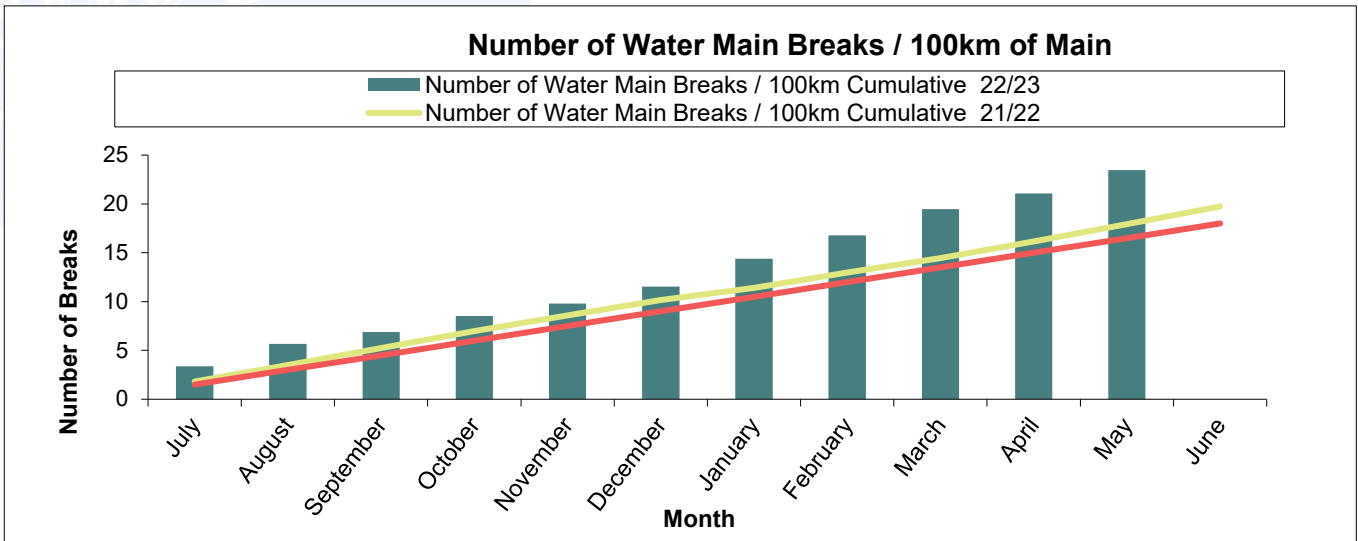
QG KPI*	Performance indicator	Performance measure	Target threshold
QG 4.5	Total water main breaks (S)*	Breaks per 100km / year	≤ 18
QG 4.6	Total sewerage main breaks and chokes (S)	Breaks and chokes per 100km / year	≤ 16
QG 4.7	Incidence of unplanned interruptions - water (S)	Water interruptions per 1000 properties / year	≤ 120
QG 4.8a	Average response time for water bursts	Hours	≤ 2
	Average response time for water leaks	Hours	≤ 24
QG 4.9a	Average response time for sewerage main breaks	Hours	≤ 2
	Average response time for sewerage main chokes	Hours	≤ 24
QG 4.10	Water Quality Complaints (S)	Per 1000 properties / year	≤ 3
QG 4.11	Total water and sewerage complaints (S)	Per 1000 properties / year	≤ 10

*QG KPI: Queensland Government Key Performance Indicator

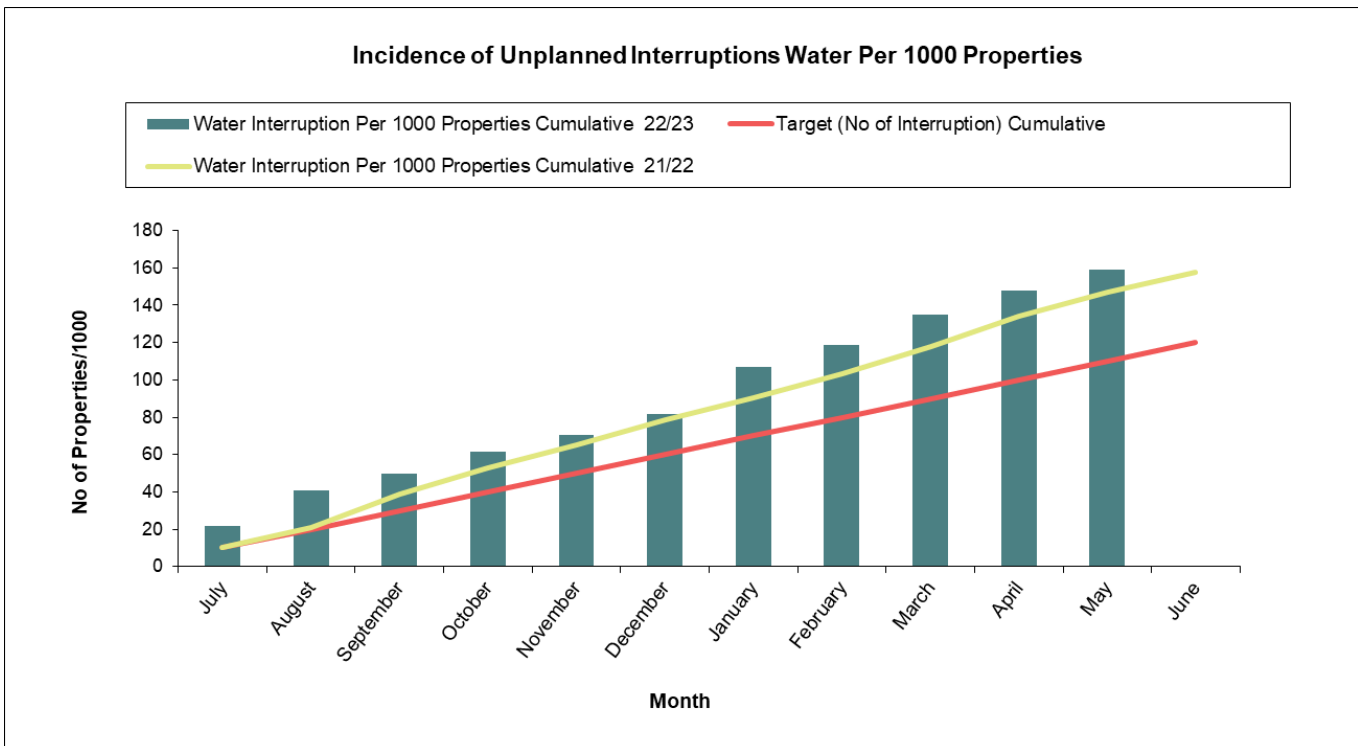
*(S): Scheme-wide as opposed to service provider-wide

CAIRNS WATER AND CAIRNS RESOURCE RECOVERY

Water Supply



There was a range of contributing factors to water main breaks in the 2022/23 financial year, including: age of pipe, pipe deterioration, corrosion, environmental conditions, and tree root damage. Pipe bedding movement around water mains may have contributed to breaks. This data informs the Infrastructure Asset Renewal Program.

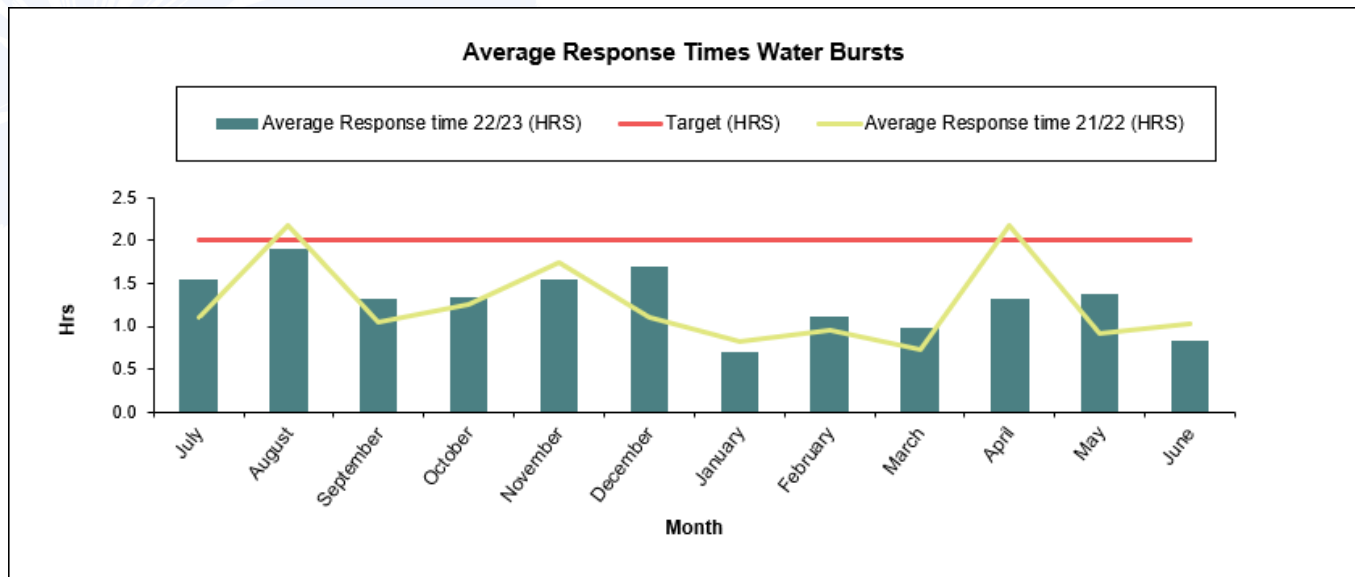


The number of unplanned interruptions for the 2022/23 financial year exceeds the revised KPI target. The KPI target revision and assessment occurred in the 2021/22 financial year in conjunction with the Customer Service Standards annual review.

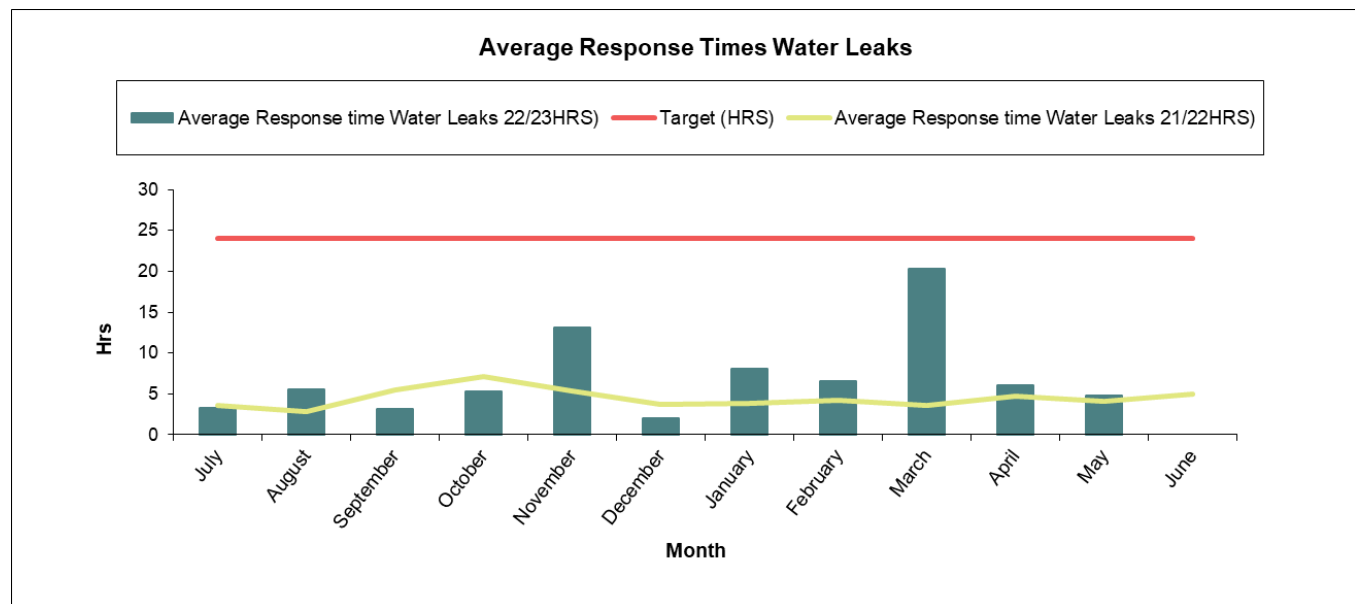
CORPORATE GOVERNANCE

CAIRNS WATER AND CAIRNS RESOURCE RECOVERY

Water Supply



Utility Services performed consistently throughout the year, with the target average response time for water bursts met for all months throughout the 2022/23 financial year. Water bursts and water leaks are tracked separately to give a more accurate representation of operational performance. Typically, non-urgent incidents such as minor water leaks, will have a longer response time due to the nature of the incident.

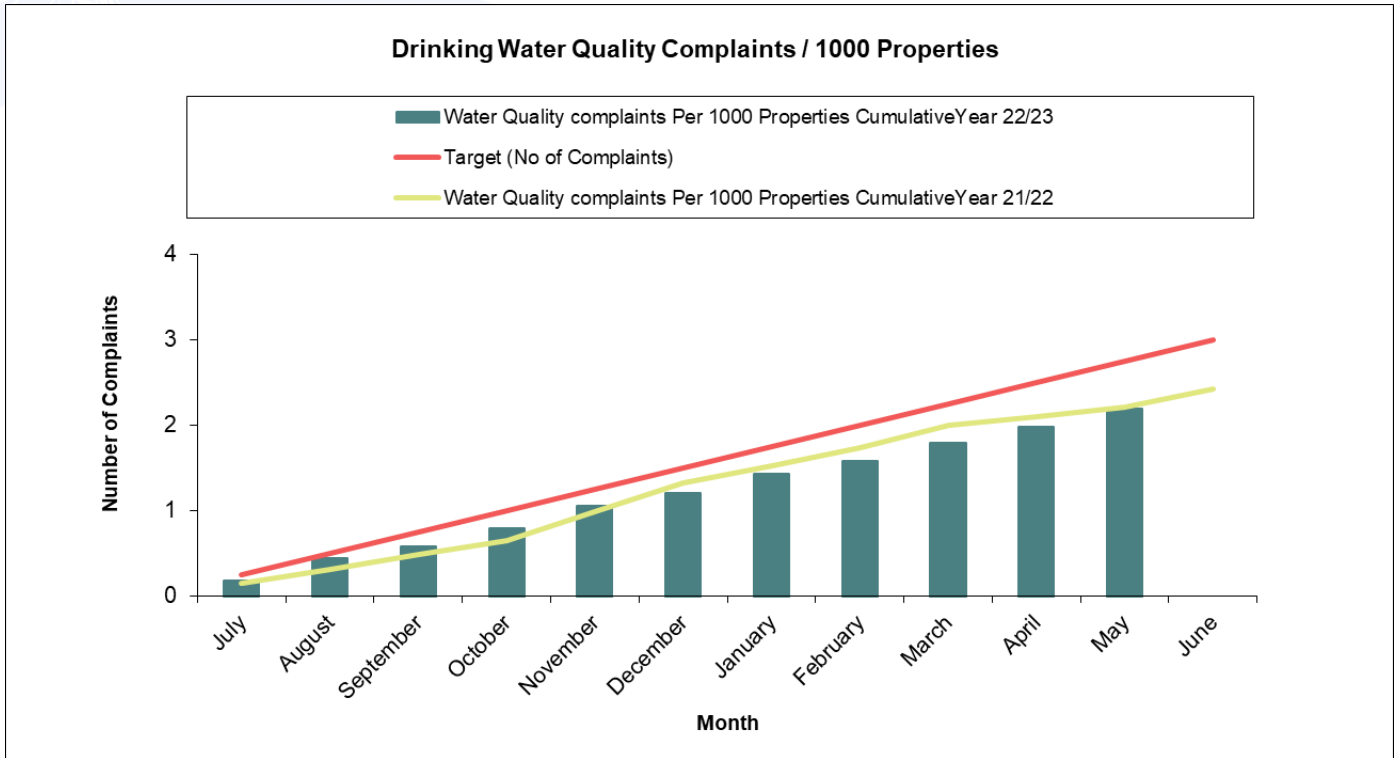


Utility Services performed consistently throughout the year, with the target average response time for water leaks met for all months throughout the 2022/23 financial year.

CORPORATE GOVERNANCE

CAIRNS WATER AND CAIRNS RESOURCE RECOVERY

Water Supply

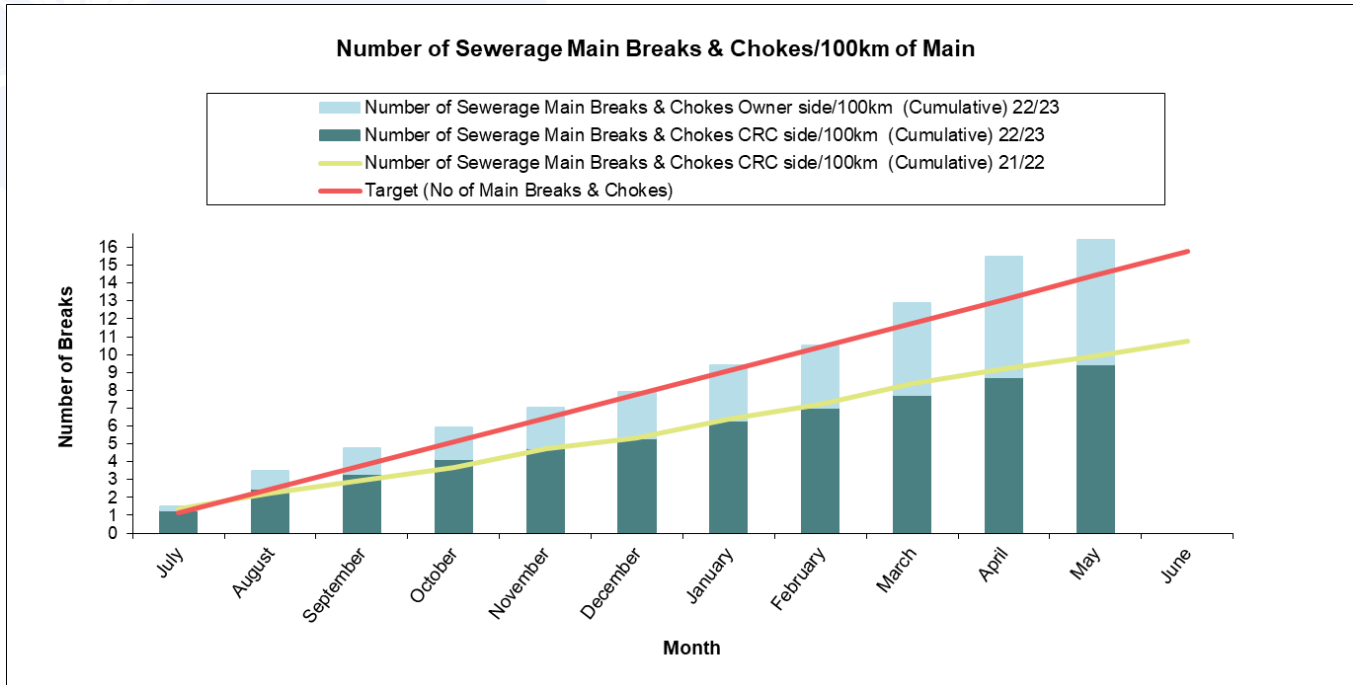


The total number of drinking water quality complaints in the 2022/23 financial year did not exceed the KPI target.

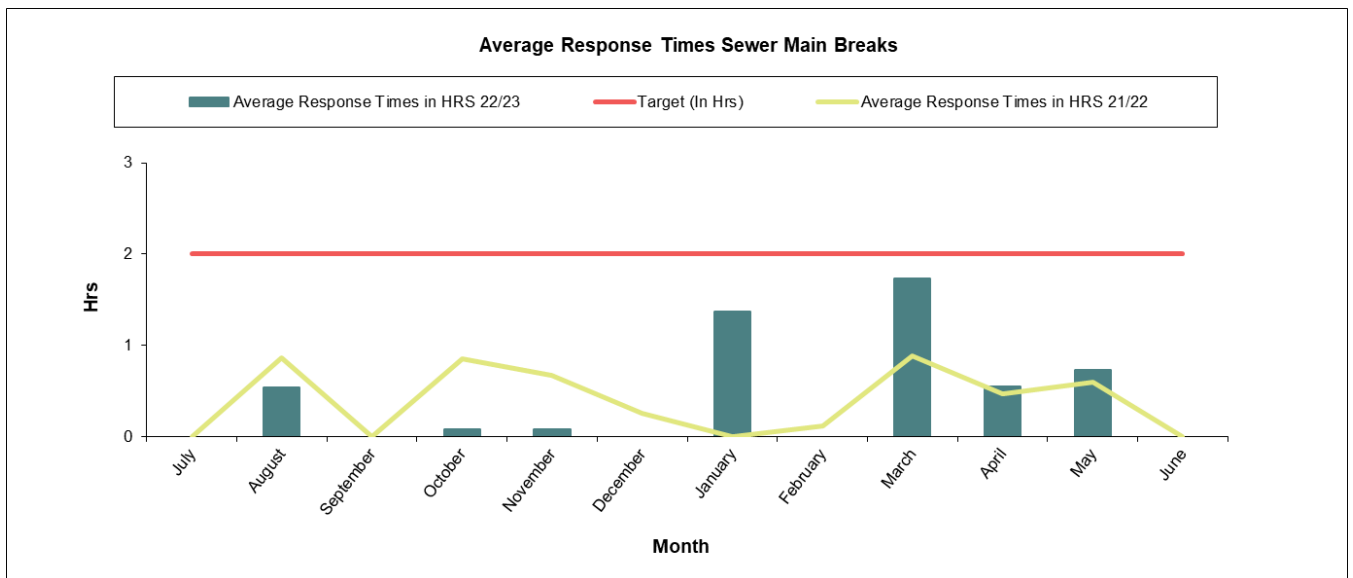
CORPORATE GOVERNANCE

CAIRNS WATER AND CAIRNS RESOURCE RECOVERY

Sewerage System



The total number of sewer main breaks and chokes on Council side only exceeded the KPI target in July of the 2022/23 financial year. While the KPI definition and target does not include 'owner-side' breaks and chokes, Council continues to monitor these breaks and chokes along with its own performance.

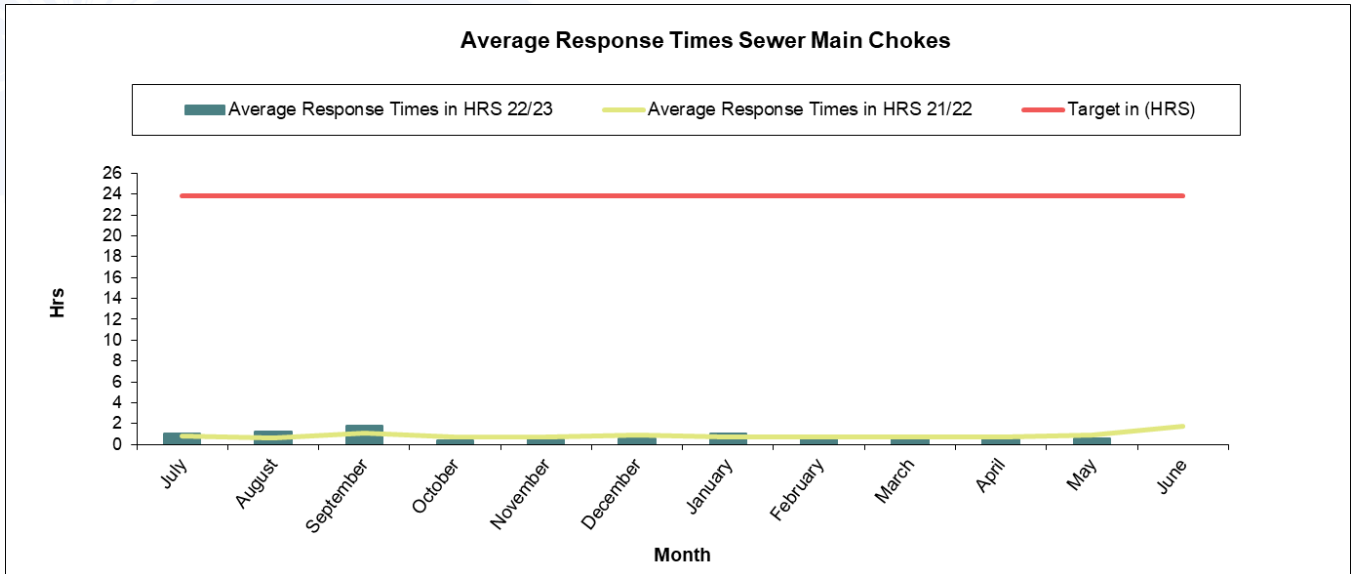


The average response time for sewer main breaks did not exceed the KPI target in the 2022/23 financial year. The KPI definition does not include the length of time taken to repair breaks, only the average response time for Utility Services crews to attend to the break.

CORPORATE GOVERNANCE

CAIRNS WATER AND CAIRNS RESOURCE RECOVERY

Sewerage System



The average response time for sewer main chokes did not exceed the KPI target in the 2022/23 financial year. The KPI definition does not include the length of time taken to repair chokes (blockages), only the average response time for Utility Services crews to attend the chokes.

Customer Complaints

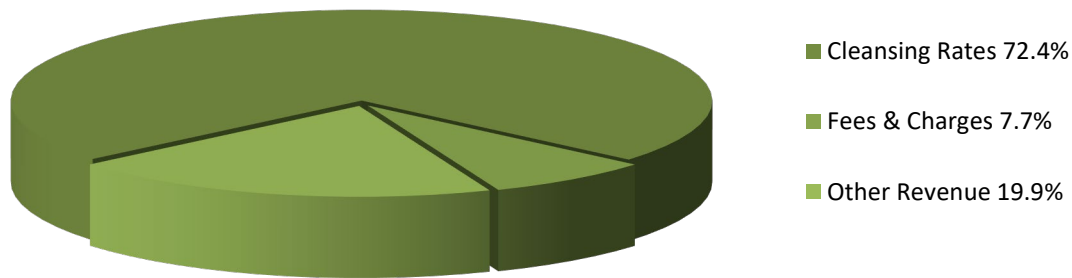
No water and sewerage complaints were received in the 2022/23 financial year.

CAIRNS WATER AND CAIRNS RESOURCE RECOVERY

Financial Indicators - Resource Recovery

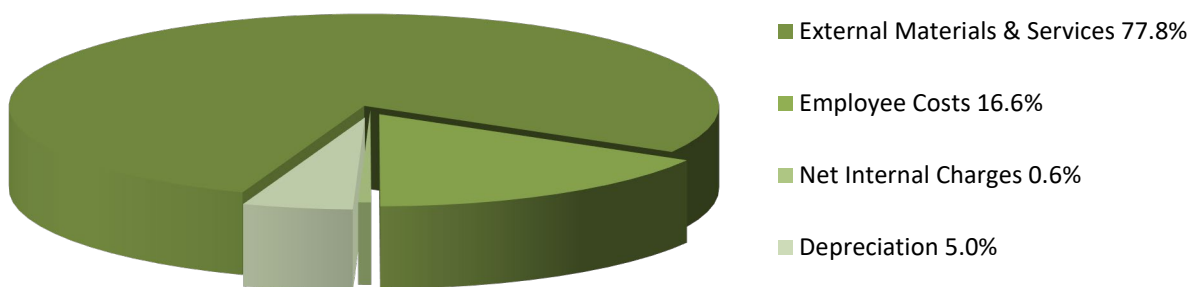
The source breakdown of Cairns Resource Recovery's actual revenue is detailed in the graph below.

Resource Recovery Revenue 2022/23



The source breakdown of Cairns Resource Recovery's actual expenses is detailed in the graph below.

Resource Recovery Expenditure 2022/23



A detailed breakdown of all revenue and expenses associated with Cairns Water and Cairns Resource Recovery activities can be found in the Financial Statements.

CAIRNS WATER AND CAIRNS RESOURCE RECOVERY

Service Indicators - Resource Recovery

Cairns Resource Recovery reported on the following KPIs to Council on a quarterly basis during 2022/23.

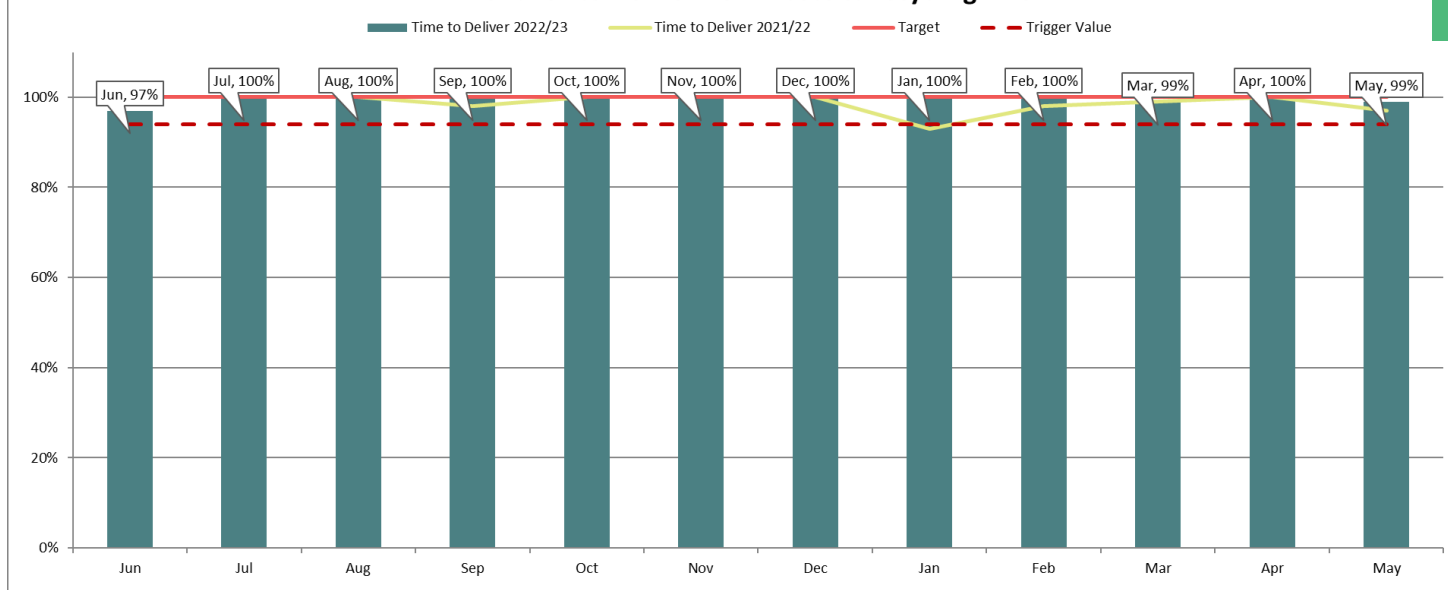
Performance indicator	Performance measure	Target
1 New bin delivery	Response time for new bin delivery	100% within 48 hours
2 Missed services - kerbside waste	Number of missed services per month	≤ 1 per 5000 services
3 Response time to missed services - kerbside waste	Response time for collection of missed kerbside waste services	95% within 24 hours
4 Missed services - kerbside recycling	Number of missed services per month	≤ 1 per 5000 services
5 Response time to missed services - kerbside recycling	Response time for collection of missed kerbside waste services	95% within 24 hours
6 Response time to repair/replacement requests - kerbside waste and recycling	Response time to repair/replace requests for kerbside waste and recycling	95% within 48 hours

Effective Collection of Residential Values

Graphs showing the performance for each indicator by month during 2022/23 are displayed below.

More than 1,500 requests for new bins were received in the 2022/23 financial year. New bins were delivered within performance indicator target thresholds for all months except for June 2022 (97% target threshold met) and May 2023 (99% target threshold met).

Time Taken to Deliver New Waste & Recycling Bins

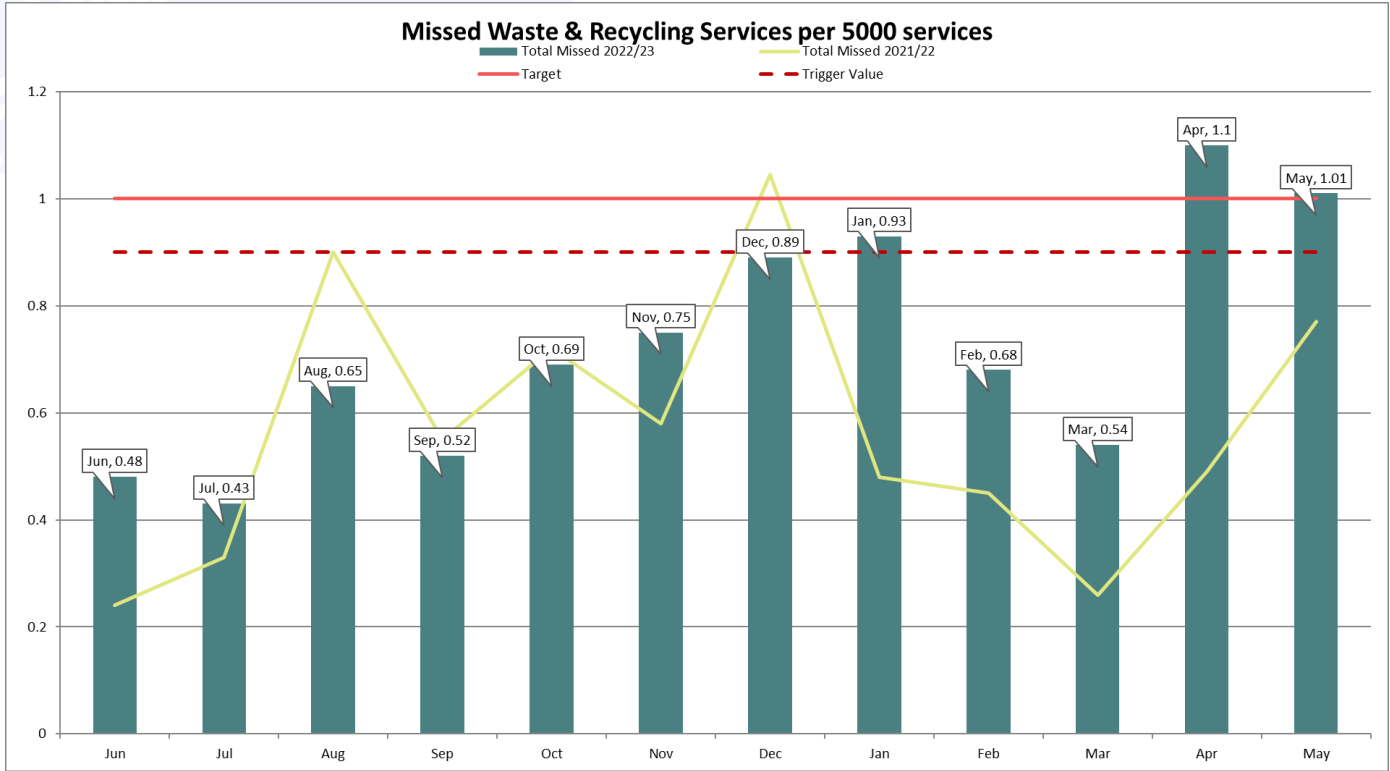


CORPORATE GOVERNANCE

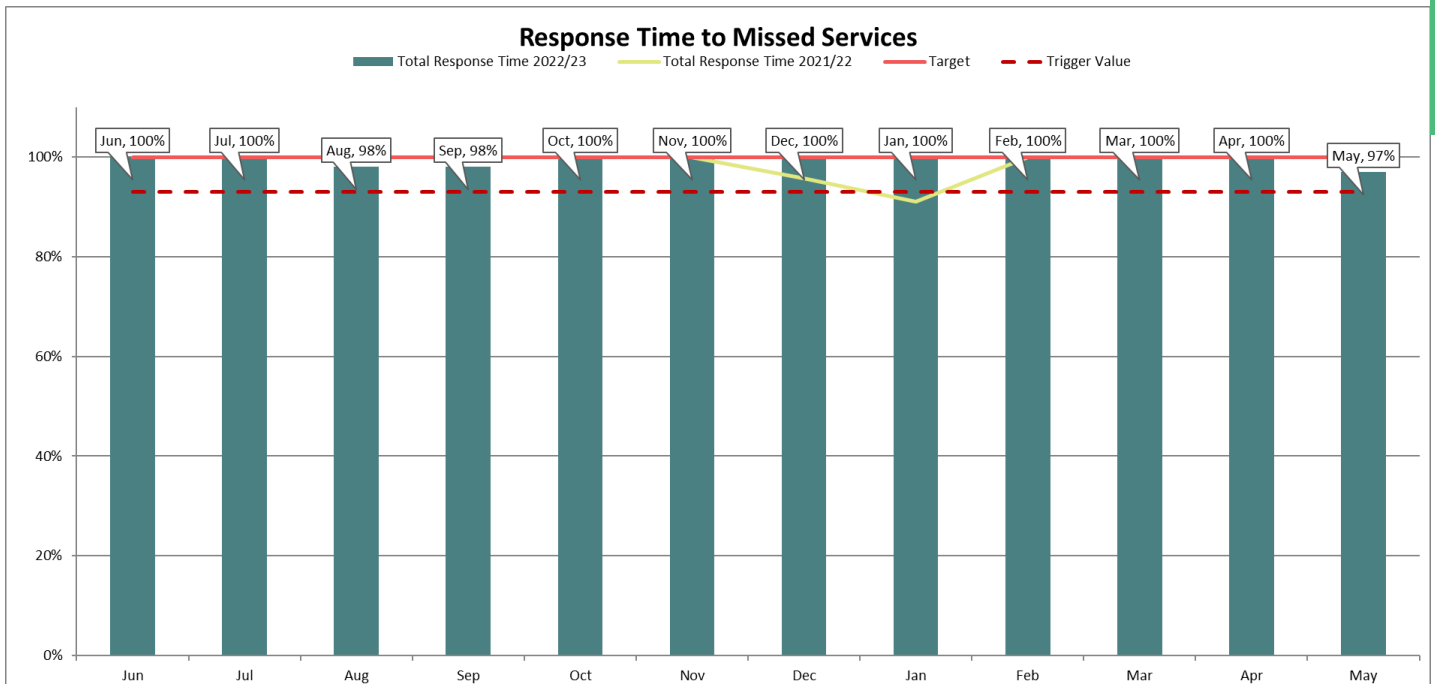
CAIRNS WATER AND CAIRNS RESOURCE RECOVERY

Service Indicators - Resource Recovery

More than 4.6 million kerbside waste and recycling bin collections were conducted in the 2022/23 financial year, with only 669 (0.01%) missed bin collections.



Of the 669 missed waste and recycling bin collections, 665 (99%) of the reported missed collections were rectified within 24 hours.

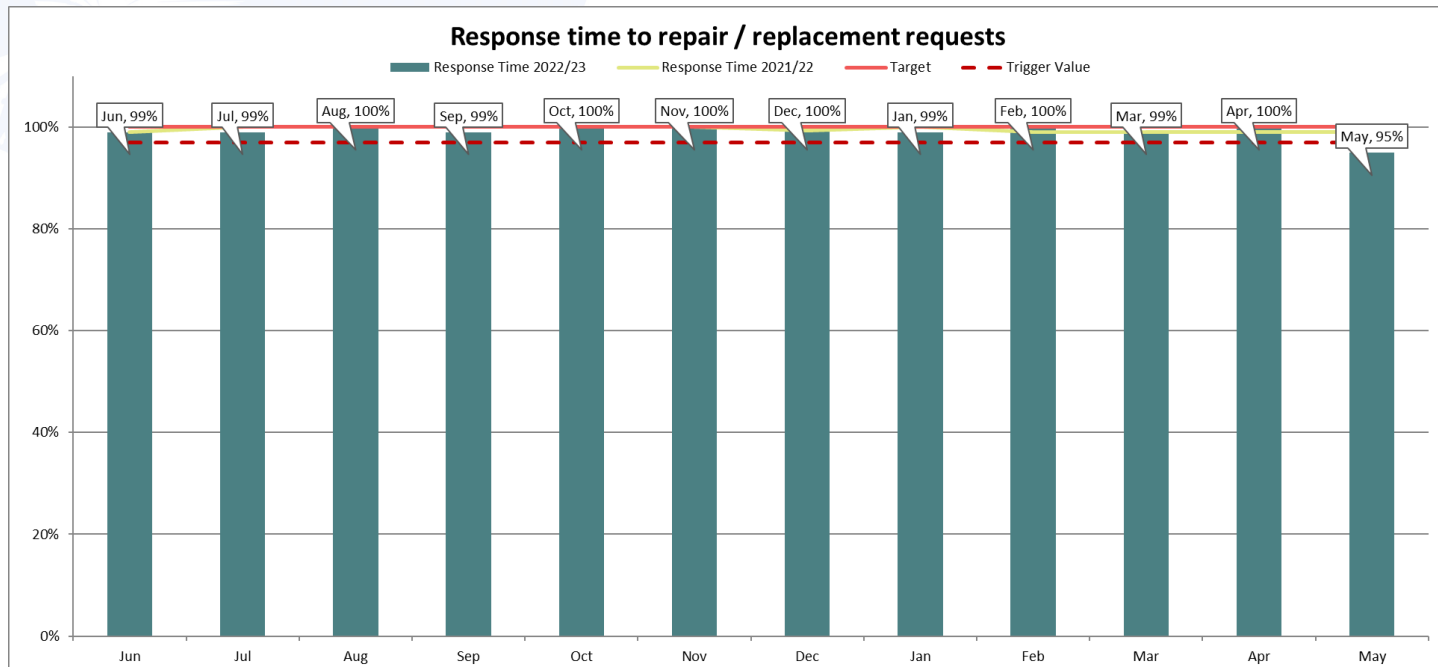


CORPORATE GOVERNANCE

CAIRNS WATER AND CAIRNS RESOURCE RECOVERY

Service Indicators - Resource Recovery

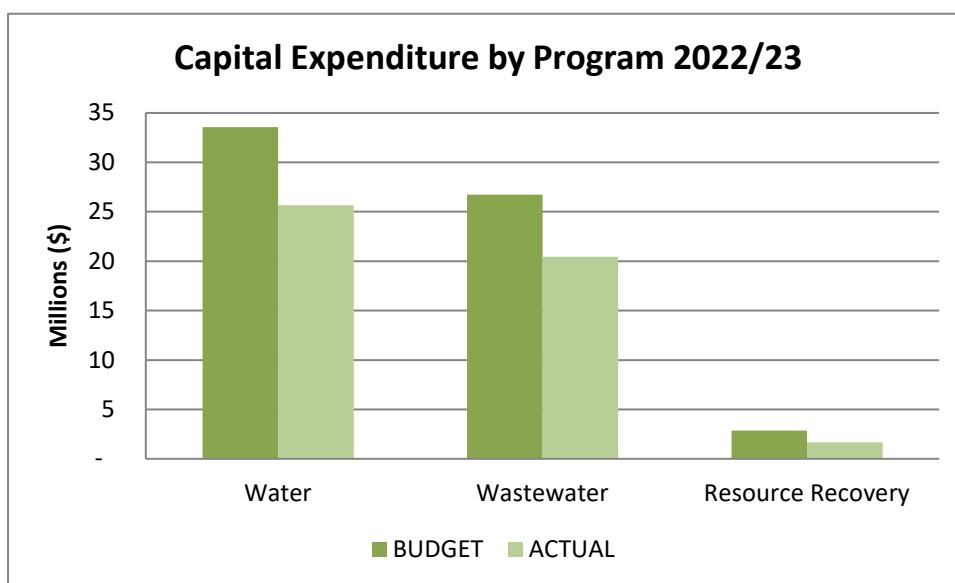
More than 6,000 waste and recycling bin repair/replacement requests were received in the 2022/23 financial year, with only 45 bin repair/replacement requests completed outside of the 48-hour target threshold.



CAIRNS WATER AND CAIRNS RESOURCE RECOVERY

Capital Works

Capital Works delivered by Cairns Water and Cairns Resource Recovery for water, wastewater and resource recovery totaled \$47.7 million. This expenditure was 76% of the budgeted amount of \$63.1 million.



Cairns Water - Operating Statement

For the year ending 30 June 2023

	2022/23 Actual ‘\$000	2022/23 Budget ‘\$000
Operating Revenue		
Net rates and utility charges	140,403	140,463
Fees and charges	2,988	3,244
Interest	868	754
Miscellaneous revenue	971	822
Total Operating Revenue	145,230	145,283
Operating Expenditure		
Employee benefits	16,349	16,690
Materials and services	36,651	34,405
Depreciation and amortisation expenses	40,439	40,381
Finance costs	(26)	-
Total Expenses	93,413	91,476
OPERATING CAPABILITIES BEFORE CAPITAL ITEMS and INCOME TAX	51,816	53,807
Capital Items		
Gain / (loss) on disposal of property, plant, and equipment	(6,210)	(4,841)
Contributed assets	6,721	5,284
Other capital contributions	88	-
Subsidies and grants	454	1,076
Total Capital Items	1,053	1,519
INCREASE / (DECREASE) IN OPERATING CAPABILITY BEFORE TAX	52,869	55,326

Cairns Resource Recovery - Operating Statement

For the year ending 30 June 2023

	2022/23 Actual ‘\$000	2022/23 Budget ‘\$000
Operating Revenue		
Net rates and utility charges	30,611	30,763
Fees and charges	3,257	2,411
Interest	218	190
Miscellaneous revenue	8,145	8,150
Grant income	75	-
Total Operating Revenue	42,307	41,514
Operating Expenditure		
Employee benefits	5,813	5,718
Materials and services	27,395	27,415
Depreciation and amortisation expenses	1,752	1,727
Finance costs	-	-
Total Expenses	34,960	34,860
OPERATING CAPABILITIES BEFORE CAPITAL ITEMS and INCOME TAX	7,346	6,654
Capital Items		
Gain / (loss) on disposal of property, plant, and equipment	(67)	(153)
Contributed assets	-	-
Other capital contributions	(70)	-
Subsidies and grants	-	-
Total Capital Items	(136)	(153)
INCREASE / (DECREASE) IN OPERATING CAPABILITY BEFORE TAX	7,209	6,501

SUMMARY OF RATES AND CONCESSIONS

SPECIAL RATES AND CHARGES

Pursuant to sections 92 and 94 of the *Local Government Act 2009* and section 94 of the *Local Government Regulation 2012*, Council has resolved to raise and levy the following special charges.

Holloways Beach Rock Wall Stage 1: An amount of \$253.81 per lineal metre of constructed rock wall to be levied on each parcel identified on the map marked Holloways Beach Rock Wall - Stage 1.

Holloways Beach Rock Wall Stage 2A: An amount to be levied on each parcel identified on the map marked Holloways Beach Rock Wall - Stage 2A.

Holloways Beach Rock Wall Stage 2B: An amount to be levied on each parcel identified on the map marked Holloways Beach Rock Wall - Stage 2B.

Bluewater Canal:

- a. An amount of \$2,243.28 to be levied on each lot identified on the map marked Bluewater Canal
- b. A total amount of \$242,274.24 for Bluewater Marina
- c. A total amount of \$98,929.46 for Yorkeys Knob Marina

REBATES AND CONCESSIONS

Council Pensioner Concession

For new approved applications from 01/07/2022, for Council's Pensioner Concession the rebate was set at \$300.00 per annum.

For pre-existing recipients (e.g. approved prior to 01/07/2022) of Council's Pensioner Concession the following applied:

- a. A rebate of 40 per cent of the General Rate up to a maximum of \$1,350 per annum was granted to all pensioners whose applications met the eligibility criteria set down in Council's Pensioner Policy. These concessions were not applied retrospectively.
- b. The upper limit of total concession did not exceed 5% of Council's total net general rates, therefore the 40% concession was not required to be reduced on a pro rata basis in line with policy.

Retirement Village Concession

A concession was extended to retirement villages (as classified under Land Use Code 21), where a legal entity separate to the residents is the owner and the pensioners are responsible for paying the rates, to the extent that residents of the village are pensioners.

A concession was then applied based on the number of dwellings occupied by pensioners as a percentage of the total number of dwellings in the village.

REBATES AND CONCESSIONS

Rates Based Financial Assistance

Council maintains a Rates Based Financial Assistance (RBFA) Policy which allows Council to consider applications for concession of general rates, water access charges and sewerage charges from Not-for-profit recreation, sporting and community groups.

To qualify for assistance, the constitution of these organisations must clearly state prohibitions on any member of the organisation making a private profit or gain, either from ongoing operations of the organisation or as a result of distribution of assets if the organisation is wound up.

Financial Hardship Policy

Council recognises the effect of the COVID-19 pandemic on the Cairns community and, in particular, the adverse financial impact on ratepayers through loss of income or wages, and downturn in business. The Financial Hardship Policy was developed to provide assistance through extended payment plans and waiver of interest for outstanding rates and water usage debts.

Independent Rates Relief Tribunal

This policy was adopted to provide a safety net for those ratepayers suffering genuine financial hardship. The Independent Rate Relief Tribunal consists of a minimum of two voluntary members and two current Councillors. Voluntary appointees may come from a number of backgrounds.

The main role of the Tribunal is to recommend, in certain circumstances, the most appropriate form of assistance to those ratepayers experiencing serious hardship and, as a result, are unable to pay their rates and charges. The policy is only to apply to the principal place of residence of the ratepayer and no commercial benefit can be derived from the property. Not for profit recreation, sporting and community groups that are already receiving Rates Based Financial Assistance or would be eligible if they did not have rates outstanding, may also apply.

Health

Financial assistance was available to offset water usage costs and the provision of additional recycling services for users of Home Dialysis Equipment.

Concealed Leak Policy for Residential and Not for Profit

Financial assistance was available to offset larger than normal water accounts due to the existence of a concealed leak for residential and Not for Profit organisations. Applications were approved in line with Council's Concealed Water Leak Policy

ADDITIONAL INFORMATION

REGISTERS

The following registers are held by Cairns Regional Council:

- Auction Register
- Asbestos Register
- Asset Register
- Busking Register
- Benefits (including Gifts) Register
- Biosecurity Order Register
- Cairns Infrastructure and Assets Directorate Business Risk Register
- Cease and Desist Contact Register
- Centralised Register of Collections on Behalf of Charities
- Conflict of Interest / Material Personal Interest Declaration Register
- Corporate Risk Register
- Cost Recovery Fees Register
- Council Local Laws Register
- Council Meeting Minutes Register
- Council's approved procurement arrangements
- Councillor Complaints Register
- Drinking Water Quality Management Plan Risk Management Improvement Program
- Drinking Water Quality Risk Register
- Election Gifts and Benefits Register
- Embargo Register
- Environmental Risk Register
- Environmentally Relevant Activity Register
- Financial Delegations Register
- Fleet Disposal Register
- Flexible Working Agreements
- Go Clubs Register
- Instruments of Appointment Register
- Interests Chief Executive Officer Register

REGISTERS CONTINUED

- Interests Councillors Register
- Interests Senior Contract Employees Register
- Internal Audit Recommendations Register
- Landholder Assistance Register
- Legal Register
- Legislative Delegations Register
- Local Heritage Register
- Lost Property Register – Cairns Performing Arts Centre
- Lost Property Register – Creative Life
- Register of Prequalified Purchasers for Recyclable Materials
- Register of Requests for Plaques, Memorials and Benches
- Resident Evacuation and Recovery Register
- Resource Recovery Agenda and Resolution Register
- Road Register
- Sole and Specialised Supplier Register
- Supplier Database for Contracts and Arrangements
- Tree Removal and Replacement Projects Register
- Tender and Contracts Register
- Vegetation Protection Local Law Register
- Water and Resource Recovery Legal Register
- WHS Incident Register
- WHS Hazard Register

INTERNAL AUDIT

The annual report for a financial year must contain a report on the internal audit for the financial year. Council's Internal Audit function provides independent, objective assurance activities in accordance with an approved strategic, risk-based internal audit plan. The role, scope and purpose of the Internal Audit function is understood and supported by the organisation. The Internal Audit function works collaboratively with management to implement recommended improvements to systems, processes, work practices, compliance, and business effectiveness.

The Internal Audit activities are performed by an appropriately qualified internal audit consultant on a wholly outsourced basis. Council engaged BDO Services Pty Ltd (BDO) to establish and deliver an Internal Audit Plan for the period October 2021 to September 2023 that reflects the priority issues across strategic, financial and operational areas, based on high level risk identification and assessment.

The Internal Audit Plan is reviewed annually by management and the Audit Committee to ensure it remains relevant to the organisation's needs. The key underpinning document which guides the priorities within the Internal Audit Plan is the Corporate Risk Register. BDO undertook audits on the following areas during the 2022-23 financial year:

- Contractor management
- Change Management Framework
- Payroll processes review
- Customer Request management
- Controls Assurance Review
- Planning and Development Approval Framework
- Management and Compliance with Council resolutions

Council has a robust system of tracking progress on open audit items, reporting is through the Executive Leadership Team with Audit Committee updated quarterly.

PARTICULAR RESOLUTIONS

Thresholds are reported in Note 11 of the end of year Financial Statements.

SUMMARY OF INVESTIGATION NOTICES

The annual report for a financial year must contain a summary of investigation notices given in the financial year under section 49 of the *Local Government Regulation 2012*, for the competitive neutrality complaints and responses made by the Local Government to the Queensland Productivity Commissioner's recommendations on any competitive neutrality complaints under section 52 of the *Local Government Regulation 2012*.

During the 2022/23 financial year, Council was not in receipt of any Queensland Productivity Commission notices of investigation or recommendations on any competitive neutrality complaints.

SENIOR MANAGEMENT REMUNERATION

The following table shows the range of total remuneration packages for the 12 month period from 1 July 2022 to 30 June 2023 provided to Council's senior contract employees.

The total remuneration packages payable (excluding superannuation) in 2022/23 to senior management was \$2,150,411.

Package range	Number of senior contract employees within package range
\$200,000 to \$299,999	3
\$300,000 to \$399,999	3
\$400,000 to \$499,999	1

Council has no Councillor advisors appointed.

INVITATIONS TO CHANGE TENDERS

There was two instances during the 2022/23 financial year where tenderers who had submitted a tender to Council were invited to change their tenders. This related to the following contracts:

Contract no.	Contract name	Notification details	Date issued	Details of tender specification change
75698	Stormwater Relining Program 22/23	Open Tender	03/03/2023	Reduction in scope
75699	Freshwater Water Treatment Plant – Chemical Dosing Upgrades (Sodium Hypo)	Open Tender	05/05/2023	Changes to specifications
75683	Sewage Pumping Station Upgrades (RL3, R23) and Rising Main Works (WR1 / FG1 WR4 & HB1) - Package 1	Open Tender	09/09/2022	Changes to specifications and scope

OVERSEAS TRAVEL

The annual report for a financial year must contain information about any overseas travel made by a Councillor or a local government employee in an official capacity during the financial year. There was no overseas travel in 2022/23.

BENEFICIAL ENTERPRISES

Cairns Regional Council does not have any beneficial enterprises.

SIGNIFICANT BUSINESS ACTIVITIES

Cairns Regional Council conducted the following significant business activities during the 2022/23 financial year:

- Cairns Water
- Cairns Resource Recovery

Council's water, wastewater and solid waste activities were considered significant business activities for the period and applied the competitive neutrality principle. There were no new significant business activities.

CODE OF COMPETITIVE CONDUCT

Each financial year, Council is required to decide by resolution whether the code of competitive conduct is to apply to each of its business activities which is prescribed under a regulation (a prescribed business activity). Council may also voluntarily elect to apply the code of competitive conduct to business activities that are not prescribed business activities.

Council resolved not to apply the code of competitive conduct to the following prescribed business activities:

- Ticketlink
- Car Parking
- Cemeteries
- Botanical Gardens Visitor Centre
- Munro Martin Parklands
- Tanks Art Centre
- Cairns Performing Art Centre
- Barlow Park
- Swimming Pools
- Sugarworld Water Park
- Libraries
- The Court House

CAIRNS REGIONAL COUNCIL

Financial Statements

For the year ended 30 June 2023

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Statement of Cash Flows

Statement of Changes in Equity

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4 Grants, subsidies, contributions and donations

5 Employee benefits

6 Materials and services

7 Capital expenses

8 Cash and cash equivalents

9 Trade and other receivables

10 Inventories

11 Property, plant and equipment

12 Trade and other payables

13 Provisions

14 Borrowings

15 Contract liabilities

16 Leases

17 Commitments for expenditure

18 Events after the reporting date

19 Contingent liabilities

20 Superannuation

21 Reconciliation of net result attributable to Council to net cash inflow from operating activities

22 Reconciliation of liabilities arising from finance activities

23 Transactions with related parties

24 Parent entity note

25 Financial instruments and financial risk management

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Management Certificate

Independent Auditor's Report (General Purpose Financial Statements)

Current Year Financial Sustainability Statement

Independent Auditor's Report (Current Year Financial Sustainability Statement)

Unaudited Long Term Financial Sustainability Report

Cairns Regional Council
Consolidated Statement of Comprehensive Income
For the year ended 30 June 2023

		2023	2022
	Note	\$'000	\$'000
Income			
Recurrent revenue			
Rates, levies and charges	3(a)	297,995	284,645
Fees and charges	3(b)	29,307	27,153
Other recurrent revenue	3(c)	22,755	19,483
Grants, subsidies, contributions and donations	4(a)	9,290	10,629
Total recurrent revenue		<u>359,347</u>	<u>341,910</u>
Capital revenue			
Grants, subsidies, contributions and donations	4(b)	55,564	61,186
Total revenue		<u>414,911</u>	<u>403,096</u>
Interest received		4,023	1,902
Total income	2(b)	<u>418,934</u>	<u>404,998</u>
Expenses			
Recurrent expenses			
Employee benefits	5	(116,331)	(111,665)
Materials and services	6	(140,927)	(121,644)
Finance costs		(4,960)	(4,719)
Depreciation and amortisation		(100,543)	(98,295)
		<u>(362,761)</u>	<u>(336,323)</u>
Capital expenses			
Capital expenses	7	(16,855)	(38,988)
		<u>(16,855)</u>	<u>(38,988)</u>
Total expenses	2(b)	<u>(379,616)</u>	<u>(375,311)</u>
Net result		<u>39,318</u>	<u>29,687</u>
Other comprehensive income			
Items that will not be reclassified to net result			
Increase in asset revaluation surplus		362,601	131,741
Total other comprehensive income for the year		<u>362,601</u>	<u>131,741</u>
Total comprehensive income for the year		<u>401,919</u>	<u>161,428</u>

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

Cairns Regional Council

Consolidated Statement of Financial Position as at 30 June 2023

		2023	2022
	Note	\$'000	\$'000 Restated*
Current assets			
Cash and cash equivalents	8	37,166	41,340
Trade and other receivables	9(a)	50,774	43,333
Inventories	10	3,984	2,544
Total current assets		<u>91,924</u>	<u>87,217</u>
Non-current assets			
Property, plant and equipment	11(b)	4,665,106	4,296,073
Intangible assets		3,375	3,087
Lease right of use assets	16	4,984	5,077
Total non-current assets		<u>4,673,465</u>	<u>4,304,237</u>
Total assets		<u>4,765,389</u>	<u>4,391,454</u>
Current liabilities			
Trade and other payables	12	50,813	52,096
Provisions	13	28,234	26,999
Borrowings	14	27,009	26,471
Contract liabilities	15	4,908	5,251
Lease liabilities	16	439	405
Total current liabilities		<u>111,403</u>	<u>111,222</u>
Non-current liabilities			
Provisions	13	13,752	14,362
Borrowings	14	129,392	156,542
Contract liabilities	15	2,430	2,763
Lease liabilities	16	4,762	4,834
Total non-current liabilities		<u>150,336</u>	<u>178,501</u>
Total liabilities		<u>261,739</u>	<u>289,723</u>
Net community assets		<u>4,503,650</u>	<u>4,101,731</u>
Community equity			
Asset revaluation surplus		1,768,286	1,405,685
Retained surplus		2,735,364	2,696,046
Total community equity		<u>4,503,650</u>	<u>4,101,731</u>

* Comparative figures have been restated. Refer to Note 27 for further information.

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

Cairns Regional Council

Consolidated Statement of Cash Flows

For the year ended 30 June 2023

	2023	2022
Note	\$'000	\$'000
Cash flows from operating activities		
Receipts		
General rates and utility charges	299,594	287,965
Rental and levies, fees and charges	27,562	28,401
Operating grants, subsidies and contributions	9,289	10,629
Interest received	4,023	1,902
Other revenue	22,618	19,017
Payments		
Payments to employees	(116,240)	(109,786)
Payments to suppliers	(145,975)	(115,252)
Interest expense	(3,089)	(2,914)
Net cash inflow from operating activities	21 <u>97,782</u>	<u>119,962</u>
Cash flows from investing activities		
Grants, subsidies, contributions and donations for capital acquisitions:		
Capital contributions	10,522	9,540
Government subsidies and grants	12,956	31,211
Payments for property, plant and equipment	(100,144)	(121,829)
Payments for intangible assets	(552)	(467)
Proceeds from the sale of non-current assets	1,874	1,783
Net cash outflow from investing activities	<u>(75,344)</u>	<u>(79,762)</u>
Cash flows from financing activities		
Proceeds from working capital facility	22 14,710	75,498
Repayment of working capital facility	22 (14,710)	(90,880)
Proceeds from borrowings	22 -	30,000
Repayment of borrowings	22 (26,612)	(23,733)
Other cash flows from financing activities	-	213
Net cash inflow/(outflow) from financing activities	<u>(26,612)</u>	<u>(8,902)</u>
Net increase in cash and cash equivalents held	<u>(4,174)</u>	<u>31,298</u>
Cash and cash equivalents at beginning of the financial year	41,340	10,042
Cash and cash equivalents at end of the financial year	8 <u>37,166</u>	<u>41,340</u>

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

Cairns Regional Council

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

	Asset revaluation surplus \$'000	Retained surplus \$'000	Total \$'000
Balance as at 1 July 2022	1,405,685	2,696,046	4,101,731
Net result	-	39,318	39,318
Other comprehensive income for the year			
Increase in asset revaluation surplus	362,601	-	362,601
Balance as at 30 June 2023	<u>1,768,286</u>	<u>2,735,364</u>	<u>4,503,650</u>
Balance as at 1 July 2021	1,273,944	2,673,197	3,947,141
Prior period adjustment*	-	(6,838)	(6,838)
	<u>1,273,944</u>	<u>2,666,359</u>	<u>3,940,303</u>
Net result	-	29,687	29,687
Other comprehensive income for the year			
Increase in asset revaluation surplus	131,741	-	131,741
Balance as at 30 June 2022	<u>1,405,685</u>	<u>2,696,046</u>	<u>4,101,731</u>

* Comparative figures have been restated. Refer to Note 27 for further information.

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

Notes to the consolidated financial statements

For the year ended 30 June 2023

1 Information about these financial statements

1.1 Basis of preparation

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

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

These financial statements comply with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB). Council is a not-for-profit entity for financial reporting purposes and these financial statements comply with Australian Accounting Standards and Interpretations as applicable to not-for-profit entities.

These financial statements have been prepared under the historical cost convention, except for financial assets and liabilities and certain classes of property and plant and equipment which are measured at fair value.

1.2 Basis of consolidation

Council and its controlled entity together form the consolidated entity. The financial statements of controlled entities are included in the consolidated financial statements where material by size or nature, from the date when control commences until the date when control ceases.

Transactions between Council and the entity controlled by Council have been eliminated when preparing consolidated accounts. In addition, the accounting policies of the controlled entity have been adjusted on consolidation where necessary, to ensure the financial report of the consolidated entity is prepared using accounting policies that are consistent with those of the Council. Information on the controlled entity that has been consolidated is included in Note 23.

1.3 New and revised Accounting Standards

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

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2023. These standards have not been adopted by Council and will be included in the financial statements on their effective date. Where the standard is expected to have a material impact for Council, then further information has been provided in this note.

1.4 Estimates and judgements

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:

- Revenue recognition - Note 3 and Note 4
- Valuation and depreciation of property, plant and equipment - Note 11
- Annual leave - Note 13
- Developer contribution credits - Note 13
- Long service leave - Note 13
- Contingent liabilities - Note 19
- Financial instruments and financial risk management - Note 25

Cairns Regional Council

Notes to the consolidated financial statements

For the year ended 30 June 2023

1.5 Rounding and comparatives

The financial statements are in Australian dollars and have been rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless otherwise stated.

1.6 Taxation

Council is exempt from income tax, however, Council is subject to Fringe Benefits Tax and Goods and Services Tax (GST). The net amount of GST recoverable from the Australian Tax Office (ATO) or payable to the ATO is shown as an asset or liability respectively.

The significant business activities of Council (as noted in Note 26) pay an income tax equivalent to Council in accordance with the requirements of the *Local Government Act 2009*.

Where a significant business activity is subject to the National Tax Equivalents Regime, the income tax expense is calculated on the operating surplus adjusted for permanent differences between taxable and accounting income. These transactions are eliminated upon consolidation.

Council pays payroll tax to the Queensland Government on certain activities.

Notes to the consolidated financial statements

For the year ended 30 June 2023

2 Analysis of Results by Function

(a) Components of Council functions

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

Finance and Business Services

The Finance and Business Services directorate works across all areas of Council to ensure effective procurement, financial sustainability and technological capability of operations. The core functions include Procurement and Payables, Financial Accounting, Information Services, Management Accounting and Revenue & Business Support.

People and Organisational Performance

People and Organisational Performance ensures the workforce is engaged to deliver Council's vision of 'Shaping the Future'. It achieves this by recognising and building a contemporary workplace that priorities the wellness, health and safety of staff. Core functions include Organisational Performance, Human Resources, Wellness, Health & Safety and Marketing & Communications.

Planning, Growth and Sustainability

The Planning, Growth and Sustainability directorate is responsible for overseeing the planning and development process from end to end – long term strategic growth and environmental design, planning, assessment and regulation. The goal of the directorate is to protect and enhance the natural and built environment by planning, monitoring, applying and enforcing compliance with Local, State and Federal regulations and laws. The core functions include Growth & Sustainability, Development & Planning and Property Compliance.

Economic Development and Advocacy

The Economic Development and Advocacy directorate works to deliver a prosperous environment for business and industry, enabling growth and wealth creation for our residents by creating a strong, diversified and growing economy. This is achieved through creating diverse and secure employment opportunities, a foundation for new and existing businesses to grow and succeed, advocacy for priority issues and the attraction and retention of investment.

Lifestyle and Community

The Lifestyle and Community directorate manages a number of the region's public facilities; including the Botanical Gardens, Sugarworld, Munro Martin Parklands, Tanks Art Centre, museums & art galleries and the region's libraries. This directorate also services parks & gardens with barbeque & picnic facilities, sports grounds and playgrounds. The three core functions of the directorate include managing Creative Life, Community Life and Community Spaces.

Cairns Infrastructure and Assets

The Cairns Infrastructure and Assets directorate is responsible for Council's built environment portfolio, managing all stages of the community infrastructure program from planning and design through to construction, maintenance, and upgrades. The portfolio covers transport, stormwater, water and wastewater, resource recovery, buildings, facilities, plant fleet and marine assets, which are managed by two sub-directorates:

- **Engineering Services** - the core functions include Asset Services, Infrastructure Planning, Capital Delivery, Major Projects and Buildings, Fleet and Facilities.
- **Service Delivery** - the core functions include Utility Services, Works Construction and Maintenance, Resource Recovery, Water Laboratory and Plumbing and Trade Waste.

Organisational Restructure

As at 1st July 2022 Council components were restructured to combine Infrastructure Services, Cairns Water and Cairns Resource Recovery into a single directorate, Cairns Infrastructure & Assets. In addition, a new directorate for Economic Development & Advocacy was created. Various other changes to the titles of the remaining directorates and their composition were also made. The comparative results reported at note 2(b) have been restated to reflect the new structure.

Cairns Regional Council

Notes to the consolidated financial statements

For the year ended 30 June 2023

2 Analysis of results by function

(b) Income, expenses and assets have been attributed to the following functions:

Year ended 30 June 2023

Functions	Gross program income				Elimination of inter-function transactions	Total income	Gross program expenses		Elimination of inter-function transactions	Total expenses	Net result from recurring operations	Net Result	Assets
	Recurring		Capital				Recurring	Capital					
	Grants	Other	Grants	Other									
	2023 \$'000	2023 \$'000	2023 \$'000	2023 \$'000			2023 \$'000	2023 \$'000					
Finance & Business Services	6,815	213,677	2,626	1,564	(82,113)	142,569	(47,667)	(2,008)	3,372	(46,303)	94,084	96,266	460,155
People & Organisational Performance	760	41	-	-	-	801	(15,143)	-	47	(15,096)	(14,295)	(14,295)	2
Planning, Growth & Sustainability	97	4,594	-	-	-	4,691	(11,700)	-	138	(11,562)	(6,871)	(6,871)	4,174
Economic Development & Advocacy	-	1	-	-	-	1	(6,511)	-	-	(6,511)	(6,510)	(6,510)	2
Lifestyle & Community	1,493	19,770	5,391	36	(480)	26,210	(88,634)	(5,509)	3,043	(91,100)	(64,808)	(64,890)	414,236
Cairns Infrastructure & Assets - Engineering Services	20	664	6,841	31,599	-	39,124	(49,858)	(3,637)	90	(53,405)	(49,084)	(14,281)	2,342,353
Cairns Infrastructure & Assets - Service Delivery	105	209,749	698	6,809	(12,683)	204,678	(237,943)	(5,701)	88,586	(155,058)	47,814	49,620	1,535,930
Controlled entity net of eliminations	-	860	-	-	-	860	(581)	-	-	(581)	279	279	8,537
Total Council Continuing Operations	9,290	449,356	15,556	40,008	(95,276)	418,934	(458,037)	(16,855)	95,276	(379,616)	609	39,318	4,765,389

Year ended 30 June 2022

Functions	Gross program income				Elimination of inter-function transactions	Total income	Gross program expenses		Elimination of inter-function transactions	Total expenses	Net result from recurring operations	Net Result	Assets
	Recurring		Capital				Recurring	Capital					
	Grants	Other	Grants	Other									
	2022 \$'000	2022 \$'000	2022 \$'000	2022 \$'000			2022 \$'000	2022 \$'000					
Finance & Business Services	8,422	187,019	(1,127)	-	(64,783)	129,531	(29,936)	(199)	2,849	(27,286)	103,571	102,245	394,511
People & Organisational Performance	542	22	-	-	-	564	(15,221)	-	-	(15,221)	(14,657)	(14,657)	10
Planning, Growth & Sustainability	160	4,738	299	-	-	5,197	(11,757)	-	-	(11,757)	(6,859)	(6,560)	3,044
Economic Development & Advocacy	42	38	-	-	-	80	(5,922)	-	-	(5,922)	(5,842)	(5,842)	2
Lifestyle & Community	1,318	15,218	4,099	-	-	20,635	(54,902)	(7,358)	-	(62,260)	(38,366)	(41,625)	374,355
Cairns Infrastructure & Assets - Engineering Services	51	269	18,484	29,126	-	47,930	(42,169)	(24,882)	-	(67,051)	(41,849)	(19,121)	2,127,498
Cairns Infrastructure & Assets - Service Delivery	94	192,762	2,012	8,293	(2,914)	200,247	(243,384)	(6,549)	64,848	(185,085)	11,406	15,162	1,484,078
Controlled entity net of eliminations	-	814	-	-	-	814	(729)	-	-	(729)	85	85	7,956
Total Council Continuing Operations	10,629	400,880	23,767	37,419	(67,697)	404,998	(404,020)	(38,988)	67,697	(375,311)	7,489	29,687	4,391,454

* Comparative figures have been restated. Refer to Note 27 for further information.

Cairns Regional Council

Notes to the consolidated financial statements

For the year ended 30 June 2023

3 Revenue

(a) Rates, levies and charges

Rates, levies and utility charges are recognised as revenue at the beginning of the rating period to which they relate. Prepaid rates are recognised within trade and other payables on the Statement of Financial Position until the beginning of the rating period to which they relate. All rates and utility charges are recognised at a point in time in accordance with AASB 1058.

	<u>2023</u> <u>\$'000</u>	<u>2022</u> <u>\$'000</u>
General rates	129,961	122,804
Special rates	930	916
Water access	24,956	23,979
Water consumption	34,702	33,886
Sewerage access	81,885	78,534
Cleansing charges	<u>30,611</u>	<u>29,488</u>
Rates and utility charge revenue	303,045	289,607
Less: rebates	(5,050)	(4,962)
Net rates and utility charges	<u><u>297,995</u></u>	<u><u>284,645</u></u>

(b) Fees and charges

Revenue arising from fees and charges are recognised at the point in time when the performance obligation is completed and the customer receives the benefit of the goods or services being provided. There is no material obligation for Council in relation to refunds or returns. Revenue from infringements is recognised on issue of the infringement notice.

Building and property fees	5,574	5,608
Regulatory and parking fees	8,200	7,188
Infringement	4,213	2,860
Water and resource recovery fees	4,064	3,794
Other fees and charges	<u>7,256</u>	<u>7,703</u>
	<u><u>29,307</u></u>	<u><u>27,153</u></u>

(c) Other recurrent revenue

Revenue from contract and recoverable works generally comprises a recoupment of material costs together with an hourly charge for use of equipment and employees. This revenue and the associated costs are recognised by reference to the stage of completion of the contract activity based on costs incurred at the reporting date. Where consideration is received for the service in advance, it is held as a liability in revenue received in advance on the Statement of Financial Position and is recognised as revenue in the period when the service is performed. The contract work carried out is not subject to retentions.

Reimbursements revenue is recognised when the payment is probable and the amount of the payment can be determined, which is after the contract requirement has been delivered. Cost recovery income is recognised when received. Sundry and other recurrent revenue relates to sales of goods and delivery of services. Revenue is recognised at the point in time that either the customer obtains control of the goods (which is generally at delivery) or when the service is rendered.

All other recurrent revenue is recognised in accordance with AASB 15.

Contract and recoverable works	7,615	5,099
Reimbursements and cost recoveries	2,161	1,829
Sales	4,988	5,523
Sundry and other recurrent revenue	<u>7,991</u>	<u>7,032</u>
	<u><u>22,755</u></u>	<u><u>19,483</u></u>

4 Grants, subsidies, contributions and donations

Cairns Regional Council

Notes to the consolidated financial statements

For the year ended 30 June 2023

(a) Recurrent grants, subsidies and contributions

Recurrent grants, subsidies and contributions do not have an enforceable performance obligation associated with them and therefore are recognised as revenue when received in accordance with AASB 1058.

	2023 \$'000	2022 \$'000
General purpose grants	9,023	10,570
Donations	267	59
	<u>9,290</u>	<u>10,629</u>

(b) Capital grants, subsidies and contributions

Capital Grants

All capital grant funding received under an enforceable contract to enable Council to acquire or construct a specified item of property, plant and equipment, which will be under Council's control on completion, is recognised as revenue as and when the obligation to construct or purchase is completed in accordance with AASB 1058. For construction projects, this is generally as the construction progresses in accordance with costs incurred, since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin.

Where Council recognises capital grant revenue under AASB 1058 in advance of invoicing the grantor, a contract asset is recognised in trade and other receivables which represents the excess of costs incurred in relation to the construction of the asset over the amount that Council has invoiced the grantor. Where Council receives grant revenue upfront of construction of the asset, this revenue is held as a contract liability and is recognised as revenue over time as the asset is constructed.

Donations and Contributions

Contributions received from developers do not have an enforceable performance obligation associated with them and therefore the infrastructure charges are recognised as revenue when received in accordance with AASB 1058.

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

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.

Timing of revenue recognition for grants, subsidies and contributions:

	2023		2022	
	Revenue recognised at a point in time \$'000	Revenue recognised over time \$'000	Revenue recognised at a point in time \$'000	Revenue recognised over time \$'000
Grants and subsidies	3,526	12,030	3,174	20,593
Contributions	18,263	-	16,269	-
Assets contributed by developers	21,745	-	21,150	-
	<u>43,534</u>	<u>12,030</u>	<u>40,593</u>	<u>20,593</u>

Cairns Regional Council

Notes to the consolidated financial statements

For the year ended 30 June 2023

4 Grants, subsidies, contributions and donations (continued)

(b) Capital grants, subsidies and contributions

Capital – grants, subsidies, contributions and donations are analysed as follows:

	Note	2023 \$'000	2022 \$'000
(i) Monetary revenue designated for capital funding purposes:			
Government subsidies and grants		15,556	23,767
Contributions		18,263	16,269
		<u>33,819</u>	<u>40,036</u>
(ii) Non-monetary revenue received:			
Developer assets contributed by developers at fair value		21,745	21,150
		<u>55,564</u>	<u>61,186</u>

5 Employee benefits

Employee benefits are all forms of consideration given in exchange for services rendered by employees. They are expensed as the related service is provided.

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

Total staff wages and salaries		90,985	86,811
Councillors' remuneration		1,241	1,221
Annual, sick and long service leave entitlements		17,597	17,935
Superannuation	20	<u>11,938</u>	<u>11,391</u>
		121,761	117,358
Other employee related expenses		<u>2,888</u>	<u>2,804</u>
		124,649	120,162
Less: Capitalised employee expenses		<u>(8,318)</u>	<u>(8,497)</u>
		<u>116,331</u>	<u>111,665</u>

	2023 No. employees	2022 No. employees
Total employees at the reporting date:		
Elected members	10	10
Employees	<u>1,217</u>	<u>1,175</u>
Total full time equivalent employees	<u>1,227</u>	<u>1,185</u>

6 Materials and services

Materials and services are comprised of Council's operational, administrative and repairs and maintenance costs. Expenditure is recognised on an accruals basis once the good or service has been received.

	2023 \$'000	2022 \$'000
Agency and temporary employment services	8,457	6,299
Audit of the Annual Financial Statements by the Auditor-General	210	206
Communication and IT	7,986	7,714
Donations paid and grants to community groups	6,935	6,443
Electricity	8,893	7,782
External services and hire	32,824	27,583
Garbage collection services	21,678	19,876
Other materials	16,286	12,202
Other services	10,783	8,669
Rental and lease expenses	950	793
Repairs and maintenance	<u>25,925</u>	<u>24,077</u>
	<u>140,927</u>	<u>121,644</u>

Notes to the consolidated financial statements

For the year ended 30 June 2023

7 Capital expenses

Capital expenses comprise the loss on disposal and write off of capital assets. The gain or loss on disposal is recognised on the date the asset was taken out of service.

	<u>Note</u>	<u>2023</u> <u>\$'000</u>	<u>2022</u> <u>\$'000</u>
Loss on disposal of capital assets		11,636	34,938
Loss on write-off of non-current assets		5,219	4,050
		<u>16,855</u>	<u>38,988</u>

8 Cash and cash equivalents

Cash and cash equivalents in the Statement of Cash Flows includes cash on hand, all cash and cheques received 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.

Cash at bank	25	11,941	4,437
Cash on hand	25	12	12
Deposits and investments held with QTC	25	25,213	36,891
Balance per Statement of Cash Flows		<u>37,166</u>	<u>41,340</u>

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

Council's cash and cash equivalents are subject to a number of external restrictions that limit amounts available for discretionary or future use. At the reporting date this balance comprised unspent government grants and developer contributions of \$4,662,295 (2022: \$4,793,481) and the Waste Levy refund received in advance of \$3,447,059 (2022: \$3,849,993).

Cash at bank as at 30 June 2023 includes \$3,447,059 received from the State government to mitigate the direct impacts on households of the State Waste Levy. This money has been set aside to help fund Council's Levy expense from 2023/24 to 2026/27.

Council is liable to the State for payment of the Levy on most forms of commercial and household waste delivered to its disposal sites. The State is required to make an annual payment to Council that essentially refunds Council for the portion of the Levy that relates to households. As the cash received from the State was for a refund of Council's Levy expense in future financial years, at 30 June 2023 the portion deemed to relate to the next 12 months has been recognised in current liabilities with the residual balance recognised in non-current liabilities for the remaining period to 2026/27.

Trust funds held for outside parties

In accordance with the *Local Government Act 2009* and Local Government Regulation 2012, a separate trust bank account and separate accounting records are maintained for funds held on behalf of outside parties. Funds held in the trust account include those funds 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). Council performs only a custodian role in respect of these monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements since Council has no control over the assets.

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

	76	99
Security deposits	<u>7,634</u>	<u>5,948</u>
	<u>7,710</u>	<u>6,047</u>

Cairns Regional Council

Notes to the consolidated financial statements

For the year ended 30 June 2023

9 Trade and other receivables

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

Contract assets represent the excess of costs incurred in relation to the construction of an asset over the amounts that Council has invoiced the grantor.

Debts are regularly assessed for collectability and allowance is made, where appropriate, for impairment. All known bad debts were written-off at 30 June. If an amount is recovered in a subsequent period it is recognised as revenue. 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 impair any rate receivables unless the arrears are deemed to be greater than the proceeds Council would receive from the sale of the property.

Interest is charged on outstanding rates at a rate of 8.17% per annum (2022: 8.03%), unless waived under Council's Financial Hardship policy. No interest is charged on other debtors. There is no concentration of credit risk for rates and utility charges, fees and other debtors received.

	Note	2023 \$'000	2022 \$'000
(a) Receivables (financial instruments)			
Rateable revenue and utility charges		20,224	20,498
Water charges		3,064	3,511
Fees and charges		7,178	2,554
Grants receivable		145	171
Other debtors		3,229	3,101
Less: loss allowance	9(b)	<u>(2,085)</u>	<u>(1,666)</u>
		31,755	28,169
Receivables (non-financial instruments)			
Other accrued revenue		7,780	7,470
Contract assets		3,939	1,370
GST receivable		2,722	2,303
Prepayments		<u>4,578</u>	<u>4,021</u>
		19,019	15,164
Total current receivables		<u><u>50,774</u></u>	<u><u>43,333</u></u>
(b) Loss allowance			
Opening balance at 1 July		1,666	1,469
Receivables written off in period		(257)	(128)
Impairments recognised		<u>676</u>	<u>324</u>
Closing balance at 30 June	9(a)	<u>2,085</u>	<u>1,666</u>

Cairns Regional Council

Notes to the consolidated financial statements

For the year ended 30 June 2023

10 Inventories

Inventories held for distribution are:

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

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

Council has accumulated Australian Carbon Credit Units (ACCU) issued by the Clean Energy Regulator under the Emissions Reduction Fund. Council has classified the ACCU as inventory and they are valued at the lower of cost and net realisable value. Cost on initial recognition is determined as the spot rate at the date Council was entitled to the ACCU, with a corresponding entry made to other recurrent revenue.

	<u>2023</u> <u>\$'000</u>	<u>2022</u> <u>\$'000</u>
Inventories held for distribution	3,020	2,544
Australian Carbon Credit Units	964	-
	<u>3,984</u>	<u>2,544</u>

11 Property, plant and equipment

(a) i) Recognition

Each class of property, plant and equipment is stated at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment loss. Items of plant and equipment have an asset capitalisation threshold of \$5,000. All other assets have an asset capitalisation threshold of \$10,000 except for land, network assets and complex assets which all have a capitalisation threshold of \$1.

Network assets are an aggregate of interrelated assets that perform a specific service which, individually are likely to be below the capitalisation threshold levels, but collectively are above the capitalisation threshold for their class. Networked assets include computer network assets, leasehold and land improvements.

Land under roads and reserve land which fall under the *Land Act 1994* or the *Land Title Act 1994* is controlled by the Queensland Government pursuant to the relevant legislation. This land is not recognised in these financial statements.

ii) Measurement

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.

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

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

Property, plant and equipment received in the form of contributions, are recognised as assets and revenue at fair value where that value exceeds the recognition thresholds for the respective asset class.

Land and improvements, buildings, and all infrastructure assets are measured on the revaluation basis at fair value. Other plant and equipment and work in progress are measured at cost.

Notes to the consolidated financial statements

For the year ended 30 June 2023

11 Property, plant and equipment (continued)

iii) Depreciation

Land is 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 value of each depreciable asset, less its estimated residual value, progressively over its estimated useful life to Council. Management believe that the straight-line basis appropriately reflects the pattern of consumption of all Council assets.

Assets are depreciated from the first day of the month following acquisition or, in respect of internally constructed assets, from the first day of the month following the date 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 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 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 and subsequent estimation of remaining useful lives performed as part of the annual valuation process for assets measured at written down 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 are shown in Note 11(b).

iv) Impairment

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

Cairns Regional Council

Notes to the consolidated financial statements

For the year ended 30 June 2023

11 Property, plant and equipment (continued)

(b) Movements in property, plant and equipment 2023

Asset class	Land and site improvements	Buildings, other structures and other assets	Plant, equipment and other assets	Transport assets	Water	Sewerage	Drainage	Solid waste disposal	Work in progress	Total
Basis of measurement	Fair Value	Fair Value	Cost	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Cost	
Fair Value Category	Levels 2 & 3	Levels 2 & 3		Level 3	Level 3	Level 3	Level 3	Level 3		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Asset Values										
Opening gross value as at 1 July 2022	365,020	480,507	148,598	1,937,927	1,263,716	1,123,358	745,845	36,623	125,354	6,226,948
Additions at cost	-	-	-	-	-	-	-	-	103,009	103,009
Contributed assets at valuation	1,564	-	-	7,085	3,259	3,462	6,374	-	-	21,744
Internal transfers from work in progress	2,042	10,888	11,326	28,747	20,080	31,846	7,390	4,054	(116,373)	-
Disposals	(168)	-	(3,326)	-	-	-	-	-	-	(3,494)
Write-offs	477	(8,150)	(1,608)	(7,043)	(7,471)	(2,842)	(894)	(143)	(6,917)	(34,591)
Revaluation adjustment to the asset revaluation surplus	55,545	43,447	-	148,273	82,334	73,459	59,309	3,427	-	465,794
Internal transfers between asset classes	(2,282)	1,176	(971)	1,548	120	(99)	253	264	-	9
Closing gross value as at 30 June 2023	422,198	527,868	154,019	2,116,537	1,362,038	1,229,184	818,277	44,225	105,072	6,779,419
Accumulated depreciation and impairment										
Opening balance as at 1 July 2022	27,717	131,216	86,025	434,938	667,925	417,756	155,363	9,935	-	1,930,875
Depreciation provided in period	2,361	9,188	11,696	26,778	17,948	21,978	7,932	1,742	-	99,623
Depreciation on disposals	-	-	(2,450)	-	-	-	-	-	-	(2,450)
Depreciation on write-offs	-	(4,815)	(1,361)	(5,338)	(4,290)	(805)	(251)	(76)	-	(16,936)
Revaluation adjustment to the asset	(7,766)	(7,415)	-	34,462	44,613	28,607	12,847	(2,155)	-	103,193
Internal transfers to other asset classes	(140)	270	107	(394)	5	(9)	16	153	-	8
Closing accumulated depreciation	22,172	128,444	94,017	490,446	726,201	467,527	175,907	9,599	-	2,114,313
Net value at 30 June 2023	400,026	399,424	60,002	1,626,091	635,837	761,657	642,370	34,626	105,072	4,665,106
Residual value			8,253							
Range of estimated useful life in years	10-100	15-150	3-50	15-100	10-150	9-100	10-150	20-100		
Additions comprise:										
Renewals	-	-	-	-	-	-	-	-	59,096	59,096
New assets	-	-	-	-	-	-	-	-	39,502	39,502
Non-infrastructure additions	-	-	-	-	-	-	-	-	4,411	4,411
Total additions	-	-	-	-	-	-	-	-	103,009	103,009

Cairns Regional Council

Notes to the consolidated financial statements

For the year ended 30 June 2023

11 Property, plant and equipment (continued)

(b) Movements in property, plant and equipment 2022

Asset class	Land and site improvements	Buildings, other structures and other assets	Plant, equipment and other assets	Transport assets	Water	Sewerage	Drainage	Solid waste disposal	Work in progress	Total
Basis of measurement	Fair Value	Fair Value	Cost	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Cost	
Fair Value Category	Levels 2 & 3	Levels 2 & 3		Level 3	Level 3	Level 3	Level 3	Level 3		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Asset values										
Opening gross value as at 1 July 2021*	363,574	506,396	155,428	1,844,864	1,206,107	1,075,022	687,923	37,791	125,896	6,003,001
Additions at cost	-	-	-	-	-	-	-	-	110,679	110,679
Contributed assets at valuation	-	-	-	6,835	3,845	4,447	5,952	-	-	21,079
Internal transfers from work in progress	912	8,951	7,872	49,152	18,139	11,391	10,355	454	(107,226)	-
Disposals	-	(10)	(5,121)	-	-	-	-	-	-	(5,131)
Write-offs	(7,484)	(9,398)	(8,189)	(23,859)	(6,132)	(4,518)	(2,946)	(2,836)	(3,995)	(69,357)
Revaluation adjustment to the asset revaluation surplus	3,705	18,728	-	57,460	41,668	37,029	6,934	1,153	-	166,677
Internal transfers to other asset classes	4,313	(44,160)	(1,392)	3,475	89	(13)	37,627	61	-	-
Closing gross value as at 30 June 2022	365,020	480,507	148,598	1,937,927	1,263,716	1,123,358	745,845	36,623	125,354	6,226,948

Accumulated depreciation and impairment

Opening balance as at 1 July 2021*	29,010	134,684	83,138	399,580	631,365	384,274	160,334	10,168	-	1,832,553
Depreciation provided in period	2,096	8,845	12,335	25,293	17,704	21,512	7,465	1,865	-	97,115
Depreciation on disposals	-	(7)	(3,541)	-	-	-	-	-	-	(3,548)
Depreciation on write-offs	(6,704)	(5,199)	(5,847)	(4,054)	(3,409)	(1,929)	(615)	(2,422)	-	(30,179)
Revaluation adjustment to the asset revaluation surplus	874	5,444	-	13,164	22,249	13,923	(21,036)	316	-	34,934
Internal transfers to other asset classes	2,441	(12,551)	(60)	955	16	(24)	9,215	8	-	-
Closing accumulated depreciation	27,717	131,216	86,025	434,938	667,925	417,756	155,363	9,935	-	1,930,875

Net value at 30 June 2022	337,303	349,291	62,573	1,502,989	595,791	705,602	590,482	26,688	125,354	4,296,073
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Residual value			8,319							
Range of estimated useful life in years	10-100	15-150	3-50	15-100	10-150	9-100	10-150	20-100		

Additions comprise:

Renewals	-	-	-	-	-	-	-	-	60,119	60,119
New assets	-	-	-	-	-	-	-	-	35,838	35,838
Non-infrastructure additions	-	-	-	-	-	-	-	-	14,722	14,722
Total additions	-	-	-	-	-	-	-	-	110,679	110,679

* Comparative figures have been restated. Refer to Note 27 for further information.

Cairns Regional Council

Notes to the consolidated financial statements

For the year ended 30 June 2023

11 Property, plant and equipment (continued)

(c) Valuation

(i) Valuation processes

Council considers the carrying amount of its property, plant and equipment on an annual basis compared to fair value and makes adjustment where these are materially different. At least every 5 years, Council performs a full comprehensive revaluation performed by a combination of independent, professionally qualified valuers and experienced Council Officers.

In between comprehensive valuations, desktop or indexation reviews are conducted by either professionally qualified valuers or Council Officers. This process involves the review and assessment of any factors that may have materially impacted the condition rating of assets within the class as well as a review of cost assumptions compared to the latest industry indexes, Council cost information as well as the advice of internal engineers and independent third parties.

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

Revaluation decreases are recognised in the asset revaluation surplus, where there is a sufficient amount available in the asset revaluation surplus relating to that asset class. Where there isn't a sufficient amount available in the surplus, the decrease is recognised in the Statement of Comprehensive Income. Where the class of asset has previously decreased in value and this reduction was recognised as an expense, an increase in the value of the class is recognised in the Statement of Comprehensive Income.

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

In accordance with AASB 13 *Fair Value Measurements* are categorised on the following basis:

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

Council's policy is to recognise transfers in and out of the fair value hierarchy at the end of the reporting period. There were no transfers between levels of the hierarchy during the year.

Notes to the consolidated financial statements

For the year ended 30 June 2023

11 Property, plant and equipment (continued)

(c) Valuation

(ii) Valuation techniques used to derive fair values

Asset Class and Fair Value Level	Valuation Approach	Last Comprehensive Valuation Date	Valuer	Index Applied	Index Amount	Key Assumptions and Estimates
Land and Site Improvements (level 2)	Market Value	30 June 2023	APV Valuers and Asset Management	Comprehensively Revalued	Not applicable	- Current zoning of land - Sale prices per square metre (database of recent sales) of comparable properties, adjusted for differences in key attributes such as property size)
Land and Site Improvements (level 3)	Current Replacement Cost	30 June 2023	APV Valuers and Asset Management	Comprehensively Revalued	Not applicable	- Current replacement cost for a modern equivalent asset with a similar service potential - Standardised unit rates for construction as at the date of last revaluation (based on industry standard cost guides, valuer database and project costs from recently completed projects)
Buildings (level 2)	Market Value	30 June 2023	APV Valuers and Asset Management	Comprehensively Revalued	Not applicable	- Sale prices per square metre (database of recent sales) of comparable properties, adjusted for differences in key attributes such as condition)
Buildings and Other Structures (level 3)	Current Replacement Cost	30 June 2023	APV Valuers and Asset Management	Comprehensively Revalued	Not applicable	- Current replacement cost for a modern equivalent asset with a similar service potential - Standardised unit rates for construction as at the date of last revaluation (based on industry standard cost guides, valuer database and project costs from recently completed buildings)
Buildings and Other Structures - Other assets (level 3)	Current Replacement Cost	30 June 2019	Ross Searle	Index determined by Ross Searle	0.00%	- Sales price per artwork based on prices paid for comparable works, market conditions and exchange rates (where applicable)
Transport Assets - Roads (including kerb and channel, medians and roundabouts) (level 3)	Current Replacement Cost	30 June 2019	Council and Stantec Australia Pty Ltd	Index determined by Council	7.88%	- Current replacement cost for a modern equivalent asset, on a greenfield site, with a similar service potential (including components that may not need to be replaced such as earthworks) - Standardised unit rates for construction as at the date of last revaluation (based on industry standard cost guides, valuer database, current contract data and costs from recently completed projects) indexed for subsequent changes in construction costs. Applicable rates are determined by asset usage, material and length - Componentisation of costs for complex assets. It is assumed that design and construction is to the same standard across each component
Transport Assets - Bridges and Footpaths (level 3)	Current Replacement Cost	30 June 2021	Council and APV Valuers and Asset Management	Index determined by Council	7.88%	- Road hierarchy and soil factors taking into account current condition. These are assumed to be consistent across each component - Remaining life of assets including existing conditions. These limitations are not incorporated into standardised unit rates. The conditions of assets not inspected are extrapolated based upon the condition data collected on inspected assets

Cairns Regional Council

Notes to the consolidated financial statements

For the year ended 30 June 2023

11 Property, plant and equipment (continued)

(c) Valuation

(ii) Valuation techniques used to derive fair values

Asset Class and Fair Value Level	Valuation Approach	Last Comprehensive Valuation Date	Valuer	Index Applied	Index Amount	Key Assumptions and Estimates
Water Assets - Above Ground (level 3)	Current Replacement Cost	30 June 2021	Stantec Australia Pty Ltd	Index determined by Council	6.55%	- Current replacement cost for a modern equivalent asset, on a greenfield site, with a similar service potential (including components that may not need to be replaced such as earthworks)
Water Assets - Mains (level 3)	Current Replacement Cost	30 June 2020	Stantec Australia Pty Ltd	Index determined by Council	6.55%	- Standardised unit rates for construction as at the date of last revaluation (based on industry standard cost guides, valuer database, current contract data and costs from recently completed projects) indexed for subsequent changes in construction costs. Applicable rates are determined by asset usage, material, depth, length and size
Sewerage Assets - Above Ground (level 3)	Current Replacement Cost	30 June 2019	Stantec Australia Pty Ltd	Index determined by Council	6.55%	- Componentisation of costs for complex assets. It is assumed that design and construction is to the same standard across each component
Sewerage Assets - Mains (level 3)	Current Replacement Cost	30 June 2020	Stantec Australia Pty Ltd	Index determined by Council	6.55%	- Development, soil and depth factors taking into account current condition. These are assumed to be consistent across each component
Drainage (level 3)	Current Replacement Cost	30 June 2022	Council and Stantec Australia Pty Ltd	Index determined by Council	7.88%	- Remaining lives and physical obsolescence, particularly for underground infrastructure not easily inspected. These limitations are not incorporated into standardised unit rates. The conditions of assets not inspected are extrapolated based upon the condition data collected on inspected assets
Solid Waste Disposal (level 3)	Current Replacement Cost	30 June 2023	Stantec Australia Pty Ltd	Comprehensively Revalued	Not applicable	- Current replacement cost for a modern equivalent asset with a similar service potential - Standardised unit rates for construction as at the date of last revaluation (based on industry standard cost guides, valuer database, current contract data and costs from recently completed projects) indexed for subsequent changes in construction costs - Componentisation of costs for complex assets. It is assumed that design and construction is to the same standard across each component

Notes to the consolidated financial statements

For the year ended 30 June 2023

12 Trade and other 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.

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.

Sick leave

Council has an obligation to pay a portion of sick leave on termination to certain employees and therefore a liability has been recognised for this obligation.

Superannuation

The superannuation expense for the reporting period is the amount of the contribution Council makes to the superannuation plan which provides benefits to its employees. Details of those arrangements are set out in Note 20.

	2023	2022
	\$'000	\$'000
Current		
Creditors	14,763	15,963
Accrued expenses	10,661	10,987
Other payables	5,847	6,584
Prepaid rates	17,335	16,241
Sick leave	1,735	1,849
Other entitlements	472	472
	<u>50,813</u>	<u>52,096</u>

13 Provisions

Annual leave

A provision for annual leave is recognised. Amounts expected to be settled within 12 months are calculated on current wage and salary levels and includes related employee on-costs. Amounts not expected to be settled within 12 months are calculated on projected future wage and salary levels and related employee on-costs, and are discounted to present values.

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 Council's employment or other associated employment which would result in 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 as a provision.

Where employees have met the prerequisite length of service a probability factor is applied to determine the portion of their entitlement likely to be taken within the next twelve months. This is classified as a current liability, with the remainder classified as non-current.

Notes to the consolidated financial statements

For the year ended 30 June 2023

13 Provisions (continued)

Developer contribution credits

A provision is made for the cost of trunk infrastructure assets constructed by developers on behalf of Council. The provision is raised when construction works are sufficiently progressed that the value and timing of payment can be reliably measured. Corresponding assets are also recognised within work in progress at this time. Where the value of the trunk infrastructure assets cannot be reliably measured, a contingent liability and corresponding contingent asset are disclosed.

The provision is classified as current where payment is expected to be settled within 12 months and is classified as non-current where payment is not expected to be settled within 12 months. Where payment for the trunk infrastructure assets is not expected to be settled within 12 months, the value of the payment is discounted to present value.

	2023	2022
	\$'000	\$'000
Current		
Annual leave	13,262	13,572
Developer contribution credits	13,015	11,791
Long service leave	<u>1,957</u>	<u>1,636</u>
	<u><u>28,234</u></u>	<u><u>26,999</u></u>
Non-current		
Long service leave	<u>13,752</u>	<u>14,362</u>
	<u><u>13,752</u></u>	<u><u>14,362</u></u>

Details of movements in non-employee benefit provisions:

Developer contribution credits

Balance at the beginning of the financial year	11,791	20,672
Developer contribution credits arising	7,625	4,234
Developer contribution credits paid	(2,680)	(6,644)
Developer contribution credits offset against contributions payable to Council	(3,721)	(6,471)
Balance at end of financial year	<u><u>13,015</u></u>	<u><u>11,791</u></u>

* Comparative figures have been restated. Refer to Note 27 for further information.

14 Borrowings

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

Where borrowing costs can be attributed to a specific capital project, the costs are capitalised as part of the qualifying asset during construction. Otherwise, borrowing costs are expensed as finance costs when they are incurred.

Costs that are not settled in the period in which they are incurred are included in payables.

Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

In accordance with the Local Government Regulation 2012 Council adopts an annual debt policy that sets out Council's planned borrowings for the current financial year and the next nine years. Council's current policy is to only borrow for capital projects and for a term no longer than 20 years. 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.

Cairns Regional Council

Notes to the consolidated financial statements

For the year ended 30 June 2023

14 Borrowings (continued)

Unsecured borrowings

Unsecured borrowings are provided by the Queensland Treasury Corporation. All borrowings are in Australian dollars and carried at amortised cost. No assets have been pledged as security by Council for any liabilities, however all loans are guaranteed by the Queensland Government. Expected final repayment dates vary from 15 April 2024 to 15 April 2032.

There have been no defaults or breaches of loan agreements during the period. Principal and interest repayments are made monthly in arrears.

A reconciliation of liabilities arising from finance activities can be found at note 22.

Working capital facility

A working capital facility (WCF) of \$60,000,000 has been established with the Queensland Treasury Corporation. As at 30 June 2023 there were no working capital drawdowns.

Details of borrowings at the reporting date are:

	2023 \$'000	2022 \$'000
Current		
Queensland Treasury Corporation (QTC) Loan	26,728	26,190
Economic Development Queensland (EDQ)**	281	281
	<u>27,009</u>	<u>26,471</u>
Non-Current		
Queensland Treasury Corporation (QTC)	128,548	155,417
Economic Development Queensland (EDQ)**	844	1,125
	<u>129,392</u>	<u>156,542</u>

The QTC loan market value at the reporting date was \$144,394,864. This represents the value of the debt if Council repaid it at this 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.

Refer to Note 25 (e) for further information on market value.

**This is an interest free loan over 9 years obtained from Economic Development Queensland as part of the Priority Development Infrastructure Co-Investment Program. The funds were used to construct trunk sewerage infrastructure at Mount Peter and are unsecured. The funds were received in September 2018 with repayment to be made in 8 equal instalments over the loan period. There are 4 instalments remaining to be paid. The loan has been measured at amortised cost and not fair value. The benefit of the interest free terms has not been brought into account in these financial statements due to materiality.

Cairns Regional Council

Notes to the consolidated financial statements

For the year ended 30 June 2023

15 Contract liabilities

Revenue received in advance represents consideration received in advance of the service being performed or in the case of capital grants and subsidies, in advance of the asset being constructed. It is recognised as revenue in the period when the service is performed or the asset is constructed. Additional information regarding advance payment of the State Waste Levy can be found at note 8.

	<u>2023</u> \$'000	<u>2022</u> \$'000
Current		
Capital grants	3,828	3,885
Other revenue and receipts received in advance	63	279
State Waste Levy	1,017	1,087
	<u>4,908</u>	<u>5,251</u>
Non-current		
State Waste Levy	2,430	2,763
	<u>2,430</u>	<u>2,763</u>

Satisfaction of contract liabilities

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

16 Leases

Council as a lessee

Where Council assesses that an agreement contains a lease with a term longer than 12 months and a value greater than \$10,000, a right-of-use asset and lease liability is recognised at the beginning of the lease. Council does not separate lease and non-lease components for any class of assets and has accounted for lease payments as a single component.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives received. The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment annually in accordance Council's policy on impairment of property, plant and equipment.

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

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is re-measured where there is a lease modification, change in estimate of the lease term or change in index upon which the lease payments are based (e.g. CPI).

Where the lease liability is re-measured, the right-of-use asset is adjusted to reflect the re-measurement.

Exceptions to lease accounting

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

Cairns Regional Council

Notes to the consolidated financial statements

For the year ended 30 June 2023

16 Leases (continued)

Terms and conditions of leases

Council leases a range of buildings which are used for offices and libraries, as well as a range of land on which Council assets are situated. The leases are for terms between 5 and 60 years. Some leases include options to extend the lease term and options to terminate leases at predetermined dates. These options are not included in the right of use asset or lease liability unless it is reasonably certain that Council will renew, extend or terminate the lease.

Leases at significantly below market value - concessionary or peppercorn leases

Council has leases at significantly below market value for buildings and infrastructure, including bus shelters.

The leases are generally between three and indefinite years and require payments between \$1 and \$1,200 per year. Council does not consider that any of the leases in place are individually material.

First time disclosure

Council has previously not applied AASB 16 Leases, due to immateriality. Effective from 1 July 2022, Council has applied AASB 16 and the comparative information for the year ended 30 June 2022 has been restated. All adjustments on adoption of AASB 16 have been taken to the retained surplus as at 1 July 2022 (refer to note 27 for further information). Comparative information for the year ended 30 June 2022 is shown below.

	2023	2022
	\$'000	\$'000
Right of use asset		
Balance as 1 July	5,077	5,502
Adjustment to right of use asset due to re-measurement of lease liability	366	-
Amortisation charge	(459)	(425)
Balance at 30 June	<u>4,984</u>	<u>5,077</u>

Lease liability

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

Within one year	564	541
Later than one year but not later than five years	1,919	2,051
More than five years	4,073	4,503
	<u>6,556</u>	<u>7,095</u>
Total per statement of financial position:		
Current lease liability	439	405
Non-current lease liability	4,762	4,834
	<u>5,201</u>	<u>5,239</u>

Amounts included in the statement of comprehensive income related to leases

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

Interest on lease liabilities	136	140
Amortisation of right of use assets	459	425
	<u>595</u>	<u>565</u>
Total cash outflows for leases	<u>541</u>	<u>476</u>

Cairns Regional Council

Notes to the consolidated financial statements

For the year ended 30 June 2023

17 Commitments for expenditure

(a) Contractual commitments

Contractual commitments at the reporting date but not recognised in the financial statements are:

	<u>2023</u> <u>\$'000</u>	<u>2022</u> <u>\$'000</u>
Contract for Regional Waste Management Facility:		
Not later than 1 year	14,258	13,245
Later than 1 year but not later than 5 years	30,381	43,583
	<u>44,639</u>	<u>56,828</u>
Contract for Refuse Disposal:		
Not later than 1 year	11,770	9,514
Later than 1 year but not later than 5 years	23,160	28,345
	<u>34,930</u>	<u>37,859</u>
Contract for Other commitments:		
Not later than 1 year	28,238	22,970
Later than 1 year but not later than 5 years	32,822	14,342
Later than 5 years	5,639	986
	<u>66,700</u>	<u>38,298</u>

(b) Capital commitments

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

Capital assets	<u>39,952</u>	<u>45,482</u>
	<u>39,952</u>	<u>45,482</u>
Not later than 1 year	33,413	34,730
Later than 1 year but not later than 5 years	6,539	10,752
	<u>39,952</u>	<u>45,482</u>

18 Events after the reporting date

There were no material financial adjusting events after the reporting date.

Cairns Regional Council

Notes to the consolidated financial statements

For the year ended 30 June 2023

19 Contingent liabilities

(a) Contingent liabilities

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

	<u>Note</u>	<u>2023 \$'000</u>	<u>2022 \$'000</u>
Various claims are pending against Council. In the opinion of Council's solicitor the potential loss on all claims as at 30 June 2023 should not exceed:		155	165

Additional claims may exist, however, these have not been quantified to date.

Cairns Regional Council is a member of the Queensland local government workers compensation self-insurance scheme, Local Government Workcare. Under this scheme Council has provided an indemnity towards a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled and there were insufficient funds available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise. Council's maximum exposure to the bank guarantee is:

25(b)	4,121	3,843
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Cairns Regional 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 2023, the financial statements of Local Government Mutual Queensland reported an accumulated surplus and it is not anticipated any liability will arise. As at 30 June 2022 the financial statements of Local Government Mutual Queensland reported a members' equity balance of \$69,455,872 (2021: \$79,618,265).

(b) Loan and bank guarantees

Loans and bank guarantees to community organisations	25(b)	1,180	977
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20 Superannuation

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

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

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

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

Cairns Regional Council

Notes to the consolidated financial statements

For the year ended 30 June 2023

20 Superannuation (continued)

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

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

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

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

- Investment risk: The risk that the scheme's investment returns will be lower than assumed and additional contributions are needed to fund the shortfall.
- Salary growth risk: The risk that wages or salaries will rise more rapidly than assumed, increasing vested benefits to be funded.

	2023	2022
Note	\$'000	\$'000
Superannuation contributions made to the Regional Defined Benefits Fund in this period for the benefit of employees was:	310	352
The amount of superannuation contributions paid by Cairns Regional Council to the superannuation scheme in this period for the benefit of employees was:	11,490	10,905
Cairns Regional Council also contributes to the superannuation scheme for the benefit of elected members. The amount of contributions paid for this benefit during the reporting period was:	138	134
Total superannuation contributions paid by Council:	5 <u>11,938</u>	<u>11,391</u>

Cairns Regional Council

Notes to the consolidated financial statements

For the year ended 30 June 2023

21 Reconciliation of net result attributable to Council to net cash inflow from operating activities

	<u>2023</u> <u>\$'000</u>	<u>2022</u> <u>\$'000</u>
Net result attributable to Council	39,318	29,687
Non-cash operating items:		
Depreciation and amortisation	100,543	98,295
	<u>100,543</u>	<u>98,295</u>
Investing and development activities (non-cash):		
Capital grants, subsidies and contributions	(55,564)	(61,186)
Capital expenses	16,855	38,988
	<u>(38,709)</u>	<u>(22,198)</u>
Changes in operating assets and liabilities:		
(Increase)/decrease in receivables	(878)	2,299
(Increase)/decrease in inventories	(1,440)	(217)
Increase/(decrease) in payables	166	6,981
Increase/(decrease) in provisions	(599)	1,098
Increase/(decrease) in revenue received in advance	(619)	4,017
	<u>(3,370)</u>	<u>14,178</u>
Net cash inflow from operating activities	<u><u>97,782</u></u>	<u><u>119,962</u></u>

22 Reconciliation of liabilities arising from finance activities

Short and Long Term Borrowings

As at 1 July 2022	183,013	192,128
Cash proceeds from borrowings	-	30,000
Cash repayments of borrowings	(26,612)	(23,733)
Cash proceeds from working capital facility	14,710	75,498
Cash repayments of working capital facility	(14,710)	(90,880)
As at 30 June 2023	<u>156,401</u>	<u>183,013</u>

23 Transactions with Related Parties

(a) Controlled Entities

The controlled entity of Council is Cairns Art Gallery Limited (the Gallery). Council has consolidated a 100% interest in the Gallery into these financial statements by virtue of its controlling interest. Under the constitution of the Gallery, control is able to be exercised by Council by determining the composition of the Board.

During the year, Council provided funding to the Gallery with a total value of \$1,307,091 (2022: \$1,233,105) under a three year funding agreement effective 1 July 2020 to 30 June 2023. These transactions are eliminated on consolidation. In addition, the premises occupied by the Gallery are provided to them by Council for a nominal annual amount and electricity costs of \$207,318 were paid by Council on behalf of the Gallery.

The Local Government Superannuation Scheme is also a related entity of Council. Details including contributions made during the year are disclosed in Note 20.

Cairns Regional Council

Notes to the consolidated financial statements

For the year ended 30 June 2023

23 Transactions with Related Parties (continued)

(b) Transactions with key management personnel (KMP)

KMP include the Mayor, Councillors, Council's Chief Executive Officer and executive management. It also includes the KMP of Council's controlled entity. The compensation paid to KMP comprises:

	<u>2023</u> <u>\$'000</u>	<u>2022</u> <u>\$'000</u>
Short-term employee benefits	3,881	4,211
Post-term benefits	387	404
Long-term benefits	53	40
Termination benefits	-	225
Total	<u>4,321</u>	<u>4,880</u>

Additional remuneration disclosures are provided in the annual report.

(c) Transactions with other related parties

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

Employee expenses for close family members of KMP	770	770
Professional services	4	261
	<u>773</u>	<u>1,031</u>

Close family members of KMP were employed through an arm's length process in accordance with Council's recruitment policies. They are paid in accordance with the relevant award for the job they perform. The above figure includes all remuneration received by close family members of KMP.

During the year, an entity controlled by a KMP provided professional services to Council. All transactions occurred through an arm's length process under normal terms and conditions. There were no other material transactions with other related parties during the year. All transactions with other related parties occurred at arm's length and under Council's normal terms and conditions.

(d) Outstanding balances

There were no material balances outstanding at the end of the reporting period in relation to transactions with related parties. No expense has been recognised in the current year or prior year for bad or doubtful debts in respect of amounts owed by related parties.

(e) Loans and guarantees to/from related parties

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

(f) Commitments to/from other related parties

Council has no outstanding commitments to/from other related parties.

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

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

- Payment of rates, fees and charges
- Dog registration
- Use of Council facilities such as swimming pools and car parking

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

Cairns Regional Council

Notes to the consolidated financial statements

For the year ended 30 June 2023

24 Parent Entity

The following information relates to the parent entity, Cairns Regional Council. The information presented has been prepared using accounting policies that are consistent with those presented in Note 1.

	Parent	
	2023	2022
	\$'000	\$'000
Current assets	90,487	86,406
Non-current assets	4,666,366	4,297,093
Total assets	4,756,853	4,383,499
Current liabilities	111,443	111,604
Non-current liabilities	149,704	177,831
Total liabilities	261,147	289,435
Asset revaluation surplus	1,765,460	1,402,858
Retained surplus	2,730,246	2,691,206
Total equity	4,495,706	4,094,064
Net result	39,038	29,601
Other comprehensive income	362,601	131,741
Total comprehensive income for the year	401,639	161,342

* Comparative figures have been restated. Refer to Note 27 for further information.

25 Financial instruments and financial risk management

(a) Financial risk

Council is responsible for the establishment and oversight of a risk management framework, together with developing and monitoring risk management policies. Council's management approves policies for overall risk management, as well as specifically for managing credit, liquidity and market risk.

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

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

Council does not enter into derivatives.

(b) Credit risk

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

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

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

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

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

Cairns Regional Council

Notes to the consolidated financial statements

For the year ended 30 June 2023

25 Financial instruments and financial risk management (continued)

(b) Credit risk

The following table represents the maximum exposure to credit risk based on the carrying amounts of financial assets at the end of the reporting period:

	Note	2023 \$'000	2022 \$'000
Financial assets			
Cash and cash equivalents - bank	8	11,941	4,437
Cash and cash equivalents - on hand	8	12	12
Cash and cash equivalents - QTC	8	25,213	36,891
Receivables - rates		23,288	24,009
Receivables - other		8,467	4,160
Other credit exposures			
Local Government Workcare guarantee	19(a)	4,121	3,843
Loan and bank guarantees	19(b)	1,180	977
Total		<u>74,222</u>	<u>74,330</u>

Cash and cash equivalents

Council may be exposed to credit risk through its investments in the QTC Cash Fund and QTC Working Capital Facility. The QTC Cash Fund is an asset management portfolio that invests with a wide range of high credit rated counterparties. Deposits with the QTC Cash Fund are capital guaranteed. Working Capital Facility deposits have a duration of one day and all investments are required to have a minimum credit rating of "A-", therefore the likelihood of the counterparty having capacity to meet its financial commitments is strong.

Other financial assets

Other investments are held with financial institutions, which are rated A-1+, A-2 and unrated, and whilst not capital guaranteed, the likelihood of a credit failure is assessed as remote.

Trade and other receivables

Receivables are measured at amortised cost which approximates fair value at reporting date. Trade debtors are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase/contract price. Settlement of these amounts is generally required within 30 days from invoice date.

When Council has no reasonable expectation of recovering an amount owed by a debtor, and has ceased enforcement activity, the debt is written-off by directly reducing the receivable against the loss allowance. If the amount of debt written off exceeds the loss allowance, the excess is recognised as an impairment loss. Accounting for impairment losses is dependent upon the individual group of receivables subject to impairment. Council has identified 2 distinctive groupings of its receivables: Rates and Charges and Other Debtors.

Rates and Charges: This group of receivables possess a credit enhancement. Council is empowered under the provisions of the *Local Government Act 2009* to sell an owner's property to recover outstanding rate debts and therefore the expected credit loss is immaterial. Impairment of rates and charges will occur only if arrears are deemed to be greater than the proceeds Council would receive from the sale of the respective property. This group includes statutory charges which, when unpaid, are treated in the same manner as rates debts.

Other Debtors: Council identifies other debtors as receivables which are not rates and charges. For these debtors, Council assesses the credit risk before providing goods or services and applies normal business credit protection procedures to minimise the risk.

By the nature of Councils operations, there is a geographical concentration of risk in Council's area. Because the area has a significant tourism sector, there is also a concentration of risk from the tourism sector.

Cairns Regional Council

Notes to the consolidated financial statements

For the year ended 30 June 2023

25 Financial instruments and financial risk management (continued)

(b) Credit risk

Ageing of past due receivables and the amount of any impairment is disclosed in the following table:

	2023	2022
	\$'000	\$'000
Receivables subject to impairment		
Fully performing	1,931	1,486
Past due		
31 to 60 days	267	301
61 to 90 days	268	129
Over 90 days	3,190	2,606
Total gross carrying amount	5,656	4,522
Less: loss allowance	(2,085)	(1,666)
	3,571	2,856
Receivables not subject to impairment		
Rates and charges	28,184	25,313
	31,755	28,169

(c) Liquidity risk

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

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

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

Council manages its exposure to liquidity risk by maintaining sufficient cash deposits and undrawn facilities, both short and long term, to cater for unexpected volatility in cash flows. These facilities are disclosed in note 14. The following lines of credit were available at the end of the reporting period.

	2023	2022
	\$'000	\$'000
QTC working capital facility - limit	60,000	60,000
Available at 30 June	60,000	60,000

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

Total contractual cash flows	0 to 1 year	1 to 5 years	Over 5 years	Total	Carrying amount
	\$'000	\$'000	\$'000	\$'000	\$'000
2023					
Trade and other payables	31,271	-	-	31,271	31,271
Loans - QTC	29,970	98,102	38,231	166,303	155,276
Loans - EDQ	281	844	-	1,125	1,125
	61,522	98,946	38,231	198,699	187,672
2022					
Trade and other payables	33,534	-	-	33,534	33,534
Loans - QTC	29,999	108,948	57,356	196,303	181,606
Loans - EDQ	281	1,125	-	1,406	1,406
	63,814	110,073	57,356	231,243	216,547

Cairns Regional Council

Notes to the consolidated financial statements

For the year ended 30 June 2023

25 Financial instruments and financial risk management (continued)

(c) Liquidity risk

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

(d) Market risk

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

Interest rate risk

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

Council's loan from Economic Development Queensland is interest free and not subject to interest rate risk.

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

(e) Fair value

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

The fair value of borrowings with QTC is based on the market value of the debt outstanding. The market value of a debt obligation is the discounted value of future cash flows based on prevailing market rates and represents the amount required to be repaid if this was to occur at balance date. The market value of debt is provided by QTC and is discussed in Note 14.

QTC applies a book rate approach in the management of debt and interest rate risk, to limit the impact of market value movements to clients' cost of funding. The book value represents the carrying value based on amortised cost using the effective interest method.

Cairns Regional Council

Notes to the consolidated financial statements

For the year ended 30 June 2023

26 National Competition Policy

Significant Business Activities of Council are:

- Cairns Water which manages the water and wastewater activities.
- Cairns Resource Recovery which manages the solid waste activities.

Applying the Code of Competitive Conduct (CCC)

Applying the CCC requires the application of full cost pricing, identifying the cost of Community Service Obligations (CSO) and eliminating the advantages and disadvantages of public ownership within that activity.

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

Below are the Activity Statements for the Significant Business Activities of which the Code of Competitive Conduct applies for the 2022/23 financial year, as required by Section 35 of the Local Government Regulation 2012.

2022/23 Activity Statements

Significant Business Activities	Cairns Water \$'000	Cairns Resource Recovery \$'000
Revenue		
Services provided to the Council	10,044	6,217
Services provided to external clients	152,493	42,307
Community Service Obligations (net of charges)	957	1,007
Revenue Total	163,494	49,531
Less: Expenditure		
Employee Costs	16,266	5,975
Materials and Services	47,709	34,456
Depreciation	40,439	1,752
Other Expenditure	6,210	137
Expenditure Total	110,624	42,320
Surplus/(Deficit) Before Dividend	52,870	7,211

2022/23 Community Service Obligations

Activities	CSO Description	Net Cost \$'000
Water Services	Water Rates Based Financial Assistance	54
	Total	54
Wastewater Services	Sewerage Rates Based Financial Assistance	903
	Total	903
Resource Recovery Services	Free green waste initiative conducted twice a year	501
	Charity exemptions for waste disposal	216
	Collection and disposal relating to community clean up events	2
	Free hazardous waste disposal to prevent incorrect disposals	243
	Recycling services free of charge to schools	36
	Concessions for patients receiving home dialysis	6
	Donations of buy back shop to charity	2
Total	1,006	

Cairns Regional Council

Notes to the consolidated financial statements

For the year ended 30 June 2023

27 Prior Period Adjustments

During 2022/23 Council identified contributed land assets totalling \$13,032,946 with commission dates prior to 1 July 2021, as well as \$18,121,198 of land and land improvement assets which should have been decommissioned prior to 1 July 2021. These amounts should have been accounted for by Council in years prior to 2021/22.

In addition, credits for infrastructure charges of \$1,613,629 were previously accounted for as a cash reserve by Council, which should have been recognised as a liability in years prior to 2021/22.

Council has previously not applied AASB 16 Leases, due to immateriality. Effective from 1 July 2022, Council has applied AASB 16 recognising at 30 June 2022 a right of use asset of \$5,077,463 (\$4,690,788 for Council and \$386,675 for the controlled entity), a current lease liability of \$404,676 (\$371,914 for Council and \$32,762 for the controlled entity) and non-current lease liability of \$4,834,732 (\$4,453,233 for Council and \$381,499 for the controlled entity). The lease entries for Council's controlled entity were previously presented in property, plant and equipment and trade and other payables as at 30 June 2022 and have been reclassified to right of use assets and lease liabilities as at 30 June 2023. No adjustments have been made to the comparatives in the consolidated Statement of Comprehensive Income or the consolidated Statement of Cash Flows as a result of adopting AASB 16 as the impact is immaterial.

To correct the impact of the prior period errors, Council has adjusted the 2021/22 comparative figures in the Statement of Financial Position, Statement of Changes in Equity and applicable notes to the financial statements. Adjustments impacting the financial statement line items are presented below:

	Actual 2022 \$'000	Adjustment \$'000	Restated Actual 2022 \$'000
Statement of Financial Position (Extract)			
<i>Non-current assets</i>			
Property, plant and equipment	4,301,549	(5,476)	4,296,073
Lease right of use assets	-	5,077	5,077
Total non-current assets	4,304,636	(399)	4,304,237
<i>Total assets</i>	4,391,853	(399)	4,391,454
<i>Current liabilities</i>			
Trade and other payables	52,510	(414)	52,096
Provisions	25,385	1,614	26,999
Lease liabilities	-	405	405
Total current liabilities	109,617	1,605	111,222
<i>Non-current liabilities</i>			
Lease liabilities	-	4,834	4,834
Total non-current liabilities	173,667	4,834	178,501
<i>Total liabilities</i>	283,284	6,439	289,723
<i>Net community assets</i>	4,108,569	(6,838)	4,101,731
<i>Community equity</i>			
Retained surplus	2,702,884	(6,838)	2,696,046
Total community equity	4,108,569	(6,838)	4,101,731
Statement of Changes in Equity (Extract)			
Prior period adjustment	-	(6,838)	(6,838)
Balance of retained surplus	2,702,884	(6,838)	2,696,046
Note 2b - Analysis of results by function (extract)			
<i>Assets</i>			
Finance & Business Services	381,350	13,161	394,511
Lifestyle & Community	387,915	(13,560)	374,355
Total Council Continuing Operations	4,391,853	(399)	4,391,454

Cairns Regional Council

Notes to the consolidated financial statements

For the year ended 30 June 2023

27 Prior Period Adjustments (continued)

	Actual 2022 \$'000	Adjustment \$'000	Restated Actual 2022 \$'000
<u>Note 11b Property, plant and equipment (extract)</u>			
<i>Opening gross value as at 1 July 2021</i>			
Land and site improvements	368,663	(5,089)	363,574
Plant, equipment and other assets	155,931	(503)	155,428
Total opening gross value as at 1 July 2021	6,008,593	(5,592)	6,003,001
<i>Accumulated depreciation and impairment opening balance as at 1 July 2021</i>			
Plant, equipment and other assets	83,254	(116)	83,138
Total opening balance as at 1 July 2021	1,832,669	(116)	1,832,553
<i>Net value at 30 June 2022</i>			
Land and site improvements	342,392	(5,089)	337,303
Plant, equipment and other assets	62,960	(387)	62,573
Total opening gross value as at 1 July 2021	4,301,549	(5,476)	4,296,073
<u>Note 12 Trade and other payables (extract)</u>			
<i>Current</i>			
Other payables	6,998	(414)	6,584
Total	52,510	(414)	52,096
<u>Note 13 Provisions (extract)</u>			
<i>Current</i>			
Developer contribution credits	10,177	1,614	11,791
Total current provisions	25,385	1,614	26,999
<i>Developer contribution credits</i>			
Balance at the beginning of the financial year	19,058	1,614	20,672
Balance at the end of financial year	10,177	1,614	11,791

Management Certificate

For the year ended 30 June 2023

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

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

- (i) the prescribed requirements of the *Local Government Act 2009* and Local Government Regulation 2012 for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the general purpose financial statements as set out on pages 1 to 37 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.



Bob Manning
Mayor

13 September 2023



Mica Martin
Chief Executive Officer

13 September 2023

INDEPENDENT AUDITOR'S REPORT

To the councillors of Cairns Regional Council

Report on the audit of the financial report

Opinion

I have audited the financial report of Cairns Regional Council (the Council) and its controlled entity (the Group).

In my opinion, the financial report:

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

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

Basis for opinion

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

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

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

Other information

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

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

The councillors are responsible for the other information.

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

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

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

Responsibilities of the councillors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

- Conclude on the appropriateness of the Council's and the Group's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Councils or the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Council or the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the audit of the Group. I remain solely responsible for my audit opinion.

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

Report on other legal and regulatory requirements

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

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

Prescribed requirements scope

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



S Narasimhan
as delegate of the Auditor-General

15 September 2023

Queensland Audit Office
Brisbane

Cairns Regional Council

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

Measures of Financial Sustainability

	How the measure is calculated	Target	30 June 2023	
			Consolidated	Council
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	Between 0% and 10%	0%	0%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense	Greater than 90%	67%	67%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	Not greater than 60%	47%	47%

Note 1 – Basis of Preparation

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

Certificate of Accuracy For the year ended 30 June 2023

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

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



Bob Manning
Mayor

13 September 2023



Mica Martin
Chief Executive Officer

13 September 2023

INDEPENDENT AUDITOR'S REPORT

To the councillors of Cairns Regional Council

Report on the current-year financial sustainability statement

Opinion

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

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

Basis of opinion

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

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

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

Emphasis of matter – basis of accounting

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

Other Information

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

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

The councillors are responsible for the other information.

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

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

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

Responsibilities of the councillors for the current-year financial sustainability statement

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

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

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

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

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

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

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



15 September 2023

S Narasimhan
as delegate of the Auditor-General

Queensland Audit Office
Brisbane



Cairns Regional Council

Appendix A

For the year ended 30 June 2023

THE FOLLOWING REPORT DOES NOT FORM PART OF THE AUDITED FINANCIAL STATEMENTS. IT HAS BEEN PROVIDED AS ADDITIONAL MANAGEMENT INFORMATION TO ASSIST THE READER IN THEIR ANALYSIS OF THE FINANCIAL STATEMENTS.

Cairns Regional Council

Long-Term Financial Sustainability (Unaudited)

Prepared as at 30 June 2023

Measures of Financial Sustainability

	Measure	Target	Consolidated	Council	Projected for the years ended (Council)								
			Actuals at 30 June 2023		30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028	30 June 2029	30 June 2030	30 June 2031	30 June 2032
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	Between 0% and 10%	0%	0%	0%	1%	2%	1%	0%	0%	0%	1%	0%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense	Greater than 90%	67%	67%	68%	74%	81%	90%	82%	84%	73%	89%	81%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue	Not greater than 60%	47%	47%	53%	59%	72%	70%	66%	59%	50%	48%	47%

Cairns Regional Council's Financial Management Strategy

Council aims to operate within a set of conservative guide-posts to ensure we are financially sustainable in the short, medium and long term. As part of our financial strategy, we have the above three sustainability indicators that have been set by the Department of State Development, Infrastructure, Local Government and Planning to help monitor the long-term sustainability of all councils across Queensland. Throughout the financial year, these indicators are calculated and reported on monthly at Council meetings, as part of a full suite of financial reports. Should there be any deviation outside these parameters, the executive management and Council will be fully informed and may take corrective action as required.

The above ratios have been calculated using Council's most recently adopted budget review.

Certificate of Accuracy

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

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

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



Bob Manning
Mayor
13 September 2023



Mica Martin
Chief Executive Officer
13 September 2023