

# ANNUAL REPORT

2023-2024







## Acknowledgement of Country

Gympie Regional Council acknowledges the Kabi Kabi, Wakka Wakka and Butchulla people as the Traditional Owners and Custodians of the land upon which we stand, work and play.

We recognise their continuing connection to the land, waters and country, and that the Gympie region has always been a place of social, cultural and spiritual significance.

We pay respect to their Elders past, present, and future and extend that respect to all other Aboriginal and Torres Strait Islander people within our region.

## Our Commitment to Human Rights

Gympie Regional Council's vision is for a fair and responsive community, that respects and promotes human rights of all people in the region. As a core public entity, we put human rights first when making decisions and providing services to our community. We do so by ensuring that we:

- Consider human rights when making decisions
- Act and make decisions in a way that is compatible with human rights.







Gympie Regional Council is pleased to present the Annual Report for 2023-2024.

The purpose of this report is to meet our obligations under the *Local Government Act 2009* (the Act); the *Queensland Local Government Regulation 2012* (the Regulation) and the *Public Ethics Act 1994*, and detail the Gympie region's performance over the past year.

Progress in this report is measured by the strategies and outcomes identified in the Corporate Plan 2022-2027. The key response areas for this plan are:

### 1. Community and Environment

### 2. Infrastructure and Economic Opportunity

### 3. Organisation

As part of our environmental commitment, we encourage you to download a digital copy of this report instead of printing.

If you have any feedback on this report, or ideas on how to make our next report better, please email your feedback or questions to [council@gympie.qld.gov.au](mailto:council@gympie.qld.gov.au) or call one of our friendly customer service officers on 1300 307 800.



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## Financial Statements



# Message from the Mayor

This past financial year has been another critical one for our region, marked by the swearing-in of your newly elected Council. Together, we are focused on building upon the successes of the previous term and addressing the ongoing challenges of providing the essential services our community relies on.

With that said, I think it is important that I take this opportunity to address the organisation's current financial position directly. For the 2023/2024 financial year, Council is reporting a significant operating deficit of \$11.58 million, a substantial difference from the \$0.75 million surplus we originally budgeted.

The primary reason for Council's current operational result is due to recent accounting and legislative changes, increases in depreciation expenditure and delays in federal grant funding.

To put it in simple terms, new accounting standards require us to adjust the way we report certain assets and liabilities, which if we were able to utilise last year's accounting treatment, would have resulted in an operational deficit of \$4.3m instead of the significant deficit reported. Additionally, a delay in receiving a \$6.3 million Federal Government Financial Assistance Grant until after the end of the financial year, and a \$4.8 million increase in depreciation, attributed in part by the capitalisation of approximately \$60 million of flood recovery projects, have all added further pressure to our overall financial position.

If the Financial Assistance Grant had been received at the usual time, Council would have reported an operational surplus of \$2 million.

The cost-of-living crisis is affecting everyone including households, local businesses, and Council operations alike. Over the past two years, we've seen significant increases in costs for labour and materials. For example, the price of concrete has risen by as much as \$60 per cubic metre. These escalating expenses make it more challenging than ever to deliver essential services as efficiently and cost-effectively as we'd like.

In times gone by, decisions were often made to fund "nice-to-have" projects, leaving essential areas like IT and water infrastructure without the resources needed for proper maintenance and upgrades. Now, Council is taking the step of investing significant funds and resources to bring these critical functions up to modern standards—a necessary shift, as some of these areas have gone over a decade without adequate investment. While many of these improvements may not be immediately noticeable to residents, they will yield substantial long-term benefits that will support all residents for years to come.

These ongoing unforeseen external factors will continue to make it increasingly difficult for Council to forecast our position accurately, despite our commitment to careful planning.

Along with my fellow Councillors and the Executive Leadership Team, we're working together to overcome these challenges and deliver outcomes that will drive long-term growth of our region.

I want to end by thanking all of Council's dedicated staff, whose tireless work continues to provide the essential services that make our region a great place to live.

*Cr Glen Hartwig,  
Mayor*





# Message from the CEO

The Annual Report is an important document that allows our organisation to reflect on the achievements we have made for the region and the community.

As your council, we are committed to ensuring we deliver on our values of Accountability, Communication, Integrity, Customer Service Focus, and Teamwork and Collaboration. In this reporting period we welcomed 61,076 community member enquiries, including over 41,000 telephone calls to our 1300 number. Online requests exceeded 2500 and we received 7006 general email and mail enquiries. Eighty per cent of enquiries received a response from the relevant business unit within 10 business days, with 41 per cent of telephone enquiries resolved at the time of contact.

Our six libraries welcomed 206,643 visitors with 579,111 items checked out, downloaded or streamed. The Gympie Regional Gallery welcomed 9000 visitors and celebrated 25 years at its home in the historic School of Arts building in Nash Street. In the Building and Plumbing sector, there were over 3200 approvals and searches.

Investments in assets used by the community include new water and sewerage works, a scheduled road maintenance program for council-maintained roads and strengthening of partnerships with state and commonwealth government agencies to deliver for our residents.

Consultation on a new planning scheme to help us accommodate a growing population and increases in tourism and short stay needs over the next 20-25 years is underway. Our current planning scheme was developed in 2013, so it is timely that we review the best use of our spaces to accommodate a growing population and diversity of business and attractions.

Flood recovery works have continued with Works for Queensland contributing \$95 million to rebuild community infrastructure, purchase flood impacted homes through the buyback scheme, and support new projects to improve future flood resilience. We still have work to do, and with our construction partners we aim to complete the works by the end of 2025.

Council continues to support many of our local groups as identified in this document. A total of \$621,266 in community grants was awarded in 2023-2024 responding to community needs, and the social, environmental and cultural wellbeing of the Gympie region.

Gympie Regional Council has a vision for embracing opportunities, promoting wellbeing, and celebrating strong communities, and it has been a great pleasure to serve my community with the Council team.

*Robert Jennings,  
Chief Executive Officer*





## Our values

### Accountability

We are open, transparent and take responsibility for our actions.

### Communication

We consult with the community, actively listen to and respond to the input of residents, and keep people informed.

### Customer Service Focused

We meet the needs of our community in an efficient and effective manner. We strive to continually improve, show empathy and are environmentally aware in our service delivery.

### Integrity

We act with honesty and respect in all we do and respect all residents, colleagues and visitors.

### Teamwork and Collaboration

We recognise and support everyone's contributions. We are inclusive and contribute respectfully working as a team. We will care for ourselves and others.





# Statutory Information



# Administrative action complaints

As outlined in section 268(2) of the *Local Government Act 2009*:

An administrative action complaint is a complaint that:

- (a) concerns an administrative action of a local government, including, for example:
  - (i) a decision, or a failure to make a decision, including a failure to provide a written statement of reasons for a decision;
  - (ii) an act, or a failure to do an act;
  - (iii) the formulation of a proposal or intention;
  - (iv) the making of a recommendation; and
- (b) is made by an affected person.

Gympie Regional Council is dedicated to continuous improvement through the ongoing development and monitoring of systems, practices, procedures, policies, and services aimed at enhancing overall performance. To remain accountable for its decisions, Council recognises the importance of listening to and addressing complaints.

As an organisation, Council strives to meet its obligations under the Act and ensure that customers, residents, and staff can easily find out:

- where to submit their complaint
- how to submit their complaint
- what information is required to accompany their complaint
- how their complaint will be managed
- where policies and procedures can be located for reference.

To ensure a satisfactory outcome for the complainant, an internal review process is available before the matter is escalated to the relevant external authority.

In accordance with section 187 of the *Local Government Regulation 2012*, the table below provides a summary of administrative action outcomes for the 2023-2024 reporting period.

Administrative Action Complaints	2023-2024
Number of complaints made to Council in 2023-2024 (not including parking disputes)	15
Number of complaints resolved	14
Number of complaints not resolved	1
Number of complaints carried forward from 2022-2023	4



# Audit and Risk Committee report

Gympie Regional Council has an Audit and Risk Committee (ARC) that oversees an internal audit function and deals with external audit, governance and risk matters or issues. The ARC is an advisory committee that reports directly to Council and is comprised of five members; three independents (selected based on expertise) and two elected members. The appointed chair of the ARC is one of the external members as per the Audit and Risk Committee Charter adopted by Council.

The ARC met four times during the financial year, and at each meeting considered the internal audit progress report, the rolling forward audit plan and Council's financial performance. The provision of assurance to Council for the annual financial statements is also a key deliverable.

Matters that were considered by the ARC included:

- strategic asset management plans
- external audit (QAO) report
- cyber security and ICT systems/ICT business plan
- water business unit matters
- risk management
- policy reviews
- internal audit of Council's project management framework
- Gympie Regional Council's risk profile and culture review.

## Beneficial enterprises

In accordance with section 41 of the *Local Government Act 2009*, Gympie Regional Council did not engage in any beneficial enterprises during the reporting period.

## Business activities

Further to the requirements of section 45(a) of the *Local Government Act 2009*, the following list of business activities is aligned to the key strategic themes of the Corporate Plan 2022-2027.

### Community and Environment

- Animal control services
- Art gallery
- Arts and culture
- Building regulatory services
- Cemetery management
- Club development
- Community development
- Community facilities management
- Community grants
- Cultural development
- Disaster management
- Energy efficiency
- Environmental health regulation
- Environmental planning
- Environmental protection
- Environmental services
- Events and festivals
- Gympie Aquatic Recreation Centre
- Heritage facilities and museums
- Heritage planning and awareness
- Lands protection
- Libraries
- Local law services
- Open space and recreation
- Plumbing regulatory services
- Social planning
- Strategic and regional planning
- Venues
- Waste management

## Infrastructure and Economic Development

- Aerodrome
- Asset construction
- Capital works
- Caravan parks
- Contract work for the Department of Transport and Main Roads
- Depot and workshop operations
- Design
- Development assessment and compliance
- Economic development
- Engineering operations and administration
- Fleet/plant operations
- Footpaths, verges, and non-developed land
- Foreshores
- Industry development
- Other recoverable works
- Parks
- Public amenities
- Quarry strategy and operations
- Saleyards
- Sewerage administration, planning and design
- Sewerage maintenance
- Sewerage operations
- Swimming pools
- Water administration, planning, design
- Water maintenance
- Water operations

## Organisation

- Asset management system
- Business continuity
- Change management
- Community engagement
- Council business operations
- Council executive management
- Councillor support services
- Customer contact
- Election services
- Financial accounting
- Geographical information systems
- Governance - legal
- Information and communication technology
- Insurance
- Internal audit
- Internal systems
- Management accounting
- Media and public relations
- People and organisational development
- Procurement management and stores
- Property management
- Rating
- Records management
- Right to information and privacy
- Risk management
- Work health and safety

## Significant business activities

As defined in section 43 (4)(b) of the *Local Government Act 2009*, Council conducted the following business activities during the 2023-2024 financial year:

- water/wastewater
- waste (resource recovery).

In accordance with the threshold of expenditure and the methodology prescribed in sections 19 and 20 of the *Local Government Regulation 2012*, Council's water/wastewater and waste (resource recovery) activities were considered significant business activities for the period.

Pursuant to section 45(c) of the *Local Government Act 2009*, the principle of competitive neutrality has been applied to these activities and a review of the appropriate application of National Competition Policy reforms has determined the adoption of full-cost pricing is the appropriate reform to apply. These activities were conducted in the preceding financial year.



## Competitive neutrality complaints

No investigation notices relating to competitive neutrality complaints were issued during the reporting period. Consequently, no reportable recommendations were issued by the Queensland Competition Authority in relation to competitive neutrality.

## Changes to tenders

Pursuant to section 190(1)(e) of the *Local Government Regulation 2012* there were no invitations to change a tender under section 228(8) of the *Local Government Regulation 2012* during the 2023-2024 financial year.

## Particular resolutions

Pursuant to section 185 of the *Local Government Regulation 2012*, Council advises that the following particular resolutions were made under section 250(1) and 206(2) of the *Local Government Regulation 2012*.

## Adoption of an expenses reimbursement policy

There were no new resolutions made in relation to the adoption of an expenses reimbursement policy.

## Valuation of non-current physical assets

There were no resolutions made during the financial year under s206(2) of the *Local Government Regulation 2012*, for non-current physical assets to be treated as an expense.

## Community Grants Program 2023-2024

The Gympie Regional Council Community Grants Program provides financial assistance for projects which respond to community need, support Council's strategic objectives and enhance the social, environmental and/or cultural wellbeing of the Gympie region.

Council officers administered the 2023-2024 Community Grants Program in accordance with the Community Grants Policy and Community Grants Program Guidelines endorsed by Council on 28 June 2023 and within budget allocations.

### Round open/close dates

Round	Open date	Close date
Rolling round	1 July 2023	30 June 2024
Competitive round 1	7 August 2023	17 September 2023
Competitive round 2	12 February 2024	24 March 2024
Special – pilot category (environment programs)	15 December 2023	14 January 2024

## Grant categories

There were a total of 13 grant categories available in the 2023-2024 Community Grants Program. Tables 1 and 2 outline the category, purpose, maximum grant amount in both the competitive and rolling rounds.

**Table 1 Competitive grant round categories**

Category	Purpose	Maximum Grant Amount
Community projects	To support community led projects that increase the social wellbeing of residents in the Gympie region.	\$5000
Community facilities	To support safe, inclusive and accessible community facilities.	\$10,000
Volunteer support	To increase the capacity of community organisations and their volunteers to deliver services to their members and the broader community.	\$3000
Major environment projects	To improve environmental outcomes in the Gympie region through the delivery of major projects that align with priorities in Council's Environment Strategy.	\$20,000
Environment programs	This is a pilot grant category to support ongoing environmental programs delivered by community groups primarily focused on environment activities. The grant's purpose is to improve environmental outcomes in the Gympie region through delivery of ongoing environmental programs and activities that align with priorities in Council's Environment Strategy.	\$20,000
Creative Community Projects (RADF)	To nurture creative communities by increasing participation in and/or appreciation of arts and culture within the Gympie region.	\$8000
Creative Professional Development (RADF)	To support arts organisations, artists and arts workers to build on established creative and professional practice and provide opportunities to share the learnt skills and knowledge with the local arts community.	\$1500
Event – minor grant	To support community led local events and festivals that build community identity and are of high local social benefit.	\$5000
Event – major grant	To support events and festivals that build the reputation of the Gympie region as an events destination.	\$40,000

**Table 2 Rolling round grant categories**

Category	Purpose	Maximum Grant Amount
Get local community grants	To support communities in the delivery of activities and events that enable social connectedness and recovery.	\$1500
Council venue fee waiver	To support community organisations to deliver community events and programs at Council controlled and managed venues (e.g. The Pavilion, Gympie Civic Centre, Kilkivan Equestrian Centre, Goomeri Hall of Memory, Kilkivan Public Hall).	\$2500
Micro-environment projects	To improve environmental outcomes in the region through the delivery of small-scale community events and activities that align with Council's Environment Strategy.	\$1500
Community halls insurance	To support the organisational capacity of eligible community halls to meet their insurance obligations.	\$1500 (Council owned) \$5000 Independent



## Grant information sessions

A total of 12 grant information sessions were held in 2023-2024. One hundred and two people attended the sessions.

Information was provided to applicants via email, in person and over the phone prior to and during both competitive rounds and the rolling round. Council officers communicated with over 100 contacts with potential grant applicants in this process.

## Grant recipients

**Table 3 List of grant recipients**

Competitive Round Categories		
Applicant	Project	Amount
<b>Community Projects</b>		
Cooloola Coast Medical Transport	Three hybrid vehicles - contribution	\$3000
Kilkivan and District Community Care Association Incorporated	Rise & Shine Development feasibility study	\$5000
Little Haven Cooloola/Sunshine Coast Palliative Care Incorporated	Air conditioning Little Haven Market Place	\$5000
Mother Mountain Hall Committee Inc	Pool table	\$3394
Probus Club of Gympie Incorporated	Purchase of personal computers	\$1439
Tin Can Bay Coastal Rowing Club Incorporated	Purchase of a St Ayles skiff kit	\$4972
U3A Gympie Incorporated	Increasing capacity and ensuring sustainability	\$1890
<b>Community Projects - Total</b>		<b>\$24,695</b>
<b>Community Facilities</b>		
Australian Institute of Country Music Incorporated	Cooling the AICM building	\$10,000
Australian Institute of Country Music Incorporated	Disability inclusive amenities block	\$9946
Chatsworth Hall Committee Incorporated	Chatsworth Hall kitchen upgrade	\$10,000
Friends of Amamoor Inc	Village Green community upgrade and security	\$10,000
Goomboorian War Memorial Hall	Ceiling fans for the hall	\$3,070
Gympie and District Woodworkers Club Inc	Milling and storage shed project	\$10,000
Kia Ora & Districts Pony Club	Finish the amenity block	\$10,000
Sporting Shooters Association of Australia 'Wattle Grove Park' Branch Incorporated	Allow inclusive use by all range participants	\$4488
Weeroona Association Incorporated	Community day centre facility	\$10,000
Woolooga Rec & Hall Assoc Incorporated	Pickle ball	\$4800
<b>Community Facilities – Total</b>		<b>\$82,304</b>

Competitive Round Categories		
Applicant	Project	Amount
<b>Volunteer Support</b>		
Community Information and Resource Service Association Incorporated	Volunteer comfort zone	\$2993
Goomeri Golf Club Incorporated	Golf club equipment	\$3000
Gympie Clay Target Club Incorporated	New refrigerator	\$2736
Gympie Community Garden Incorporated	New trailer hitch	\$1550
Gympie Pistol Club Incorporated	Heavy duty brush cutter with PPE	\$1565
Gympie Women's Shed Incorporated	Creative woodwork workshops	\$720
Sporting Clays Gympie	Volunteer learning and skills development	\$2600
Veteran Hall Social Committee Incorporated	New refrigerator	\$1751
<b>Volunteer Support - Total</b>		<b>\$16,915</b>
<b>Major Environment Projects</b>		
Cooloola City Farm Nursery Incorporated	Native plant rehabilitation erosion control	\$3350
Cooloola Coastcare Association Incorporated	Cooloola biodiversity and habitat protection	\$9303
Gympie & District Landcare Group	Fontainea Rostrata restoration project	\$19,943
Koala Action Gympie Region Incorporated	Kandanga Koala Konnections	\$19,200
National Register of Big Trees	'Elders of the Forest' - biggest trees survey	\$14,382
<b>Major Environment Projects - Total</b>		<b>\$66,178</b>
<b>Environment Programs</b>		
Australian Native Animals Rescue and Rehabilitation Association Incorporated	Native wildlife rescue, care and release	\$19,820
Cooloola Coastcare Association Incorporated	Ongoing marine turtle monitoring	\$19,696
Gympie & District Landcare Group Incorporated	Biological control of Cat's Claw and Madeira Vines	\$19,812
Mary River Catchment Coordination Association	Find a Frog in February and Water Watch	\$20,000
<b>Major environment Programs - Total</b>		<b>\$79,328</b>
<b>RADF - Creative Community Projects</b>		
Anna Brennan	Arting: Small Works Visual Art Exhibition	\$3000
Elisa Mele	Italian-Australian heritage, migration stories, cultural contributions to the Gympie region	\$5000
Johanna Wallace T/a Little Seed Theatre Company	Ballistic Dispersal: Connecting emerging actors to regional communities with halls	\$8000
Sharon Hogan/Perseverance Street Theatre	Leading Emerging Artist Program Cabaret	\$8000
Susan Davis/Wildflower Women	Wild-flowering by Design at Gympie and Cooloola	\$5500
The Genus Inc	Art Post Artist Run Initiative	\$8000
<b>Creative Community Projects - Total</b>		<b>\$37,500</b>



Competitive Round Categories		
Applicant	Project	Amount
<b>Event – Minor Grant</b>		
Cedar Pocket School of Arts Incorporated	Christmas in Cedar Pocket Community Fair	\$2300
Emily Murphy T/a Em Events for Gympie NAIDOC Committee	Gympie NAIDOC Family Fun Day	\$5000
Gympie Region Environmental Advocacy Team (GREAT)	Gympie Eco Connect Forum	\$4995
Returned & Services League of Australia (QLD Branch) Wide Bay & Burnett District Branch Incorporated Goomeri Chapter	Goomeri ANZAC Day 2024	\$1730
Save the Mary River Coordinating Group Incorporated	Mary River Festival 2024	\$5000
TableTop Utopia	Tabletop Utopia 2024	\$2500
Theebine Memorial Recreation Centre Inc	Sunflowers and Saddles	\$1500
Tin Can Bay RSL Sub-branch Inc	ANZAC Day 2024	\$3000
Widgee District Hall & Recreation Assoc. Incorporated	Bush Balladeers and Country Music Muster	\$3000
<b>Event Minor - Total</b>		<b>\$29,025</b>
<b>Event – Major Grant</b>		
Gympie & District Eisteddfod Association Incorporated	2024 Gympie & District Eisteddfod	\$28,766
Gympie & District Hockey Association Incorporated	Chemist Warehouse Under 16 Boys State Championships	\$20,000
Gympie Minister's Network	Gympie Christmas in the Park	\$15,000
Heart of Gold International Short Film Festival	Heart of Gold International Short Film Festival 2024	\$40,000
Kilkivan Great Horse Ride Association Incorporated	Kilkivan Great Horse Ride	\$10,000
Little Kids Day Out Gympie Association Incorporated	Little Kids Day Out	\$5000
Mary Valley Chamber of Commerce	GourMay Mary Valley 2024	\$15,000
Rainbow Beach Sports Recreation and Memorial Club Incorporated	Rainbow Beach Family Fishing Classic & Expo 2024	\$15,000
Rodeo Youth development & Education Incorporated	Kilkivan PBR	\$24,700
The North Coast Aboriginal Corporation for Community Health	Well Persons Health Check Day	\$5000
<b>Event Major - Total</b>		<b>\$178,466</b>

Rolling Round Categories		
Applicant	Project	Amount
<b>Get Local Community Grants</b>		
Bravo Disability Support Network Incorporated	All Abilities Ball	\$1500
Community Information and Resource Service Association Incorporated	Santa Comes to Rainbow 2023	\$1350
Cooloola Aboriginal Services Incorporated	NAIDOC 2023 Dinner Dance	\$900
Cooloola City Farm Nursery	Open days	\$1498
Flypsyde Productions	Multicultural Festival	\$1500
Friends of Amamoor Incorporated	Movie Night Under the Stars	\$1200
Friends of Kandanga Group Inc	Kandanga modern jive dance classes	\$1500
Glastonbury Hall & Recreation Association	Get Active Sports opening celebration	\$1500
Goomeri Golf Club Incorporated	City verses country meet and greet	\$1000
Gympie and District Landcare Group	Sustainable Futures Festival 2024	\$1400
Gympie Queens Park Tennis Club Incorporated	Gympie Queens Park tennis open day	\$1185
Gympie Squash Racquets Association Incorporated	Come and try squash at Gympie	\$1500
Headspace Gympie/Youturn LTD	Mental Health Week/Headspace Day	\$750
Hope Reins	Giddy up for the Hope Reins Bush Dance	\$1500
Kandanga & District Amateur Swimming Club Incorporated	Bush dance	\$1500
Kilkivan State School P&C Association	Kilkivan Community Christmas Carnival	\$1500
Kilkivan Veteran's and Community Men's Shed Association Incorporated	Kilkivan 4600 Connect	\$830
Lower Wonga Hall & Recreation Association Incorporated	Youth ambassadors events	\$1500
Mary Valley Rail Trail Association Incorporated	Bellbird and back...a taste of the trail	\$1500
Mary Valley RSL Sub Branch Incorporated	Remembrance Day	\$1500
Mary Valley RSL Sub Branch Incorporated	ANZAC Day	\$800
Pie Creek Community Hall Assoc Inc	120th Anniversary and Christmas Party	\$1200
QCWA Branch Gympie	Centenary Celebration Luncheon	\$1500
Returned & Services League (Queensland Branch) Rainbow Beach Sub Branch	ANZAC Day 2024	\$1500
The North Coast Aboriginal Corporation for Community Health	NAIDOC Family Fun Day 2023	\$1500
Tin Can Bay Quilters Club Incorporated	Friendship Day 2024	\$920
Tin Can Bay RSL Sub-branch Incorporated	Howling of the Moon October 2023	\$1400
U3A Gympie Incorporated	2024 Seniors Information Extravaganza	\$1300
Wolvi & District War Memorial Hall Committee Incorporated	Wolvi Community Christmas Party	\$1015
<b>Get Local - Total</b>		<b>\$37,748</b>



Rolling Round Categories		
Applicant	Project	Amount
<b>Micro Environment Projects</b>		
Cooloola Coastcare Association Incorporated	Mini-BioBlitz: Find a Frog in February in Cooloola	\$897
Widgee State School	Horse Paddock Environmental Education (Ho.P.E.E) Project	\$1500
Koala Action Gympie Region Incorporated	Brochure reprint	\$600
One Mile State School Parents & Citizens Association	Establishing Trees for Tomorrow project	\$1500
<b>Micro Environment - Total</b>		<b>\$4497</b>
<b>Community Halls Insurance</b>		
Amamoor Hall		\$1080
Boobyjan Hall and Community Centre Incorporated		\$1145
Cedar Pocket School of Arts Incorporated		\$1500
Chatsworth Hall Committee Incorporated		\$1500
CIRS – Rainbow Beach Hall		\$1313
Cooloola Coast Community Complex Incorporated		\$1500
Cooloola Coast Youth Activity Project Incorporated(The Scout Hall, Tin Can Bay)		\$1500
Curra Community Hall Management Committee Incorporated		\$1500
Glastonbury Hall & Recreation Association Incorporated		\$3148
Goomboorian Memorial Hall Committee Incorporated		\$1500
Kandanga Creek Community Hall Incorporated		\$1500
Kandanga Public Hall		\$1500
Kia Ora Memorial Hall Incorporated		\$1500
Langshaw Hall		\$1500
Long Flat Hall Committee Incorporated		\$1500
Lower Wonga Hall & Recreation Association Incorporated		\$1500
Mothar Mountain Hall Committee Incorporated		\$1500
Pie Creek Community Hall Assoc. Incorporated		\$1218
Tansey Show Society Incorporated		\$1500
The Veteran Hall Social Committee Incorporated		\$1500
Theebine Memorial Recreation Centre Incorporated		\$5000
Traveston Progress Association Inc.		\$1500

Rolling Round Categories		
Applicant	Project	Amount
Widgee Community Complex		\$1218
Widgee District Hall & Recreation Assoc. Incorporated		\$5000
Wolvi and District War Memorial Hall Committee Incorporated		\$1500
Woolooga Rec & Hall Assoc Incorporated		\$1500
<b>Hall Insurance - Total</b>		<b>\$46,122</b>
Council Venue Fee Waiver		
Creative Arts Gympie Region	Tabletop Utopia	\$1928
Gympie and District Collectors Association Incorporated	Arms and Collectables Fair	\$2500
Gympie Chamber of Commerce Incorporated	Gympie Business Awards	\$2200
Gympie Diggers Football Club Incorporated	Gympie Diggers Football Club 50th Anniversary Dinner	\$1949
Gympie District Show Society Incorporated	Gympie Show Awards Night	\$2500
Heart of Gold International Short Film Festival	Heart of Gold International Short Film Festival	\$2500
NBS Barrel Productions	Gympie Ford Big Dash	\$785
Regional Development Australia Wide Bay Burnett	Gympie Industry and Career Expo 2024	\$2500
Rotary Club of Gympie	75th Anniversary and Christmas Celebration	\$1036
Wide Bay Working Equitation	Wide Bay Working Equitation - Horse of the Year Competition	\$590
<b>Council Fee Waiver - Total</b>		<b>\$18,488</b>
<b>Community Grants Program 2023-2024 - Total</b>		<b>\$621,266</b>

## Concessions for rates and charges

### Concession grants

Recipient	Project	Amount
Skill Centred Queensland Incorporated	Full rates	\$5238.15
Scout Association of Australia QLD Branch - Cartwright Road	Half water access charge, half water consumption	\$1270.32
Masonic Lodge Gympie	Half general rate	\$1118.34
Scout Association of Australia QLD Branch - Nashville Scout Group	Half water access charge, half water consumption	\$277.48



Recipient	Project	Amount
Australian Red Cross Society	Half garbage, half water access charge, half water consumption	\$580.84
Mary Valley Show Society Inc	Half water access charge, half water consumption	\$2539.88
Lodge Telford No 291	Half general rate	\$882.30
Scout Association of Australia QLD Branch - Imbil	Half water access charge, half water consumption	\$264.80
Kandanga Tennis Club Inc	Half garbage, half water access charge, half water consumption	\$477.98
Racecourse & Showgrounds Administration Committee	Sewerage charge, water access charge	\$33,951.10
Australian Volunteer Coastguard Association Incorporated	Half garbage, half sewerage charge, half water access charge, half water consumption	\$1274.25
TS Quiberon Unit Support Group Incorporated	Full rates	\$1108.75
Lions Club	Full sewerage, half garbage, half water access charge, half water consumption	\$1773.51
Roadcraft	General rate	\$29,532.34
Nahrunda Park Co-Operative Society Ltd	Half general rate	\$776.55
Queensland Country Women's Association - Miva	Half general rate	\$882.30
Trustees of Theebine Lodge No 400 of Ancient and Accepted Masons	General rate	\$1764.60
Goomeri & District Show Society Inc	Half sewerage charge	\$4728.50
Union Church of Killkivan Incorporated	Half sewerage charge	\$579.00
Kilkivan Kindergarten Association	Full rates	\$2626.02
		<b>\$91,647.01</b>

## Details of special rates and charges

Further to section 190(1)(d) of the Regulation, Council does not have any agreement in place for conducting a joint government activity for which special rates or charges were levied during the period.

A Rural Fire Brigade Levy, as authorised under section 94(1)(b) of the *Local Government Act 2009* and Sections 106 and 128A of the *Fire and Emergency Services Act 1990*, in the amount of \$25 applies to all rateable properties not situated in an urban fire brigade area (as defined by the Queensland Fire and Emergency Services [QFES]).

## Summary of rate rebates and concessions

Council provided a rate remission of \$180 per annum for eligible pensioners. The total remissions provided to pensioners for 2023-2024 was \$802,906.

# Council's revenue

The number of rateable properties in the region was 27,078 (2022-2023 26,601).

## Council registers

As per requirements under section 109(1)(f) of the *Local Government Regulation 2012*, the following registers were kept by Gympie Regional Council over the 2023-2024 financial year:

- Asset Register
- Building Statistics of Monthly Approvals
- Cemetery Interment Register
- Cemetery Plot Register
- Contact with Lobbyist Register
- Contracts Register
- Councillor Conduct Register
- Cost Recovery Fees Register
- Delegations Register
- Dog Registration Register
- Excess Animal Approvals Register
- Fees and Charges Register
- Food Business Licence Register
- Food Safety Program Register
- Gifts and Hospitality Register
- Higher Risk Personal Appearance Services Business Register
- Infrastructure Agreements' Register
- Infrastructure Charges Register
- Local Heritage Register
- Policy Register
- Prescribed Activity Register
- Penalty Infringement Notice Register
- Register of Development Applications
- Register of Impounded Abandoned Vehicles
- Register of Impounded Dogs and Cats
- Register of Impounded Livestock (Cattle and Horses)
- Register of Interests (councillor and senior executives)
- Register of Itinerant Vendors
- Register of Local Law Prescribed Activity Approvals
- Register of Pre-Qualified Suppliers
- Register of Permits and Inspection Certificates
- Register of Testable Backflow Prevention Devices
- Register for Greywater Use and On-site Sewage Facilities
- Register of Show Cause and Enforcement Notices
- Regulated Dog Register
- Reportable Loss of Assets Register
- Road Register
- Trade Waste Register
- Trust Register





# Organisational Information



# Elected members

## July 2023 to April 2024



**Cr Jess Milne, Division 1**  
0436 282 707  
jess.milne@gympie.qld.gov.au



**Cr Glen Hartwig, Mayor**  
0437 722 931  
mayorhartwig@gympie.qld.gov.au



**Cr Dolly Jensen, Division 2**  
0436 306 226  
dolly.jensen@gympie.qld.gov.au



**Cr Shane Waldock, Division 3**  
0436 344 857  
shane.waldock@gympie.qld.gov.au



**Cr Bruce Devereaux, Division 4**  
0436 311 494  
bruce.devereaux@gympie.qld.gov.au



**Cr Dan Stewart, Division 5**  
0499 081 404  
dan.stewart@gympie.qld.gov.au



**Cr Hilary Smerdon, Division 6,  
Deputy Mayor**  
0499 080 913  
hilary.smerdon@gympie.qld.gov.au



**Cr Warren Polley, Division 7**  
0436 307 489  
warren.polley@gympie.qld.gov.au



**Cr Bob Fredman, Division 8**  
0418 708 745  
bob.fredman@gympie.qld.gov.au

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## April 2024 to June 2024



**Cr Jess Milne, Division 1**  
0436 282 707  
jess.milne@gympie.qld.gov.au



**Cr Glen Hartwig, Mayor**  
0437 722 931  
mayorhartwig@gympie.qld.gov.au



**Cr Dolly Jensen, Division 2,  
Deputy Mayor**  
0436 306 226  
dolly.jensen@gympie.qld.gov.au



**Cr Shane Warnes, Division 3**  
0457 339 019  
shane.warnes@gympie.qld.gov.au



**Cr Mick Curran, Division 4**  
0467 434 456  
mick.curran@gympie.qld.gov.au



**Cr Allona Lahn, Division 5**  
0461 405 565  
allona.lahn@gympie.qld.gov.au



**Cr Warren McEwan, Division 6**  
0448 655 435  
warren.mcewan@gympie.qld.gov.au



**Cr Warren Polley, Division 7**  
0436 307 489  
warren.polley@gympie.qld.gov.au



**Cr Gordon Maudsley, Division 8**  
0461 431 404  
gordon.maudsley@gympie.qld.gov.au



# Councillor remuneration

Councillor remuneration is set by the independent Local Government Remuneration and Discipline Tribunal, established under the *Local Government Act 2009*.

No councillor advisors were appointed within the 2023-2024 financial year.

In accordance with section 186(1)(a) of the *Local Government Regulation 2012*, Gympie Regional Council Mayor and Councillors total remunerations, including superannuation contributions, paid to each Councillor during the financial year were as follows.

## July 2023 to April 2024

Councillor	Division	Remuneration	Superannuation Contribution	Total Remuneration
Glen Hartwig	Mayor	\$106,841.49	\$12,820.98	\$119,662.47
Jess Milne	Division 1	\$59,389.09	\$7,126.69	\$66,515.78
Dolly Jensen	Division 2	\$59,389.09	\$7,126.69	\$66,515.78
Shane Waldock	Division 3	\$59,389.09	\$7,126.69	\$66,515.78
Bruce Devereaux	Division 4	\$59,389.09	\$7,126.69	\$66,515.78
Dan Stewart	Division 5	\$59,389.09	\$7,126.69	\$66,515.78
Hilary Smerdon (Deputy Mayor)	Division 6	\$69,870.23	\$8,384.43	\$78,254.66
Warren Polley	Division 7	\$59,389.09	\$7,126.69	\$66,515.78
Bob Fredman	Division 8	\$59,389.09	\$7,126.69	\$66,515.78

## April 2024 to June 2024

Councillor	Division	Remuneration	Superannuation Contribution	Total Remuneration
Glen Hartwig	Mayor	\$34,452.51	\$4,134.30	\$38,586.81
Jess Milne	Division 1	\$15,672.12	\$1,880.65	\$17,552.77
Dolly Jensen (Deputy Mayor)	Division 2	\$18,110.46	\$2,173.26	\$20,283.72
Shane Warnes	Division 3	\$15,672.12	\$1,880.65	\$17,552.77
Mick Curran	Division 4	\$15,672.12	\$1,880.65	\$17,552.77
Allona Lahn	Division 5	\$15,672.12	\$1,880.65	\$17,552.77
Warren McEwan	Division 6	\$15,672.12	\$1,880.65	\$17,552.77
Warren Polley	Division 7	\$15,672.12	\$1,880.65	\$17,552.77
Gordon Maudsley	Division 8	\$15,672.12	\$1,880.65	\$17,552.77

# Councillor expenses

In accordance with section 250 of the *Local Government Regulation 2012* Council's reimbursement policy ensures the payment of legitimate and reasonable expenses incurred by Councillors while undertaking their duties and responsibilities as Councillors. This is to ensure Councillors are not financially disadvantaged as a result of carrying out their official duties.

## July 2023 to April 2024

Councillor	Cost of Vehicle provided	Vehicle allowance	Phone/iPad Network and call costs	Total Expenses Remuneration
Glen Hartwig (Mayor)	-	\$6049.32	\$4636.03	\$10,685.34
Jess Milne	-	\$6049.47	\$2317.03	\$8366.50
Dolly Jensen	\$7630.45	-	\$3474.90	\$11,105.36
Shane Waldock	-	\$6329.83	\$654.48	\$6984.31
Bruce Devereaux	\$7132.95	-	\$3324.48	\$10,457.43
Dan Stewart	-	\$6329.83	\$654.48	\$6984.31
Hilary Smerdon (Deputy Mayor)	\$7132.95	-	\$654.48	\$7787.43
Warren Polley	-	\$6049.47	\$1822.14	\$7871.60
Bob Fredman	-	\$6329.83	\$2124.48	\$8454.31

## April 2024 to June 2024

Councillor	Cost of Vehicle provided	Vehicle allowance	Phone/iPad Network and call costs	Total Remuneration
Glen Hartwig	-	\$1950.68	\$1494.95	\$3445.64
Jess Milne	-	\$1950.73	\$747.16	\$2697.89
Dolly Jensen (Deputy Mayor)	\$2460.55	-	\$1120.53	\$3581.07
Shane Warnes	-	\$1670.33	\$2941.95	\$4612.28
Mick Curran	-	\$1670.33	\$3507.95	\$5178.28
Allona Lahn	-	\$1670.33	\$2298.95	\$3969.28
Warren McEwan	*	\$945.05	\$2941.95	\$3887.00
Warren Polley	-	\$1950.73	\$587.57	\$2538.31
Gordon Maudsley	-	\$1670.33	\$2409.71	\$4080.04

\*Vehicle provided to Cr McEwan as of 15 May 2024

Total remuneration for the 2023-2024 reporting period:

- Mayor \$172,380.26
- Deputy Mayor \$109,906.88
- Councillors \$675,666.70

## Overseas travel

There was no overseas travel undertaken by Councillors in their official capacity during this reporting period.

## Councillor discretionary funding

As per reporting requirements under section 109(2) of the *Local Government Act 2009* and section 201B(1) of the *Local Government Regulation 2012*, no councillor discretionary funds were included in the 2023-2024 budget and it is confirmed that no discretionary funds were spent during the 2023-2024 financial year.

## Councillor meeting attendance

All Councillors are required to attend Ordinary and Special meetings. Section 186 of the *Local Government Regulation 2012* requires the number of local government meetings that each Councillor has attended in the financial year be recorded.

### July 2023 to March 2024

Councillor	Ordinary Meetings	Special Meetings	Total Meetings
Glen Hartwig (Mayor)	9	4	13
Jess Milne	9	4	13
Dolly Jensen	8	3	11
Shane Waldock	8	3	11
Bruce Devereaux	9	3	12
Dan Stewart	9	3	12
Hilary Smerdon (Deputy Mayor)	9	4	13
Warren Polley	8	4	12
Bob Fredman	8	2	10

Councillor	Ordinary Meetings	Special Meetings	Total Meetings
Glen Hartwig (Mayor)	3	2	5
Jess Milne	3	2	5
Dolly Jensen (Deputy Mayor)	3	1	4
Shane Warnes	3	2	5
Mick Curran	3	2	5
Allona Lahn	3	2	5
Warren McEwan	3	2	5
Warren Polley	2	2	4
Gordon Maudsley	3	2	5



# Councillor conduct disclosures

The *Local Government Act 2009* sets out the roles, responsibilities and obligations of Councillors. In accordance with reporting requirements, the tables below outline actions and outcomes relating to the conduct and performance of Councillors in the 2023-2024 financial year.

Section of the Local Government Act	Reference	Number
The total number of orders made under section 150I(2) of the <i>Local Government Act 2009</i> .	<i>Local Government Regulation 2012</i> s186(d)(i)	1
The total number of orders made under section 150IA(2)(b) of the <i>Local Government Act 2009</i> .	<i>Local Government Regulation 2012</i> s186(d)(ii)	0
The total number of orders made under section 150AH(1) of the <i>Local Government Act 2009</i> .	<i>Local Government Regulation 2012</i> s186(d)(iii)	0
The total number of decisions, orders, and recommendations made under section 150AR(1) of the <i>Local Government Act 2009</i> .	<i>Local Government Regulation 2012</i> s186(d)(iv)	0

Councillor Conduct Over the 2023-2024 Financial Year	Reference	Councillor
<b>Reporting required over the past financial year.</b>	<i>Local Government Regulation 2012</i> s186(e)	
a) The name of each Councillor for whom a decision, order, or recommendation under section 150I(2), 150IA(2)(b), 150AH(1) or 150 AR(1) of the <i>Local Government Act 2009</i> was made.	<i>Local Government Regulation 2012</i> s186(e)(i)	Cr Jessica Milne
b) Description of the unsuitable meeting conduct, inappropriate conduct or misconduct engaged in by each of the Councillors.	<i>Local Government Regulation 2012</i> s186(e)(ii)	
<p>Behaviour toward the Chair actioned under contravention of the behavioural standard of the Councillors Code of Conduct. Under section 40.3 of the Gympie Regional Council Standing Orders, the Chairperson requested that an apology be submitted by the Councillor for conduct displayed. As the Councillor did not comply with this request, the following orders were made:</p> <p>(a) an order reprimanding the Councillor for the conduct,</p> <p>(b) an order requiring the Councillor to leave the place at which the meeting was being held including any area set aside for the public and stay away from the place for the rest of the meeting.</p>		


Section of the Local Government Act	Reference	Number
Complaints referred to the assessor under section 150P(2)(a) of the <i>Local Government Act 2009</i> by the local government, a Councillor of the local government or the chief executive officer of the local government.	<i>Local Government Regulation 2012</i> s186(1)(f)(i)	0
Matters, mentioned in section 150P(3) of the <i>Local Government Act 2009</i> , notified to the Crime and Corruption Commission.	<i>Local Government Regulation 2012</i> s186(1)(f)(ii)	0
Notices given under section 150R(2) of the <i>Local Government Act 2009</i> .	<i>Local Government Regulation 2012</i> s186(1)(f)(iii)	0
Notices given under section 150S(2)(a) of the <i>Local Government Act 2009</i> .	<i>Local Government Regulation 2012</i> s186(1)(f)(iv)	0

Section of the Local Government Act	Reference	Number
Occasions information was given under section 150AF(3)(a) of the <i>Local Government Act 2009</i> .	<i>Local Government Regulation 2012 s186(1)(f)(v)</i>	1
Occasions the local government asked another entity to investigate, under chapter 5A, part 3, division 5 of the <i>Local Government Act 2009</i> for the local government, the suspected conduct breach of a Councillor.	<i>Local Government Regulation 2012 s186(1)(f)(vi)</i>	0
Applications heard by the conduct tribunal under chapter 5A, part 3, division 6 of the <i>Local Government Act 2009</i> about whether a Councillor engaged in misconduct or a conduct breach.	<i>Local Government Regulation 2012 s186(1)(f)(vii)</i>	0
The total number of referral notices given to the local government under section 150AC(1) of the <i>Local Government Act 2009</i> during the financial year.	<i>Local Government Regulation 2012 s186(1)(g)</i>	0
For suspected conduct breaches the subject of a referral notice mentioned in paragraph (g) above: <ul style="list-style-type: none"> <li>■ the total number of suspected conduct breaches; and</li> <li>■ the total number of suspected conduct breaches for which an investigation was not started or was discontinued under section 150AEA of the <i>Local Government Act 2009</i>.</li> </ul>	<i>Local Government Regulation 2012 s186(1)(h)</i>	0
The number of decisions made by the local government under section 150AG(1) of the <i>Local Government Act 2009</i> during the financial year.	<i>Local Government Regulation 2012 s186(1)(i)</i>	0
The average time taken by the local government in making a decision under section 150AG(1) of the <i>Local Government Act 2009</i> .	<i>Local Government Regulation 2012 s186(1)(k)</i>	0

*The full Councillor Conduct Register is available on Council's website.*

- 1 *The number of councillor conduct notices given by local government officials to the assessor that are known to the local government.*
- 2 *Some matters have been investigated as a single complaint and recorded in the Councillor Conduct Register as multiple decisions.*
- 3 *Three suspected inappropriate conduct complaints referred back to Council – still under investigation as at 30 June 2024.*
- 4 *Applications heard by the Councillor Conduct Tribunal can result in more than one order being made. Each order is recorded separately in the register.*

# Our organisation




**Chief Executive Officer**  
Robert Jennings








**Director**  
**Community Sustainability**  
Alex Stengl

-  Planning
-  Building & Plumbing
-  Regulatory Compliance
-  Environment & Resource Recovery
-  Community & Commercial Services



**Director**  
**Corporate Services**  
David Lewis

-  Governance, Integrity & Risk
-  Finance
-  Information & Technology
-  People & Culture
-  Marketing, Communication & Economic Development



**Director**  
**Infrastructure Services**  
Graham O'Byrne

-  Capital Delivery & Assets
-  Operations Roads & Drainage
-  Open Space Maintenance
-  Property & Open Space
-  Water



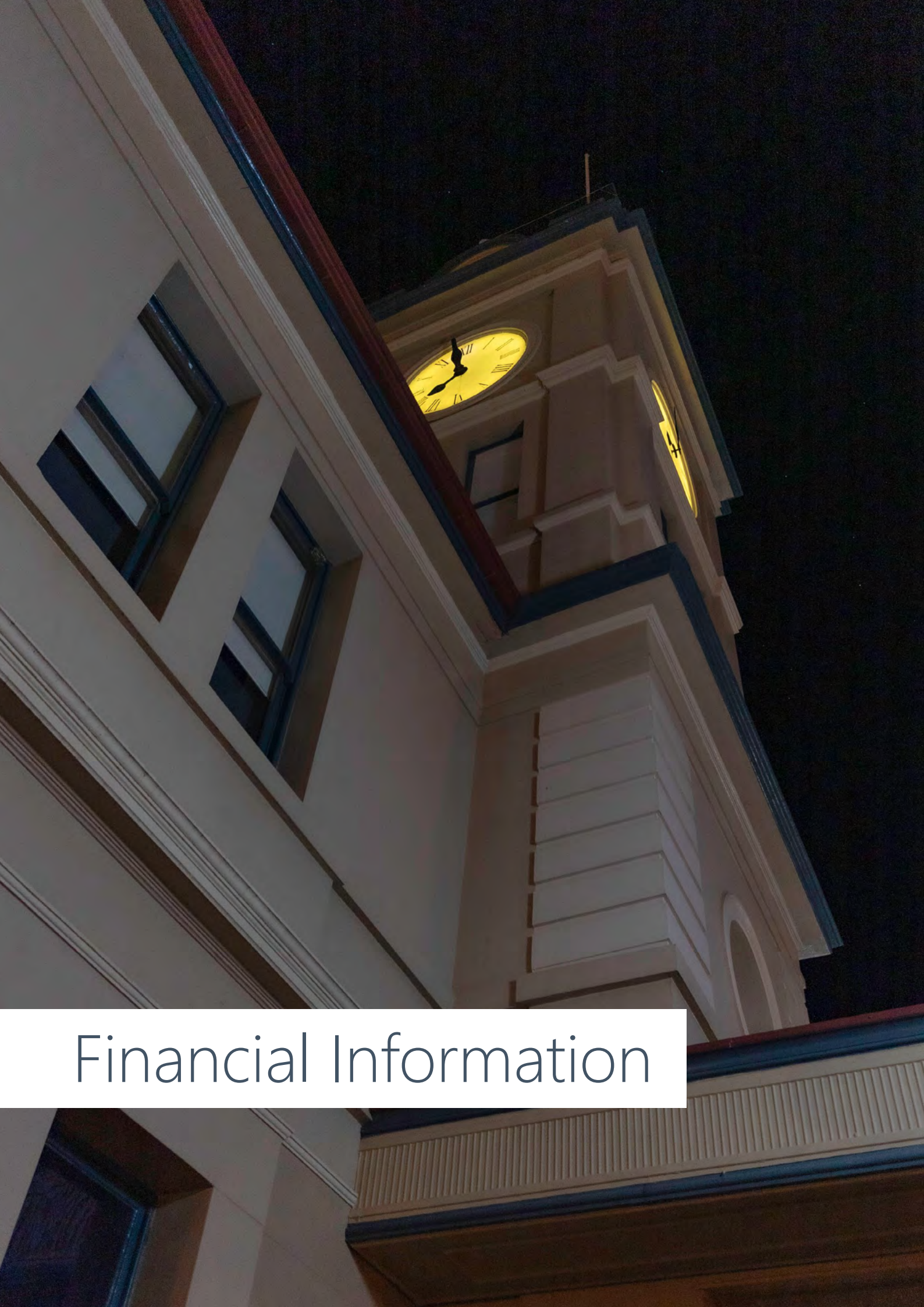
## Executive Leadership Team remuneration

The total remuneration of the senior management of Council for the reporting period was \$1,417,033. This includes any lump sum payments (i.e. termination payments). The remunerations set out in the table represents the packages for senior management (CEO and Directors) employed as at 30 June 2024.

Remuneration Band	No of Senior Management Positions in Remuneration Band
\$200,000 to \$299,999	2
\$300,000 to \$399,999	2

## Overseas travel

There was no overseas travel undertaken by employees of Council in their official capacity during this reporting period.



# Financial Information

# Community Financial Report 2023-2024

The Community Financial Report is presented in accordance with the *Local Government Regulation 2012*, section 179, which requires that this report accompany the financial statements in the Annual Report.

The intent of the Community Financial Report is to simplify complex financial information, assisting readers to evaluate Council's financial performance and financial position in a way easily understood by the community.

The General Purpose Financial Statements are a record of Council's financial performance for the year ended 30 June 2024.

The report highlights areas of importance to allow interested stakeholders the opportunity to make their own informed decisions. The four key financial statements for 2023-2024 and the key performance indicators are described as follows:

- Statement of Comprehensive Income – shows revenue, expenses and asset revaluation adjustments for the 2023-2024 year.
- Statement of Financial Position – shows the assets and liabilities which make up the community equity as at 30 June 2024.
- Statement of Changes in Equity – shows the movement in total community equity.
- Statement of Cash Flows – shows the nature and amount of Council's cash inflows and outflows from all activities.
- Financial Sustainability Ratios – for reviewing Council performance and sustainability.

## Statement of Comprehensive Income

This statement shows Council's financial performance for the year. The Statement of Comprehensive Income includes both operating revenue and expenses, and capital revenue and expenses, and shows where Council's financial operations for the year have resulted in a surplus or deficit. It reflects how the money received from Council operations is spent providing services to the community.

	2022	2023	2024
Operating revenue	\$112.60M	\$125.68M	\$123.61M
Operating expenses	\$114.09M	\$128.75M	\$135.61M
<b>Operating result</b>	<b>(\$1.49M)</b>	<b>(\$3.07M)</b>	<b>(\$12.01M)</b>
Capital revenues	\$39.98M	\$45.48M	\$100.44M
Capital expenses	\$5.06M	\$25.08M	\$27.42M
<b>Net result attributable to Council</b>	<b>\$33.43M</b>	<b>\$17.33M</b>	<b>\$61.02M</b>
Asset revaluation in period	\$96.28M	\$103.54M	\$85.21M
<b>Total comprehensive income for the period</b>	<b>\$129.72M</b>	<b>\$120.86M</b>	<b>\$146.23M</b>



## Council's revenue

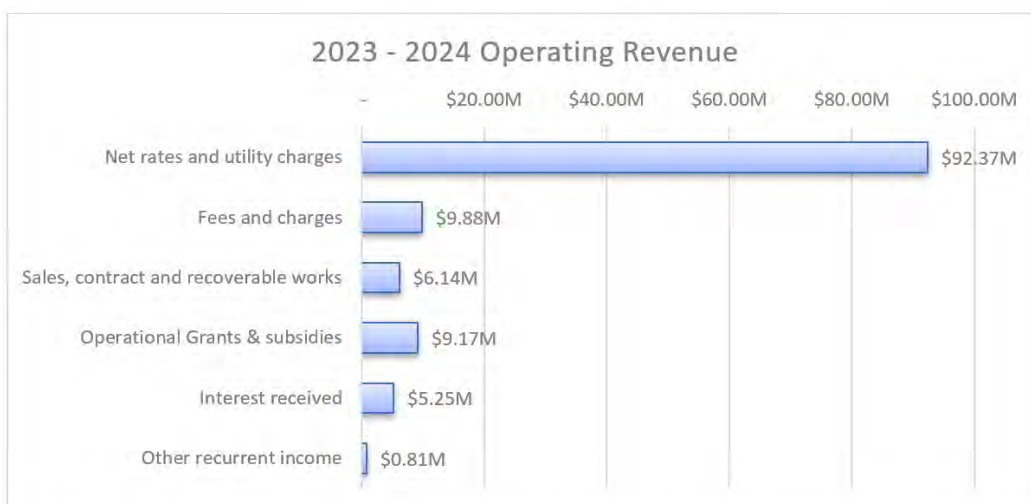
Total income (revenue) for 2023-2024 was \$224.05 million, being \$123.61 million from operations and \$100.44 million from capital sources. The main source of operating revenue was from rates and utility charges of \$93.17 million or around 75 per cent of the total operating revenue. There were 27,078 rateable properties in the region (26,601 in 2022-2023).

Operating revenue is income from Council's day-to-day operations such as rates, fees and charges, interest on investment, sales of contract and recoverable works, grants, subsidies, contributions and donations.

Gympie Regional Council's revenue for the last three years is outlined in the table below.

	2022	2023	2024
<b>Recurrent revenue:</b>			
Rates and utility charges	\$83.53M	\$85.74M	\$93.17M
Less discounts	(\$3.01M)	(\$0.79M)	(\$0.80M)
<b>Net rates and utility charges</b>	<b>\$80.52M</b>	<b>\$84.95M</b>	<b>\$92.37M</b>
Fees and charges	\$8.79M	\$9.47M	\$9.88M
Sales, contract and recoverable works	\$7.43M	\$5.62M	\$6.14M
Operational grants and subsidies	\$11.81M	\$20.82M	\$9.17M
Interest received	\$0.52M	\$2.98M	\$5.25M
Other recurrent income	\$3.54M	\$1.84M	\$0.81M
<b>Total recurrent revenue</b>	<b>\$112.60M</b>	<b>\$125.68M</b>	<b>\$123.61M</b>
<b>Total capital revenue</b>	<b>\$39.98M</b>	<b>\$45.48M</b>	<b>\$100.44M</b>

As rates and charges make up 75 per cent of operating revenue, Council has low reliance on external funding. This provides Council with financial flexibility and assists in determining its rates and charges income without excessive reliance on grants and subsidies that are out of its control.



While operating revenues are used to fund the day-to-day operations of Council, capital revenues are used to invest in renewing, upgrading, or increasing Council's asset base. The majority of capital revenues come from State and Federal Government grants and subsidies, with additional amounts received from land developers in the form of infrastructure charges or contributed assets such as parks or roads and drainage in new developments.

## Council's expenses

Council provides more than 100 different services to the community. This work is completed by Council staff and contractors. Council policy is to encourage the use of local suppliers, where possible, so that the money stays within our community and boosts the local economy. Services provided by Council include planning and development, economic development, tourism, recreation and sport, community and culture, health and environment, waste management, water and sewerage, and roads infrastructure. Operating expenses are the day-to-day costs of running the organisation such as wages, maintenance, materials, depreciation and finance costs.

Gympie Regional Council expenses for the previous three years is outlined in the table below.

	2022	2023	2024
<b>Recurrent expenses:</b>			
Employee costs	\$38.69M	\$43.99M	\$49.66M
Materials and services	\$45.66M	\$53.85M	\$51.64M
Depreciation and amortisation	\$27.73M	\$29.36M	\$32.74M
Other expenses	-	-	-
Finance costs	\$2.00M	\$1.54M	\$1.58M
<b>Total recurrent expenses</b>	<b>\$114.09M</b>	<b>\$128.75M</b>	<b>\$135.61M</b>



# Statement of Financial Position

The Statement of Financial Position shows what Council owns (assets), what Council owes (liabilities) and our net community wealth (equity).

## Council’s assets

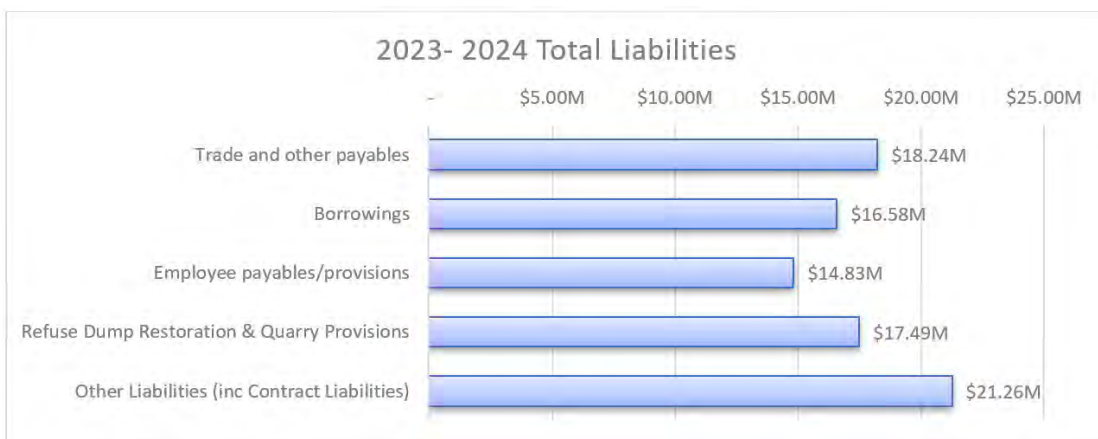
The total value of assets was \$1,985.68 million (\$1,826.19 million in 2022-2023). Council’s assets include land and buildings, roads, water and sewerage infrastructure, other infrastructure, plant and equipment and intangibles. In addition, Council hold other short term assets including amounts owed by debtors, \$75.42 million held in bank accounts and investments of approximately \$73.27 million to assist with the funding of future Council operations including the provision of infrastructure projects.

Council’s funding of community assets is provided through cash resources, grants, contributions and where appropriate, loans.



## Council’s liabilities

Council’s total liabilities were \$88.40 million (\$75.14 million in 2022-2023). These liabilities include amounts owing to employees for annual leave, employee related accruals, long service leave and sick leave entitlements of \$14.83 million (\$14.04 million in 2022-2023), amounts payable to suppliers and contractors of \$13.65 million (\$7.31 million) and prepaid rates of \$4.58 million (2022-2023 \$4.32 million), other liabilities (including contract liabilities) of \$21.26 million (\$22.07 million in 2022-2023), refuse dump restoration and quarry rehabilitation of \$17.50 million (\$14.57 million in 2022-2023), and loans of \$16.58 million (\$12.82 million in 2022-2023). Affordability indicators show that Council is well placed to service its debt.





## Council's community equity

Council's community equity is the wealth of the region (what our community owns). It is the result of Council's assets less Council's liabilities. In 2023-2024, our community equity was \$1,897.28 million (\$1,751.05 million in 2022-2023).

	2022	2023	2024
Total assets	\$1693.20M	\$1826.19M	\$1985.68M
Less total liabilities	\$63.01M	\$75.14M	\$88.40M
<b>Equity</b>	<b>\$1630.18M</b>	<b>\$1751.05M</b>	<b>\$1897.28M</b>
Represented by			
Asset revaluation reserve	\$824.23M	\$927.77M	\$1012.98M
Retained surplus (deficiency)	\$805.95M	\$823.28M	\$884.30M
	<b>\$1630.18M</b>	<b>\$1751.05M</b>	<b>\$1897.28M</b>

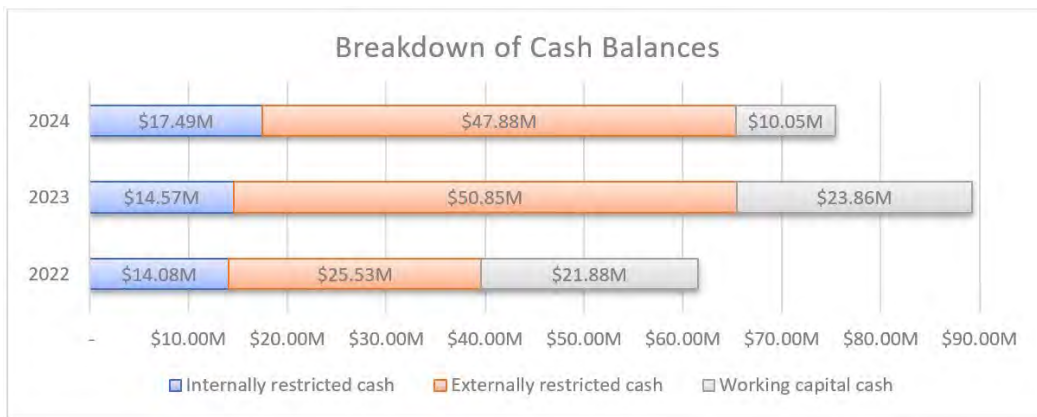
## Statement of Cash Flows

The Statement of Cash Flows show how Council receives and spends money during the year. Council's cash held at the end of the reporting period was \$75.42 million (\$89.28 million in 2022-2023). Cash on hand consists of:

- Working capital cash – to meet the day-to-day funding requirements; and
- Restricted cash – funds set aside by Council to meet grant and contribution obligations as well as its own requirements for future capital and operations projects.

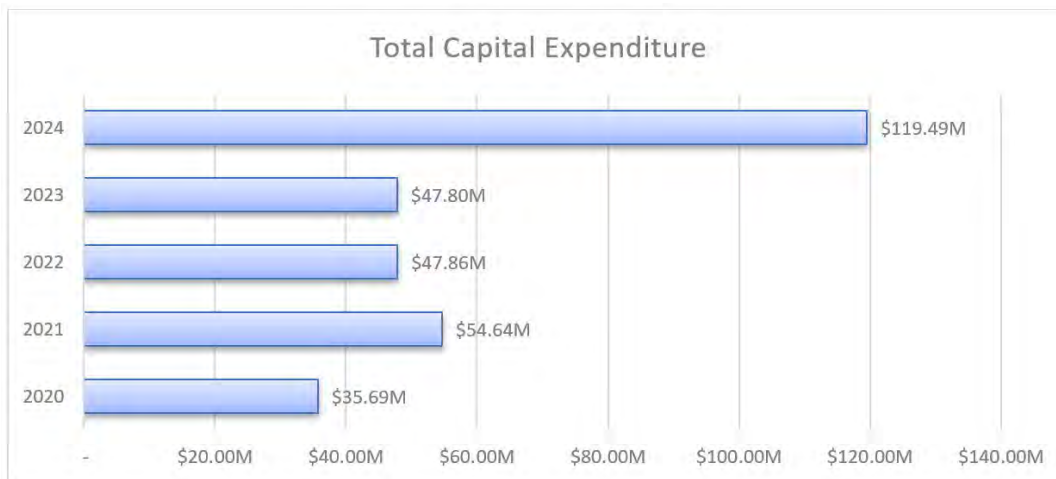
	2022	2023	2024
Net cash inflow (outflow) from operating activities	\$34.51M	\$35.55M	\$14.05M
Net cash inflow (outflow) from investing activities	(\$11.37M)	(\$6.25M)	(\$31.68M)
<b>Net cash inflow (outflow) from financing activities</b>	<b>(\$1.41M)</b>	<b>(\$1.51M)</b>	<b>\$3.76M</b>
Net increase (decrease) in cash held	\$21.72M	\$27.79M	(\$13.86M)
Cash at beginning of reporting period	\$39.76M	\$61.49M	\$89.28M
<b>Cash balance</b>	<b>\$61.49M</b>	<b>\$89.28M</b>	<b>\$75.42M</b>





## Capital expenditure

Capital expenditure is money spent on assets and infrastructures such as parks, roads, water and sewerage, land, buildings, plant and equipment. During the financial year, Council spent \$119.49 million on capital works with 66 per cent going toward renewing existing assets with the balance directed at upgrades or new assets to provide higher levels of service to the community.



Projects undertaken during the 2023-24 financial year include:

- Road widenings – Tamaree Road, Tamaree
- Gympie 1 Sewer Pump Station replacement
- East Deep Creek Road – widen road and upgrade intersections
- Sandy Creek Road widening of existing narrow lane sealed road
- Oakfield Road bridge
- Showgrounds Grandstand – structural repairs and roof replacement
- Excelsior Road – road rehabilitation
- Rainbow Beach Tourism water fill point
- Rainbow Shores pressure control
- Saleyards facilities and safety upgrades
- Kandanga Hall and Rural Fire Service – car park and emergency access
- Lake Alford water quality
- Airfield marker upgrades at Gympie Aerodrome
- Cooloola BMX – playing surface restoration

# Council's financial sustainability

## Financial management strategy

As part of the 2023-2024 budget, Council adopted a financial sustainability policy, which outlines the approach to gain financial sustainability. Responsible ongoing financial management by Council will achieve the following objectives:

- Council operates in an efficient and effective manner, minimising general rates increases.
- Ongoing operating surpluses to ensure Council's equity is not degraded and future financial risk can be adequately mitigated.
- Appropriate collection of cash funds for ongoing infrastructure and asset replacement and renewal.
- Informed decisions are made on discretionary new operation and/or capital investment proposals (i.e. business cases including whole of life cost analysis).
- Infrastructure and assets are maintained to required service levels.
- Debt levels are minimised and returns on cash holdings maximised.
- Achievement of the financial sustainability benchmarks set by legislation.

## Council's financial sustainability ratios

Section 178(1) of the *Local Government Regulation 2012* requires Council to calculate and disclose financial sustainability indicators. The ratios and targets are sources from the Financial Management (Sustainability) Guideline issued by the Department of Housing, Local Government, Planning and Public Works.

Council's performance as at 30 June 2024 against these measures is shown in the following table.

Sustainability Ratio	Objective of Measurement	How the Measure is Calculated	Actual Result		
			2024	5 Year Average 2020-2024	Target
Unrestricted cash expense coverage ratio	Is an indicator of the unconstrained liquidity available to a council to meet ongoing and emergent financial demands, which is a key component to solvency. It represents the number of months a council can continue operating based on current monthly expenses.	Total cash and equivalents add current investments add available ongoing Queensland Treasury Corporation (QTC) working capital limit less externally restricted cash divided by total operating expenditure less depreciation and amortisation less finance costs.	3.3 months	N/A	> 3 months
Operating surplus ratio	Is an indicator of the extent to which operating revenues generated cover operational expenses only or are available for capital funding or other purposes.	Operating result divided by total operating revenue.	(9.7)%	(4.3)%	>0%



			Actual Result		
Sustainability Ratio	Objective of Measurement	How the Measure is Calculated	2024	5 Year Average 2020-2024	Target
Operating cash ratio	Is an indicator of Council's ability to cover its core operational expenses and generate a cash surplus, excluding depreciation, amortisation and finance costs.	Operating result add depreciation and amortisation, add finance costs divided by total operating revenue.	17.4%	20.0%	>0%
Asset sustainability ratio	Is an approximation of the extent to which the infrastructure assets managed by a council are being replaced as they reach the end of their useful lives.	Capital expenditure on the replacement of infrastructure assets (renewals) divided by depreciation expense on infrastructure assets.	262.2%	114.0%	>80%
Asset consumption ratio	Is an approximation of the extent to which Council's infrastructure assets have been consumed compared to what it would cost to build a new asset with the same benefit to the community.	Written down replacement cost of depreciable infrastructure assets divided by current replacement costs of depreciable infrastructure assets.	72.4%	72.0%	>60%
Leverage ratio	Is an indicator of Council's ability to repay its existing debt. It measures the relative size of Council's debt to its operating performance.	Book value of debt divided by total operating revenue less total operating expenditure add depreciation and amortisation.	0.8 times	0.7 times	0-3 times





# Financial Statements



# Gympie Regional Council

GENERAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2024

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## General Purpose Financial Statements

for the year ended 30 June 2024

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## General Purpose Financial Statements

for the year ended 30 June 2024

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## Statement of Comprehensive Income

for the year ended 30 June 2024

	Notes	2024 \$ '000	2023 \$ '000
<b>Income</b>			
<b>Recurrent revenue</b>			
Rates, levies and charges	3a	92,365	84,949
Fees and charges	3b	9,876	9,468
Sales revenue	3c	6,139	5,623
Grants, subsidies, contributions and donations	3d	9,165	20,824
<b>Total recurrent revenue</b>		<b>117,545</b>	<b>120,864</b>
<b>Capital revenue</b>			
Grants, subsidies, contributions and donations	3d	100,015	45,233
<b>Total capital revenue</b>		<b>100,015</b>	<b>45,233</b>
<b>Other income</b>			
Interest received	4a	5,250	2,981
Other income	4b	811	1,836
Capital income	5	428	244
<b>Total other income</b>		<b>6,489</b>	<b>5,061</b>
<b>Total income</b>		<b>224,049</b>	<b>171,158</b>
<b>Expenses</b>			
<b>Recurrent expenses</b>			
Employee benefits	6	49,659	43,988
Materials and services	7	51,636	53,853
Finance costs	8	1,584	1,541
Depreciation and amortisation:			
- Depreciation of property, plant and equipment	14	32,641	29,189
- Intangible assets	15	94	175
<b>Total recurrent expenses</b>		<b>135,614</b>	<b>128,746</b>
<b>Other expenses</b>			
Capital Expenses	9	27,416	25,084
<b>Total other expenses</b>		<b>27,416</b>	<b>25,084</b>
<b>Total expenses</b>		<b>163,030</b>	<b>153,830</b>
<b>Net Result</b>		<b>61,019</b>	<b>17,328</b>
<b>Other comprehensive income</b>			
<b>Amounts which will not be reclassified subsequently to the operating result</b>			
Net movement in asset revaluation surplus	22	85,211	103,535
<b>Total other comprehensive income for the year</b>		<b>85,211</b>	<b>103,535</b>
<b>Total comprehensive income for the year</b>		<b>146,230</b>	<b>120,863</b>

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



## Statement of Financial Position

as at 30 June 2024

	Notes	2024 \$ '000	2023 \$ '000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	10	75,419	89,279
Receivables	11	12,688	7,480
Inventories	12	2,469	1,840
Contract assets	16	23,748	15,580
Other assets	13	7,619	561
<b>Total current assets</b>		<b>121,943</b>	<b>114,740</b>
<b>Non-current assets</b>			
Property, plant and equipment	14	1,863,324	1,710,946
Intangible assets	15	411	505
<b>Total non-current assets</b>		<b>1,863,735</b>	<b>1,711,451</b>
<b>Total Assets</b>		<b>1,985,678</b>	<b>1,826,191</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Payables	18	20,425	13,727
Contract liabilities	16	16,057	15,172
Borrowings	19	2,191	1,650
Provisions	20	12,134	10,959
Other liabilities	21	1,689	1,689
<b>Total current liabilities</b>		<b>52,496</b>	<b>43,197</b>
<b>Non-current liabilities</b>			
Borrowings	19	14,393	11,170
Provisions	20	17,995	15,571
Other liabilities	21	3,517	5,206
<b>Total non-current liabilities</b>		<b>35,905</b>	<b>31,947</b>
<b>Total Liabilities</b>		<b>88,401</b>	<b>75,144</b>
<b>Net community assets</b>		<b>1,897,277</b>	<b>1,751,047</b>
<b>Community equity</b>			
Asset revaluation surplus	22	1,012,976	927,765
Retained surplus		884,301	823,282
<b>Total community equity</b>		<b>1,897,277</b>	<b>1,751,047</b>

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

## Statement of Changes in Equity

for the year ended 30 June 2024

	Notes	Asset revaluation surplus \$ '000	Retained surplus \$ '000	Total equity \$ '000
Balance as at 1 July 2023		927,765	823,282	1,751,047
<b>Net result</b>		–	61,019	61,019
<b>Other comprehensive income for the year</b>				
- Increase/(decrease) in asset revaluation surplus	22	85,211	–	85,211
<b>Other comprehensive income</b>		85,211	–	85,211
<b>Total comprehensive income for the year</b>		85,211	61,019	146,230
<b>Balance as at 30 June 2024</b>		1,012,976	884,301	1,897,277
Balance as at 1 July 2022		824,230	805,954	1,630,184
<b>Net result</b>		–	17,328	17,328
<b>Other comprehensive income for the year</b>				
- Increase/(decrease) in asset revaluation surplus	22	103,535	–	103,535
<b>Other comprehensive income</b>		103,535	–	103,535
<b>Total comprehensive income for the year</b>		103,535	17,328	120,863
<b>Balance as at 30 June 2023</b>		927,765	823,282	1,751,047

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

## Statement of Cash Flows

for the year ended 30 June 2024

	Notes	2024 \$ '000	2023 \$ '000
<b>Cash flows from operating activities</b>			
Receipts from customers		105,203	110,159
Payments to suppliers and employees		(110,179)	(97,491)
		<u>(4,976)</u>	<u>12,668</u>
<b>Receipts</b>			
Interest and investment revenue received		5,250	2,981
Non capital grants and contributions		14,762	20,963
<b>Payments</b>			
Borrowing costs		(985)	(1,060)
<b>Net cash inflow/(outflow) from operating activities</b>	26	<u>14,051</u>	<u>35,552</u>
<b>Cash flows from investing activities</b>			
<b>Receipts</b>			
Proceeds from sale of property, plant and equipment		1,733	1,948
Grants, subsidies, contributions and donations		81,013	27,907
<b>Payments</b>			
Payments for property, plant and equipment		(114,421)	(35,739)
Payments for intangible assets		–	(362)
<b>Net cash inflow/(outflow) from investing activities</b>		<u>(31,675)</u>	<u>(6,246)</u>
<b>Cash flows from financing activities</b>			
<b>Receipts</b>			
Proceeds from borrowings		5,380	–
<b>Payments</b>			
Repayment of borrowings		(1,616)	(1,513)
<b>Net cash flow inflow/(outflow) from financing activities</b>		<u>3,764</u>	<u>(1,513)</u>
<b>Net increase/(decrease) in cash and cash equivalents held</b>		<u>(13,860)</u>	<u>27,793</u>
plus: cash and cash equivalents – beginning		89,279	61,486
<b>Cash and cash equivalents at the end of the financial year</b>	10	<u>75,419</u>	<u>89,279</u>

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



# Gympie Regional Council

## Notes to the Financial Statements

for the year ended 30 June 2024

### Note 1. Information about these financial statements

#### (a) Basis of preparation

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

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

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

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

#### (b) Date of authorisation

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

#### (c) New and revised Accounting Standards adopted during the year

Council adopted all standards which became mandatorily effective for annual reporting periods beginning on 1 July 2023, none of the standards had a material impact on reported position, performance and cash flows.

The adoption of the revisions to AASB 101 Presentation of Financial Statements resulted in disclosure of material accounting policy information only rather than significant accounting policies. This means that accounting policy information is disclosed only if it relates to material transactions, other events or conditions and:

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

#### (d) Standards issued by the AASB not yet effective

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

#### (e) Estimates and Judgements

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

- Revenue recognition - Note 3
- Valuation, impairment and depreciation of Property, Plant & Equipment - Note 14
- Provisions - Note 20
- Contingencies - Note 24



## Notes to the Financial Statements

for the year ended 30 June 2024

### Note 1. Information about these financial statements (continued)

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#### (f) 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.

Comparative information is generally restated for reclassifications, errors and changes in accounting policies unless permitted otherwise by transition rules in a new Accounting Standard.

#### (g) Volunteer Services

Council currently has volunteers providing services in the Art Gallery, libraries, Visitor Information Centre, cemeteries and various other Council facilities. Council has elected to not recognise the fair value of volunteer services under AASB 1058 as Council would not have purchased these services if they were not donated.

#### (h) Taxation

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

#### (i) Natural disasters

During 2024, Gympie Regional Council completed \$30m of works related to the Disaster Recovery Funding Arrangements (DRFA), Restoration of Essential Public Assets (REPA) which have been included in the work in progress and is expected to continue into the 2025 financial year.

#### (j) The Rattler Railway Company Limited

The Rattler Railway Company (RRC) commenced operations in the 2017-18 financial year and its financial statements were consolidated into Council's financial statements as a controlled entity.

On the 16 June 2023, representatives of both the RRC and Council executed the Asset sale and purchase agreement formalising the separation of the RRC from Council.

As control was not maintained by Council for the whole of the financial year, the financial results of RRC has not been consolidated with Council's financial results and the financial results up to the date of separation, are not considered material to Council. Information on the operation of RRC for the prior financial year, 22/23, can be found at Note 30.

# Gympie Regional Council

## Notes to the Financial Statements

for the year ended 30 June 2024

### Note 2. Analysis of results by function

#### (a) Components of Council functions

Details relating to the Council's functions / activities as reported in Note 2(b) are as follows:

##### **Office of the CEO**

Incorporates elected members of Council, Governance, Marketing and Communication, and Community Engagement.

Responsible for open, accountable and transparent Council operations, development of strategic economic and tourism activities, corporate risk management, and co-ordination of disaster management.

##### **Directorate of Corporate Services**

Provides business support services across Council including Finance Branch (including procurement and insurance), Information Technology Branch, and People and Organisational Development (including Workplace Health and Safety).

Provides expertise and support for economic and community development, and management of financial resources.

Provides information and technology system solutions to deliver council's services efficiently.

Enhances and preserves the lifestyle of all residents of, and visitors to, the Region by providing community access to council information and opportunities for recreation, leisure, cultural enrichment, and heritage preservation.

##### **Directorate of Infrastructure Services**

Provides well-constructed, safe and efficient infrastructure networks and engineering services which meet community needs, such as roads, kerb and channel, storm water drainage, lighting, footpaths and pathways.

Supports and provides public facilities upgrades, replacement and maintenance services across the Region, including parks and gardens, quarry maintenance and rehabilitation, and management of the Region's depots.

##### **Directorate of Community Sustainability**

Provides a planning framework that stimulates and co-ordinates investments in the Region while respecting the environmental values, community values and infrastructure needs to enhance the lifestyle of residents.

Manages development in the Region within the frameworks of legislation, regulations and by-laws, which includes Environmental Health and Regulatory Services areas.

##### **Water and Waste Water Operations**

Meets community need for potable water through efficient purchase, treatment, storage and distribution of water to consumers.

Protects public health, safety and the environment through provision of an efficient system for safe collection, transportation, treatment and disposal of sewerage waste.

##### **Environment and Resource Recovery**

Protects and supports our community and natural environment by sustainably managing refuse which includes collection, recycling and disposal of domestic, commercial and industrial solid waste, and planning for, delivering and maintaining the community's solid waste infrastructure in compliance with legislation.

Provision for rehabilitation of waste facilities at the end of their useful life.



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 2. Analysis of results by function (continued)

## (b) Income, expenses and assets attributed to Council functions

Functions	Gross program income				Total income \$ '000	Gross program expenses		Total expenses \$ '000	Net result from recurring operations \$ '000	Net result \$ '000	Total assets \$ '000
	Recurring grants \$ '000	Recurring other \$ '000	Capital grants \$ '000	Capital other \$ '000		Recurring \$ '000	Capital \$ '000				
<b>2024</b>											
Office of the CEO	–	–	–	–	–	(2,028)	–	(2,028)	(2,028)	(2,028)	1,785
Directorate of Corporate Services	6,297	63,000	59,001	113	128,411	(26,523)	–	(26,523)	42,774	101,888	179,997
Directorate of Infrastructure Services	288	4,633	32,938	315	38,174	(54,586)	(23,137)	(77,723)	(49,665)	(39,549)	1,434,368
Directorate of Community Sustainability	584	5,427	102	–	6,113	(19,558)	(2,325)	(21,883)	(13,546)	(15,770)	12,601
Water and Waste Water Operations	–	29,533	7,975	–	37,508	(21,273)	(1,953)	(23,226)	8,260	14,282	336,961
Environment and Resource Recovery	1,995	11,851	–	–	13,846	(11,646)	–	(11,646)	2,200	2,200	19,965
<b>Total</b>	<b>9,164</b>	<b>114,444</b>	<b>100,016</b>	<b>428</b>	<b>224,052</b>	<b>(135,614)</b>	<b>(27,415)</b>	<b>(163,029)</b>	<b>(12,005)</b>	<b>61,023</b>	<b>1,985,677</b>
<b>2023</b>											
Office of the CEO	–	1	1	–	2	(4,339)	–	(4,339)	(4,338)	(4,337)	1,879
Directorate of Corporate Services	12,427	57,269	6,563	244	76,503	(30,532)	(19,098)	(49,630)	39,164	26,873	150,410
Directorate of Infrastructure Services	5,448	4,750	30,022	–	40,220	(45,073)	(3,758)	(48,831)	(34,875)	(8,611)	1,352,615
Directorate of Community Sustainability	1,101	5,744	436	–	7,281	(16,659)	–	(16,659)	(9,814)	(9,378)	6,600
Water and Waste Water Operations	–	26,156	8,091	–	34,247	(19,702)	(1,707)	(21,409)	6,454	12,838	304,270
Environment and Resource Recovery	1,848	10,937	120	–	12,905	(12,441)	(521)	(12,962)	344	(57)	10,416
<b>Total</b>	<b>20,824</b>	<b>104,857</b>	<b>45,233</b>	<b>244</b>	<b>171,158</b>	<b>(128,746)</b>	<b>(25,084)</b>	<b>(153,830)</b>	<b>(3,065)</b>	<b>17,328</b>	<b>1,826,190</b>

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 3. Revenue

	2024 \$ '000	2023 \$ '000
<b>(a) Rates, levies and charges</b>		
Rates, levies and charges are recognised as revenue when Council obtains control over the assets comprising these receipts which is the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.		
General rates	57,185	52,943
Special levies	443	426
Water	7,153	6,629
Water consumption, rental and sundries	5,873	4,672
Sewerage	13,842	12,851
Garbage charges	8,672	8,220
<b>Total rates and utility charge revenue</b>	<b>93,168</b>	<b>85,741</b>
Less: discounts	–	(5)
Less: pensioner remissions	(803)	(787)
<b>Total rates, levies and charges</b>	<b>92,365</b>	<b>84,949</b>

**(b) Fees and charges**

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

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

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

Revenue from infringements is recognised on issue of infringement notice after applying the expected credit loss model relating to impairment of receivables for initial recognition of statutory receivables.

User fees and charges include revenue from water and sewerage services and saleyards fees.

	2024 \$ '000	2023 \$ '000
Fines and infringements	183	36
Licences and permits	240	209
Search fees	530	506
Building fees and charges	784	844
Development fees	1,682	2,068
Animal registrations	216	186
Inspection fees	1,173	1,223
Sewerage trade waste	444	403
Parking fees and fines	70	89
Other statutory charges	3,333	2,873
User fees and charges	1,221	1,031
<b>Total fees and charges</b>	<b>9,876</b>	<b>9,468</b>



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 3. Revenue (continued)

**(c) Sales revenue**

Revenue from services is recognised when the service is rendered.

Revenue from contracts and recoverable works generally comprises a recoupment of material costs together with an hourly charge for use of equipment and employees. This revenue and the associated costs are recognised by reference to the stage of completion of the contract activity based on costs incurred at the reporting date.

Where consideration is received for the service in advance, it is included in other liabilities and is recognised as revenue in the period when the service is performed. The contract work carried out is not subject to retentions.

	2024 \$ '000	2023 \$ '000
<b>Rendering of services</b>		
Transport and main roads	4,339	4,213
Water sales	1,470	1,009
<b>Total sale of services</b>	<b>5,809</b>	<b>5,222</b>
<b>Sale of goods</b>		
Sale of goods and services	330	401
<b>Total sale of goods</b>	<b>330</b>	<b>401</b>
<b>Total sales revenue</b>	<b>6,139</b>	<b>5,623</b>

**(d) Grants, subsidies, contributions and donations****Grant income under AASB 15**

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations, then the revenue is recognised when control of each performance obligation is satisfied.

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

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

Where control is transferred over time, generally the input methods, being either costs or time incurred, are deemed to be the most appropriate methods to reflect the transfer of benefit.

**Grant income under AASB 1058**

Assets arising from grants in the scope of AASB 1058 are recognised at the asset's fair value when the asset is received. Council considers whether there are any related liability or equity items associated with the asset, which are recognised in accordance with the relevant accounting standard.

Once the assets and liabilities have been recognised, then income is recognised for any remaining asset value at the time that the asset is received.

**Capital grants**

Capital grants received to enable Council to acquire or construct an item of property, plant and equipment to identified specifications which will be under Council's control, and which are enforceable, are recognised as revenue as and when the obligation to construct or purchase is completed.

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



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 3. Revenue (continued)

**Donations and contributions**

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

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

	2024	2023
	\$ '000	\$ '000
<b>(i) Operating</b>		
General purpose grants	298	8,774
State Government subsidies and grants	8,683	11,579
Commonwealth government subsidies and grants	175	471
Donations	9	–
<b>Total recurrent grants, subsidies, contributions and donations</b>	<b>9,165</b>	<b>20,824</b>

**(ii) Capital**

Capital revenue includes grants and subsidies received which are tied to specific projects for the replacement or upgrade of existing non-current assets and/or investment in new assets. It also includes non-cash contributions which are usually infrastructure assets received from developers.

Government subsidies and grants	80,443	25,887
Donations	11,719	13,382
Contributions	7,853	5,964
<b>Total capital grants, subsidies, contributions and donations</b>	<b>100,015</b>	<b>45,233</b>

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

	2024		2023	
	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	24,557	65,042	24,529	22,182
Donations	11,728	–	13,382	–
Contributions	7,853	–	5,964	–
	<b>44,138</b>	<b>65,042</b>	<b>43,875</b>	<b>22,182</b>

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 4. Interest and other income

	2024 \$ '000	2023 \$ '000
<b>(a) Interest received</b>		
Rental Income includes income derived from property management such as leases and rentals, library and hall rentals.		
Other Income includes miscellaneous sales such as sign sales and recycling, plan and survey sales and minor plant.		
Insurance claims are recognised as revenue on receipt of the funds from the insurer.		
Interest received from investments and term deposits	4,755	2,690
Interest received from overdue rates and utility charges	495	291
<b>Total interest received</b>	<b>5,250</b>	<b>2,981</b>
<b>(b) Other income</b>		
Other income	295	382
Rental income	516	518
Insurance claim	–	936
<b>Total other income</b>	<b>811</b>	<b>1,836</b>

## Note 5. Capital income

	2024 \$ '000	2023 \$ '000
<b>(a) Gain / (loss) on disposal of non-current assets</b>		
Proceeds from the disposal of property, plant and equipment	1,733	1,082
Less: carrying value of disposed property, plant and equipment	(1,305)	(838)
<b>Total capital income</b>	<b>428</b>	<b>244</b>

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 6. Employee benefits

	Notes	2024 \$ '000	2023 \$ '000
Employee benefit expenses are recorded when the service has been provided by the employee.			
Wages and salaries		38,024	34,944
Councillors remuneration		879	864
Annual, sick and long service leave entitlements		8,232	6,931
Superannuation	25	5,493	4,731
		<u>52,628</u>	<u>47,470</u>
Other employee related expenses		1,298	958
		<u>53,926</u>	<u>48,428</u>
Less: capitalised employee expenses		(4,267)	(4,440)
<b>Total Employee benefits</b>		<u><b>49,659</b></u>	<u><b>43,988</b></u>

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

	2024 Number	2023 Number
<b>Additional information:</b>		
Total Council employees at the reporting date:		
Elected members	9	9
Administration staff	365	323
Depot and outdoors staff	180	193
<b>Total full time equivalent employees</b>	<u><b>554</b></u>	<u><b>525</b></u>



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 7. Materials and services

	2024	2023
	\$ '000	\$ '000
Expenses are recorded on an accruals basis as Council receives the goods or services.		
Agency personnel costs	495	720
Advertising and marketing expense	428	292
Administration supplies and consumables	490	346
Audit of annual financial statements by the Auditor-General of Queensland *	257	245
Chemicals	1,070	1,081
Communications and IT	908	736
Consultants **	3,224	2,675
Contract expenditure	11,060	11,165
Donations, sponsorships and grants	1,260	2,517
Energy (electricity and gas)	2,110	1,816
Equipment less than \$5,000	446	1,570
Fuel and oil	1,538	1,689
Repairs and maintenance	11,959	11,841
Councillors' expenses (incl. mayor) - other	46	198
Insurance	1,731	1,587
Legal fees	637	608
Licences	3,067	2,542
Plant hire	633	1,358
Professional development, training	698	383
Professional membership and subscription	438	189
Publications	268	307
Rentals and leases	334	162
Travel and accommodation	62	58
Waste levy	3,567	2,902
Water	445	398
Other materials and services	4,465	6,468
<b>Total materials and services</b>	<b>51,636</b>	<b>53,853</b>

\* Total audit fees quoted by the Queensland Audit Office relating to the 2023-2024 financial statements are \$207,500 (2023: \$207,000).

\*\* Total Electoral Commission Queensland costs for 2024 Council Elections are \$352,337.

## Note 8. Finance costs

	2024	2023
	\$ '000	\$ '000
Finance costs charged by the Queensland Treasury Corporation	827	930
Bank charges	155	130
Unwinding of discount on provisions	602	481
<b>Total finance costs</b>	<b>1,584</b>	<b>1,541</b>

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 9. Capital expenses

	Notes	2024 \$ '000	2023 \$ '000
<b>(a) Provision for restoration of land</b>			
Increase in landfill restoration provision		2,325	55
Increase in quarry restoration provision		64	75
	20	<u>2,389</u>	<u>130</u>
<b>(b) Other capital expenses</b>			
Loss on write-off of assets		25,027	24,954
		<u>25,027</u>	<u>24,954</u>
<b>Total capital expenses</b>		<u>27,416</u>	<u>25,084</u>

## Note 10. Cash, cash equivalents and financial assets

	2024 \$ '000	2023 \$ '000
--	-----------------	-----------------

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

Cash is held with the Commonwealth Bank in a business cheque account and in short term deposits with the Queensland Treasury Corporation.

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.

**Cash and cash equivalents**

Cash at bank and on hand	2,147	2,000
Deposits at call *	73,272	87,279
<b>Balance per Statement of Financial Position</b>	<u>75,419</u>	<u>89,279</u>
<b>Balance per Statement of Cashflows</b>	<u>75,419</u>	<u>89,279</u>

\* Those investments where time to maturity from date of purchase is less than 3 months

**Restricted and internally allocated cash and cash equivalents**

Cash and cash equivalents	75,419	89,279
Less: externally imposed restrictions on cash	(47,877)	(49,019)
<b>Unrestricted cash</b>	<u>27,542</u>	<u>40,260</u>



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 10. Cash, cash equivalents and financial assets (continued)

	2024 \$ '000	2023 \$ '000
Council's cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include:		
<b>(i) Externally imposed expenditure restrictions at the reporting date relate to the following cash assets:</b>		
Unspent government grants and subsidies	22,360	26,492
Unspent developer contributions	20,311	17,460
Unspent waste levy	5,206	6,895
<b>Total externally imposed restrictions on cash assets</b>	<b>47,877</b>	<b>50,847</b>
<b>(ii) Internal allocations of cash at the reporting date:</b> Internal allocations of cash may be lifted by a Council with a resolution.		
Future capital works	17,492	14,567
<b>Total internally allocated cash</b>	<b>17,492</b>	<b>14,567</b>
<b>Trust Funds</b>		
In accordance with the <i>Local Government Act 2009</i> 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, security deposits lodged to guarantee performance and unclaimed monies (e.g. unidentified deposits). The Council performs only a custodial 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 these financial statements since Council has no control over the assets.		
<b>Trust funds held for outside parties</b>		
Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities	1,513	1,533
Security deposits	800	418
	<b>2,313</b>	<b>1,951</b>
<b>QTC working capital facility</b>		
Unused	-	-
Used	-	-
<b>Facility limit</b>	<b>-</b>	<b>-</b>



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 11. Receivables

Receivables, loans and advances are amounts owed to Council at year end. They are recognised at the amount due at the time of sale or service delivery, or advance. Settlement of receivables is required with 30 days after the invoice is issued. Terms for loans and advances are dependent upon the recipient. Security is not normally obtained.

Debts are assessed regularly 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.

	2024	2023
	\$ '000	\$ '000
<b>Current</b>		
Rateable revenue and utility charges	5,819	3,714
Fees and charges	2,570	1,571
Grants	887	147
Other debtors	781	753
GST receivable	2,636	1,309
<b>Total</b>	<b>12,693</b>	<b>7,494</b>
<b>less: Provision for impairment</b>		
Other	(5)	(14)
<b>Total current receivables</b>	<b>12,688</b>	<b>7,480</b>

**Accounting policies****Receivables credit risk**

In the case of rate receivables, the Council has the power to sell the property to recover any defaulted amounts and therefore generally for rates debtors the credit risk is low.

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

There is a geographical concentration of risk in Council's receivables as most receivables are from ratepayers and entities operating within the local government area.

**Accounting policies - 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 ie the agreed purchase/contract price. Settlement of these amounts is required within 30 days from invoice date.

**Accounting policies - grouping**

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

Accounting for impairment losses is dependent upon the individual group of receivables subject to impairment. The loss allowance for grouped receivables reflects lifetime expected credit losses (ECL) and incorporates reasonable and supportable forward-looking information. Economic changes impacting debtors, and relevant industry data form part of the impairment assessment.

## Notes to the Financial Statements

for the year ended 30 June 2024

**Note 11. Receivables (continued)**

Council has identified 4 distinctive groupings of its receivables: rates and charges, statutory charges, grants, other debtors and relevant judgements in relation to expected credit loss has been made in each group.

Rates and charges: 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 ECL 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.

Statutory charges: In some limited circumstances Council may write off impaired statutory charges. Internal historical data shows no material defaults have occurred, and as such, an expected credit loss of fees and charges is not calculated.

Grants: Payable by State and Commonwealth governments and their agencies. A credit enhancement exists as these payments are effectively government guaranteed and both the State and the Commonwealth governments have high credit ratings, accordingly Council determines the level of credit risk exposure to be immaterial and therefore does not record and Expected Credit Loss for these counterparties.

Other debtors: Includes GST receivable. Council identifies other debtors as receivables which are not rates and charges or statutory charges.

	2024 \$ '000	2023 \$ '000
<b>Movement in accumulated impairment losses is as follows:</b>		
Opening balance at 1 July	(14)	(205)
Add		
Additional impairments recognised	–	–
Less		
Impairment debts written off during the year	–	–
Impairments reversed	9	191
<b>Balance at the end of the year</b>	<b>(5)</b>	<b>(14)</b>

Impairment of receivables is not material.

**Disclosure - credit risk exposure and impairment of receivables**

The maximum exposure to credit risk at balance date for receivables is the gross carrying amount of those assets. No collateral is held as security.

Council uses a provision matrix to measure the expected credit losses on statutory charges and other debtors. Loss rates are calculated separately for groupings with similar loss patterns. The calculations reflect historical observed default rates calculated using credit losses experienced on past transactions from the last 6 years for each group. Loss rates are based on actual credit loss experience over the past 6 years, current conditions and the Council's view of economic conditions over the expected lives of the receivables. Council has determined there are three material groupings for measuring expected credit losses based on a combination of their statutory status, Council's policies and procedures, sale of services and goods, and risk default profiles of these revenue streams.

In Council's statements after reviewing macro economic conditions, Council reached the conclusion that forwards looking conditions indicated no foreseeable expected deviations from historically calculated ratios, thus no forward looking adjustments were made.

Refer also to Note 28 for further information about credit risk.

Interest is charged on outstanding rates (11.64% per annum 2023-2024, 8.17% 2022-2023). No interest is charged on other debtors.



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 12. Inventories

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

Inventories held for distribution are:

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

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

	2024	2023
	\$ '000	\$ '000
<b>Current Inventories</b>		
<b>Inventories held for distribution</b>		
Quarry and road materials	1,368	722
Stores and materials	1,101	1,118
<b>Total current inventories</b>	<b>2,469</b>	<b>1,840</b>

## Note 13. Other assets

	2024	2023
	\$ '000	\$ '000
<b>Current</b>		
Prepayments	647	561
QRA Funding	6,972	—
<b>Total current other assets</b>	<b>7,619</b>	<b>561</b>



Notes to the Financial Statements

for the year ended 30 June 2024

Note 14. Property, plant and equipment

	Capital work in progress \$ '000	Land and site improvements \$ '000	Buildings \$ '000	Heavy plant \$ '000	Plant and equipment \$ '000	Road, drainage and bridge network \$ '000	Water \$ '000	Sewerage \$ '000	Other infrastructure \$ '000	Rail \$ '000	Total \$ '000
<b>2024</b>											
Measurement basis	Cost	Fair Value	Fair Value	Fair Value	Cost	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	
<b>Opening gross balance</b>	37,288	88,672	215,973	19,076	9,319	1,428,801	255,816	256,722	23,718	5,500	2,340,885
Correction to opening balances	–	–	–	–	60	6,590	–	–	–	–	6,650
Additions	102,595	–	–	4,103	1,075	7,902	1,416	2,401	–	–	119,492
Disposals	–	(542)	–	(1,865)	(205)	–	–	–	–	–	(2,612)
Write-offs	–	(378)	(588)	–	–	(29,170)	(668)	(2,827)	(1,215)	–	(34,846)
Revaluation increments to equity (ARS)	–	4,238	13,002	(5,588)	–	59,972	20,885	20,969	248	–	113,726
Work in progress transfers	(56,198)	2,412	1,316	–	–	48,610	1,276	2,584	–	–	–
Adjustments and other transfers	–	–	–	157	(157)	–	–	–	–	–	–
<b>Total gross value of property, plant and equipment</b>	<b>83,685</b>	<b>94,402</b>	<b>229,703</b>	<b>15,883</b>	<b>10,092</b>	<b>1,522,705</b>	<b>278,725</b>	<b>279,849</b>	<b>22,751</b>	<b>5,500</b>	<b>2,543,295</b>
<b>Opening accumulated depreciation and impairment</b>	–	11,732	113,616	8,244	5,169	264,338	121,621	95,420	6,168	3,632	629,940
Correction to opening balances	–	22	2,392	–	95	140	(4)	(11)	(115)	–	2,519
Depreciation expense	–	1,238	3,873	1,749	613	14,405	4,131	3,551	472	92	30,124
Depreciation on disposals	–	–	–	(1,164)	(143)	–	–	–	–	–	(1,307)
Depreciation on write-offs	–	(183)	(312)	–	–	(7,465)	(226)	(1,316)	(318)	–	(9,820)
Revaluation increments to equity (ARS)	–	1,022	7,174	(8,953)	–	11,128	10,167	7,909	68	–	28,515
Adjustments and other transfers	–	–	–	124	(124)	–	–	–	–	–	–
<b>Total accumulated depreciation of property, plant and equipment</b>	<b>–</b>	<b>13,831</b>	<b>126,743</b>	<b>–</b>	<b>5,610</b>	<b>282,546</b>	<b>135,689</b>	<b>105,553</b>	<b>6,275</b>	<b>3,724</b>	<b>679,971</b>
<b>Total net book value of property, plant and equipment</b>	<b>83,685</b>	<b>80,571</b>	<b>102,960</b>	<b>15,883</b>	<b>4,482</b>	<b>1,240,159</b>	<b>143,036</b>	<b>174,296</b>	<b>16,476</b>	<b>1,776</b>	<b>1,863,324</b>
<b>Other information</b>											
Range of estimated useful life (years)		Land not depreciated. Site improvements:									
	Not depreciated	5-183	15-160	4-100	3-40	10-180	10-100	5-100	17.5-105	35-40	
<b>*Asset additions comprise</b>											
Asset renewals	78,990	–	–	–	6	–	–	–	–	–	78,996
Other additions	23,605	–	–	4,103	1,069	7,902	1,416	2,401	–	–	40,496
<b>Total asset additions</b>	<b>102,595</b>	<b>–</b>	<b>–</b>	<b>4,103</b>	<b>1,075</b>	<b>7,902</b>	<b>1,416</b>	<b>2,401</b>	<b>–</b>	<b>–</b>	<b>119,492</b>

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 14. Property, plant and equipment (continued)

	Capital work in progress \$ '000	Land and site improvements \$ '000	Buildings \$ '000	Heavy plant \$ '000	Plant and equipment \$ '000	Road, drainage and bridge network \$ '000	Water \$ '000	Sewerage \$ '000	Other infrastructure \$ '000	Rail \$ '000	Total \$ '000
<b>2023</b>											
Measurement basis	Cost	Fair Value	Fair Value	Fair Value	Cost	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	
<b>Opening gross balance</b>	30,640	82,239	205,073	16,672	9,131	1,311,985	239,363	240,884	21,784	141,353	2,299,124
Correction to opening balances	(7,471)	—	—	—	—	7,471	—	—	—	—	—
Additions	31,913	—	—	1,831	677	9,983	1,336	2,063	—	—	47,803
Disposals	—	—	—	(921)	(489)	—	—	—	—	(136,638)	(138,048)
Write-offs	—	(68)	(169)	—	—	(6,333)	(969)	(1,979)	(183)	—	(9,701)
Revaluation increments to equity (ARS)	—	4,331	10,870	1,495	—	97,207	12,875	12,921	2,009	—	141,708
Work in progress transfers	(17,794)	2,170	199	—	—	8,488	3,211	2,833	108	785	—
Adjustments and other transfers	—	—	—	—	—	—	—	—	—	—	—
<b>Total gross value of property, plant and equipment</b>	<b>37,288</b>	<b>88,672</b>	<b>215,973</b>	<b>19,077</b>	<b>9,319</b>	<b>1,428,801</b>	<b>255,816</b>	<b>256,722</b>	<b>23,718</b>	<b>5,500</b>	<b>2,340,886</b>
<b>Opening accumulated depreciation and impairment</b>	—	9,776	103,731	6,236	4,795	237,901	111,698	87,875	4,019	118,957	684,988
Correction to opening balances	—	—	—	5	—	—	—	—	—	—	5
Depreciation expense	—	1,400	4,312	1,574	656	11,322	4,173	3,612	355	1,785	29,189
Depreciation on disposals	—	—	—	(217)	(282)	—	—	—	—	(117,110)	(117,609)
Depreciation on write-offs	—	(34)	(146)	—	—	(2,869)	(371)	(869)	(30)	—	(4,319)
Revaluation increments to equity (ARS)	—	590	5,719	646	—	17,984	6,121	4,802	1,824	—	37,686
Adjustments and other transfers	—	—	—	—	—	—	—	—	—	—	—
<b>Total accumulated depreciation of property, plant and equipment</b>	<b>—</b>	<b>11,732</b>	<b>113,616</b>	<b>8,244</b>	<b>5,169</b>	<b>264,338</b>	<b>121,621</b>	<b>95,420</b>	<b>6,168</b>	<b>3,632</b>	<b>629,940</b>
<b>Total net book value of property, plant and equipment</b>	<b>37,288</b>	<b>76,940</b>	<b>102,357</b>	<b>10,833</b>	<b>4,150</b>	<b>1,164,463</b>	<b>134,195</b>	<b>161,302</b>	<b>17,550</b>	<b>1,868</b>	<b>1,710,946</b>
<b>Other information</b>											
Range of estimated useful life (years)		Land not depreciated. Site improvements:									
	Not depreciated	5-183	15-160	4-100	3-40	10-180	10-100	5-100	17.5-105	35-40	
<b>*Asset additions comprise</b>											
Asset renewals	21,014	—	—	81	155	—	—	—	—	—	21,250
Other additions	10,898	—	—	1,750	522	9,983	1,336	2,063	—	—	26,552
<b>Total asset additions</b>	<b>31,912</b>	<b>—</b>	<b>—</b>	<b>1,831</b>	<b>677</b>	<b>9,983</b>	<b>1,336</b>	<b>2,063</b>	<b>—</b>	<b>—</b>	<b>47,802</b>



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 14. Property, plant and equipment (continued)

**(a) Recognition**

Purchases of property, plant and equipment are recognised as assets unless they are below the asset recognition threshold or maintenance expenditure.

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

The asset capitalisation thresholds for Council are:

	\$
Land	1
Site improvements	10,000
Buildings	10,000
Heavy plant	10,000
Plant and equipment	5,000
Road, drainage and bridge network	10,000
Water	10,000
Sewerage	10,000
Other infrastructure	10,000
Rail	10,000

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

**(b) Measurement**

Property, plant and equipment assets are initially recorded at cost. Subsequently, each class of property, plant and equipment is stated at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment loss.

Cost is determined as the fair value of consideration plus costs incidental to the acquisition. Direct labour, materials and an appropriate portion of overheads incurred in the acquisition or construction of assets are also included as capital costs.

Property, plant and equipment received in the form of contributions, for significantly less than fair value or as offsets to infrastructure charges are recognised as assets and revenue at fair value.

When Council raises a provision for the restoration of a Council-controlled site, such as a landfill site, the provision is initially recognised against property, plant and equipment. Subsequent changes in the provision relating to the discount rate or the estimated amount or timing of restoration costs are recognised against the asset revaluation surplus.

**(c) Depreciation**

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

Land, work in progress, certain cultural and heritage assets with heritage listing, road formations and formation work associated with the construction of dams, levee banks and reservoirs are not depreciated.

Depreciation, where applicable, is calculated on a straight-line basis such that the cost of the asset less its residual value is recognised progressively over its estimated useful life to Council. Management believe that the straight-line basis appropriately reflects the pattern of consumption of all Council assets.

The useful life of leasehold improvements is the shorter of the useful life of the asset or the remaining life of the lease.

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

Depreciation methods, estimated useful lives and residual values are reviewed at the end of each reporting period and adjusted where necessary to reflect any changes in the pattern of consumption, physical wear and tear, technical or commercial obsolescence, or management intentions.



## Notes to the Financial Statements

for the year ended 30 June 2024

**Note 14. Property, plant and equipment (continued)****Key judgements and estimates:**

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to the long-lived nature of infrastructure assets, and the challenges in determining useful lives for them.

**(d) Impairment**

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

**(e) Valuation****Key judgements and estimates**

Some of the Council's assets and liabilities are measured at fair value for financial reporting purposes. 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 once every 5 years, council performs full comprehensive revaluation by engaging an external professionally qualified valuer.

In the intervening years, Council undertakes:

- a management valuation using internal engineers and asset managers to assess the condition and cost assumptions associated with all infrastructure assets and an appropriate cost index for the region.
- a "desktop" valuation for land and improvements, buildings and major plant asset classes which involves management providing updated information to the valuer regarding additions, deletions and changes in assumptions such as useful life, residual value and condition rating. The valuer then determines suitable indices which are applied to each of these asset classes.

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

Revaluation decreases are recognised in the asset revaluation surplus, where there is sufficient amount available in the asset revaluation surplus relating to that asset class. Where there isn't sufficient amount available in the surplus, the decrease is recognised in the statement of comprehensive income.

On revaluation, accumulated depreciation has been eliminated and the carrying amount of the asset and any change in the estimate of remaining useful life, restated.

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, such as prices for similar assets, for the asset or liability.

Level 3: Fair value based on unobservable inputs for the asset and liability.

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 14. Property, plant and equipment (continued)

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

Asset class and fair value hierarchy	Valuation approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in index recognised this year)	Other interim revaluation adjustment
Land (Level 2)	Market value	30/06/2022	AssetVal Pty Ltd	Sales price per square metre of comparable properties, adjusted for differences in key attributes such as area, location and other general site characteristics.	2.71%	Nil
Land and site improvements (Level 3)	Current replacement cost	30/06/2022	AssetVal Pty Ltd	Cost Approach using current replacement cost. Published or available market data for recent projects, and/or published cost guides are utilised where available.	8.1%	Nil
Buildings (Level 2)	Market value	30/06/2022	AssetVal Pty Ltd	Sales price per square metre of comparable properties, adjusted for differences in key attributes such as condition.	6.0%	Nil
Buildings (Level 3)	Current replacement cost	30/06/2022	AssetVal Pty Ltd	Cost approach using current replacement cost and taking into account obsolescence, age, and condition. Published/available market data for recent projects, and/or published cost guides are utilised where available.	6.0%	Nil
Other infrastructure (Level 3)	Current replacement cost	30/06/2023	AssetVal Pty Ltd	Cost approach using current replacement cost and taking into account obsolescence, age, and condition. Published/available market data for recent projects, and/or published cost guides are utilised where available.	1.1%	Nil
Heavy plant (Level 2)	Market value	30/06/2024	Pickles Valuations	Sales transactions of comparable assets, adjusted for differences in key attributes such as condition, useful life and residual value.	Nil	Nil



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 14. Property, plant and equipment (continued)

Asset class and fair value hierarchy	Valuation approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in index recognised this year)	Other interim revaluation adjustment
Roads, bridges, drainage (Level 3)	Current replacement cost	30/06/2021	Shepherd Services Pty Ltd	Existing supply contract rates for raw materials appropriate for the asset based on age, size, location and condition Labour rates based on Council's EBA Average cost of outsourced projects Remaining life of assets including existing conditions.	4.1%	Nil
Water and sewerage (Level 3)	Current replacement cost	31/03/2021	Shepherd Services Pty Ltd	Split into 4 distinct areas based on geographic and environmental factors Development, soil and depth factors taking into account current condition Gross replacement cost per m2 based on appropriate materials Remaining useful lives and physical obsolescence.	8.1%	Nil
Rail (Level 3)	Current replacement cost	30/06/2022	Leeson Valuers	Cost Approach using current replacement cost Published/available market data for recent projects, and/or published cost guides are utilised where available	Nil	Nil



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 15. Intangible assets

	2024	2023
	\$ '000	\$ '000
Intangible assets is made up of computer software with a cost or other value exceeding \$50,000. Computer software which costs less than \$50,000 is expensed.		
Intangible assets are amortised on a straight-line basis over the period of expected benefit to Council, ranging between three to seven years.		
Amortisation methods, estimated useful lives and residual values are reviewed at the end of each reporting period and adjusted where appropriate.		
<b>Intangible assets are as follows:</b>		
<b>Software</b>		
<b>Opening gross carrying value</b>	1,807	1,445
Additions	–	362
<b>Closing gross carrying value</b>	1,807	1,807
<b>Opening accumulated amortisation and impairment</b>	(1,302)	(1,127)
Amortisation charges	(94)	(175)
<b>Closing accumulated amortisation and impairment</b>	(1,396)	(1,302)
<b>Net carrying value at end of financial year</b>	411	505
<b>Total intangible assets - net book value</b>	411	505

## Note 16. Contract balances

Contract assets represents the excess of costs incurred in relation to a contract with the customer or construction of an asset over the amounts that council has invoiced the customer or the grantor. Where Council has invoiced the customer or the grantor amounts in excess of what it has incurred in relation to a contract or in constructing an asset, this gives rise to a contract liability.

	2024	2023
	\$ '000	\$ '000
<b>(a) Contract assets</b>		
<b>Current</b>		
Contract assets	23,748	15,580
<b>Total current contract assets</b>	23,748	15,580
<b>(b) Contract liabilities</b>		
<b>Current</b>		
<b>Grants</b>		
Funds received upfront to construct Council controlled assets	16,057	15,172
<b>Total grants</b>	16,057	15,172
<b>Total current contract liabilities</b>	16,057	15,172

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 16. Contract balances (continued)

	2024	2023
	\$ '000	\$ '000
<b>Revenue recognised that was included in the contract liability balance at the beginning of the year</b>		
Funds to construct Council controlled assets	4,493	5,655
<b>Total revenue included in the contract liability</b>	<b>4,493</b>	<b>5,655</b>

**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 2 years.

**(c) Significant changes in contract balances**

The increase in contract assets and liabilities are as a result of a significant increase in the amount of grants and subsidies being provided by the State and Federal Governments. For these grants, a majority of the funding is provided in advance, often for multiple years, with the balance being paid as milestones are achieved or on completion of the funded project. The bulk of the balance of the contract liability account relates to the Reconstruction of Public Assets (REPA) project which is expected to be completed over the next 2 years.

## Note 17. Leases

**Council as a lessee**

Council has leases in place over equipment. Council does not have any vehicle or heavy equipment leases.

**Exceptions to lease accounting**

Council has applied the exceptions to lease accounting for both short-term leases (ie 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.

Council has elected to measure the right of use asset arising from leases at significantly below market value (concessionary leases), at cost which is based on the associated lease liability at initial recognition.



# Gympie Regional Council

## Notes to the Financial Statements

for the year ended 30 June 2024

### Note 17. Leases (continued)

#### Terms and conditions of leases

##### Equipment

Council leases a number of communication tower site accesses, which are considered low value and are not subject to lease accounting.

#### Amounts included in the statement of comprehensive income related to leases

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

	2024 \$ '000	2023 \$ '000
<b>Expenses</b>		
Expenses relating to short-term leases	52	58
Expenses relating to low-value assets	282	104
<b>Net expense relating to leases</b>	<b>334</b>	<b>162</b>

#### Leases at significantly below market value – concessionary / peppercorn leases

Council has a number of leases at significantly below market value for land and buildings which are used for:

- access to communication towers
- airport
- land for Council depot outpost
- sports and recreation ground sites
- livestock saleyards site

The leases are generally between 2 and 50 years and require payments between \$1 and \$25,000 per annum. The use of the right-to-use asset is restricted by the lessors to specified community services.

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

#### Council as a lessor

When Council is a lessor, the lease is classified as either an operating or finance lease at inception date, based on whether substantially all of the risks and rewards incidental to ownership of the asset have been transferred to the lessee. If the risks and rewards have been transferred then the lease is classified as a finance lease, otherwise it is an operating lease.

If the lease contains lease and non-lease components, the non-lease components are accounted for in accordance with *AASB 15 Revenue from Contracts with Customers*.

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

Council has a number of properties which are rented/leased to community members as a community service, at concessional rates.



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 18. Payables

	2024	2023
	\$ '000	\$ '000
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.		
<b>Current</b>		
Creditors	13,651	7,315
Prepaid rates	4,584	4,329
Other entitlements	299	251
Employee related accruals	1,891	1,832
<b>Total current payables</b>	<b>20,425</b>	<b>13,727</b>

## Note 19. Borrowings

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

All borrowings are in \$AUD denominated amounts and interest is expensed as it accrues. No interest has been capitalised during the current or comparative reporting period. Expected final repayment dates vary from 15 June 2027 to 15 June 2034. There have been no defaults or breaches of the loan agreement during the period.

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

	2024	2023
	\$ '000	\$ '000
<b>Current</b>		
Loans - Queensland Treasury Corporation	2,191	1,650
<b>Total current borrowings</b>	<b>2,191</b>	<b>1,650</b>
<b>Non-current</b>		
Loans - Queensland Treasury Corporation	14,393	11,170
<b>Total non-current borrowings</b>	<b>14,393</b>	<b>11,170</b>

## Reconciliation of Loan Movements for the year

## Loans - Queensland Treasury Corporation

Opening balance at beginning of financial year	12,820	14,333
Loans raised	5,380	-
Principal repayments	(1,616)	(1,513)
<b>Book value at end of financial year</b>	<b>16,584</b>	<b>12,820</b>



## Gympie Regional Council

### Notes to the Financial Statements

for the year ended 30 June 2024

#### Note 19. Borrowings (continued)

The QTC loan market value at the reporting date is \$17,205 million (2023: \$13,740 million). This represents the value of the debt if the Council repaid at that date. As it is the intention of the Council to hold the debt for its term, no provision is required to be made in these accounts.

No assets have been pledged as security by the Council for any liabilities, however all loans are guaranteed by the Queensland Government.

#### Note 20. Provisions

Liabilities are recognised for employee benefits such as wages and salaries, sick and annual leave in respect of services provided by the employees up to the reporting date. The liability is calculated using the present value of remuneration rates that will be paid when the liability is expected to be settled and includes related on-costs.

As the Council does not have an unconditional right to defer settlement of the annual leave beyond twelve months after the reporting date, annual leave is classified as a current liability.

Council has an obligation to pay a vested sick leave amount on termination to employees with more than 5 years of service and who commenced with Council before certification of the Gympie Regional Council Certified Agreement 2018 on 25 March 2019. Council therefore recognises a liability for this obligation.

Short-term benefits which are expected to be wholly settled within 12 months are calculated on wage and salary levels which are expected to be paid and includes related employee on-costs. Amounts not expected to be wholly 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

The provision for long service leave represents the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The liability is calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. The estimates are adjusted for the probability of the employee remaining in the Council's employment or other associated employment which would result in the Council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value. The interest rates attaching to Commonwealth Government guaranteed securities at the reporting date are used to discount the estimated future outflows to their present value.

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

##### Refuse dump restoration and quarry rehabilitation

A provision is made for the cost of restoring refuse dumps and quarries where it is probable the Council will be liable, or required, to do this when the use of the facilities is complete.

Council operates three refuse dump (waste) facilities in the region:

- Bonnick Road, Gympie
- Tin Can Bay
- Gunalda

The provision for refuse restoration is calculated as the present value of the anticipated future costs associated with the closure of the dump sites, decontamination and monitoring of historical residues and leaching on these sites. The calculation of this provision requires assumptions such as application of environmental legislation, site closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from amounts currently provided. Due to the long term nature of the liability, the most significant uncertainty in estimating the provision is the costs that will be incurred.

The provision recognised for landfill sites is reviewed at least annually and updated based on the facts and circumstances available at the time.

As landfill sites are on state reserves which the Council does not control, the provision for restoration is treated as an expense in the year the provision is first recognised.



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 20. Provisions (continued)

The provision for quarry rehabilitation represents the present value of the anticipated future costs associated with the closure of the quarries, filling the basin, and reclamation and rehabilitation of these sites.

The calculation of this provision requires assumptions such as application of environmental legislation, site closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from amounts currently provided. Due to the long term nature of the liability, the most significant uncertainty in estimating the provision is the costs that will be incurred.

The provision recognised for quarry rehabilitation is reviewed at least annually and updated based on the facts and circumstances available at the time.

Quarries that are situated on Council controlled land are classified as land and improvement assets. Changes in the provision arising from the passing of time are added to or deducted from the asset revaluation surplus for land. If there is no available revaluation surplus, increases in the provision are treated as an expense and recovered out of future decreases (if any). Changes to the provision resulting from the passing of time (the unwinding of the discount) are treated as a finance cost.

	2024 \$ '000	2023 \$ '000
<b>Current</b>		
Annual leave	4,268	4,072
Long service leave	4,635	4,269
Sick leave	1,924	1,977
<b>Sub total - aggregate employee benefits</b>	<b>10,827</b>	<b>10,318</b>
Quarry sites	363	350
Refuse sites	944	291
<b>Total current provisions</b>	<b>12,134</b>	<b>10,959</b>
<b>Non-current</b>		
Long service leave	1,810	1,645
<b>Sub total - aggregate employee benefits</b>	<b>1,810</b>	<b>1,645</b>
Quarry sites	296	285
Refuse sites	15,889	13,641
<b>Total non-current provisions</b>	<b>17,995</b>	<b>15,571</b>

## Details of movements in provisions

## Quarry rehabilitation

Balance at beginning of financial year	635	545
Additional provision	3	95
Amounts used	(6)	(6)
Increase in provision due to unwinding of discount	27	15
Increase/(decrease) in provision due to change in discount rate	-	(14)
<b>Balance at end of financial year</b>	<b>659</b>	<b>635</b>

## Refuse restoration

Balance at beginning of financial year	13,932	13,411
Additional provision	2,680	789
Increase in provision due to unwinding of discount	575	466
Increase/(decrease) in provision due to change in discount rate	(354)	(734)
<b>Balance at end of financial year</b>	<b>16,833</b>	<b>13,932</b>



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 21. Other liabilities

	2024 \$ '000	2023 \$ '000
<b>Current</b>		
Waste levy refund received in advance	1,689	1,689
<b>Total current other liabilities</b>	<b>1,689</b>	<b>1,689</b>
<b>Non-current</b>		
Waste levy refund received in advance	3,517	5,206
<b>Total non-current other liabilities</b>	<b>3,517</b>	<b>5,206</b>

Revenue is classified as unearned if it relates to an obligation to supply specific goods and services in future periods.

Rates paid in advance are included with Payables. Refer to Note 18 Payables.

## Note 22. Asset revaluation surplus

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

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

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

The closing balance of the asset revaluation surplus comprises the following asset categories:

	2024 \$'000	2023 \$'000
Land and site improvements	24,714	21,497
Buildings	33,043	27,215
Heavy plant	4,833	1,467
Road, bridge and drainage	752,561	703,717
Water	96,286	85,568
Sewerage	85,999	72,940
Other infrastructure	9,574	9,395
Rail	5,966	5,966
<b>Total asset revaluation surplus</b>	<b>1,012,976</b>	<b>927,765</b>

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 23. Commitments for expenditure

	2024 \$ '000	2023 \$ '000
<b>Capital commitments (exclusive of GST)</b>		
<b>Commitment for the construction of the following assets contracted for at the reporting date but not recognised as liabilities:</b>		
<b>Property, plant and equipment</b>		
Road, drainage and bridge network	35,819	10,176
Water and Sewerage	13,112	108
Other	7	9,768
<b>Total commitments</b>	<b>48,938</b>	<b>20,052</b>

Other capital commitments include maintenance and/or management of Council assets, licences, and consultancy services.

## Note 24. Contingent liabilities

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

**Local Government Mutual**

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

The latest available financial statements as at 30 June 2023 reported an accumulated surplus and it is not anticipated any liability will arise.

**Local Government Workcare**

The Council is a member of the Queensland local government worker's compensation self-insurance scheme, Local Government Workcare. Under this scheme the Council has provided an indemnity towards a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled and there was insufficient funds available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise. The Council's maximum exposure to the bank guarantee is \$1,741,357.

**Insurance claims pending**

	2024 \$'000	2023 \$'000
Insurance claims pending	241	217
<b>Total</b>	<b>241</b>	<b>217</b>

There are various claims pending against the Council. In the opinion of the Council's legal advisors, the potential loss on all claims at 30 June 2024 should not exceed the total stated. The Council has disclaimed liability in all cases and no provision has been made in the financial statements pertaining to these claims.

**Waste Operations**

In July 2023, Council identified issues in classification and management of waste streams at the Bonnick Road Waste Management Facility. This site has an external gatekeeping contractor engaged to manage the declaration of waste types, collect fees on behalf of council and manage several waste streams. While council waste management officers were responsible for identifying the waste classification and management issues at the site, the investigation was undertaken by an independent legal firm. Council also self-reported to its regulator. Notification of Finalisation of a Compliance Notice from the regulator was received by Council post balance date.



## Notes to the Financial Statements

for the year ended 30 June 2024

**Note 24. Contingent liabilities (continued)**

Further information in respect of this matter has not been disclosed in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets on the basis that Council considers such disclosure would prejudice the outcome of the matter.

**Note 25. Superannuation - regional defined benefit fund**

Council contributes to the Brighter Super Regional Defined Benefits Fund (the scheme), at the rate of 12% for each standard permanent employee who is a defined benefit member. This rate is set in accordance with the Brighter Super trust deed and may be varied on the advice of an actuary. The Regional Defined Benefits Fund is a complying superannuation 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 Brighter Super trustee.

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

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

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 Brighter Super trust deed changes to council's obligations will only be made on the advice of an actuary.

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

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

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

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

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

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

	2024	2023
Notes	\$ '000	\$ '000
Superannuation contributions made to the Regional Defined Benefits Fund	119	123
Other superannuation contributions for employees	5,374	4,608
<b>Total superannuation contributions paid by Council for employees</b>	<b>5,493</b>	<b>4,731</b>



## Notes to the Financial Statements

for the year ended 30 June 2024

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

	2024 \$ '000	2023 \$ '000
<b>Net operating result from income statement</b>	61,019	17,328
<b>Non-cash items</b>		
Depreciation and amortisation	32,735	29,364
	<u>32,735</u>	<u>29,364</u>
<b>Losses/(gains) recognised on fair value re-measurements through the statement of comprehensive income</b>		
Unwinding of discount rates on reinstatement provisions	602	611
	<u>602</u>	<u>611</u>
<b>Investing and development activities</b>		
Net (profit)/loss on disposal of assets	(428)	(244)
Loss on write-off of assets	25,027	24,954
Increase in provision for restoration of land	2,323	–
Capital grants, contributions and donations	(100,015)	(45,233)
	<u>(73,093)</u>	<u>(20,523)</u>
<b>Changes in operating assets and liabilities:</b>		
(Increase)/decrease in receivables	(5,199)	3,927
Increase/(decrease) in provision for doubtful debts	(9)	(191)
(Increase)/decrease in inventories	(629)	(79)
(Increase)/decrease in other assets	(7,058)	36
Increase/(decrease) in payables	6,336	2,413
Increase/(decrease) in employee leave entitlements	674	2,219
Increase/(decrease) in other liabilities	(1,327)	447
	<u>(7,212)</u>	<u>8,772</u>
<b>Net cash provided from/(used in) operating activities from the statement of cash flows</b>	<u>14,051</u>	<u>35,552</u>

**Note 27. Events after the reporting period**

There has not been any event that occurred after the end of the reporting period that has significantly affected, or may significantly affect, the current or future financial results of the Council.

# Gympie Regional Council

## Notes to the Financial Statements

for the year ended 30 June 2024

### Note 28. Financial instruments and financial risk management

#### (a) Financial assets and financial liabilities

Council has exposure to the following risks arising from financial instruments; (i) interest rate risk, (ii) credit risk, and (iii) liquidity risk.

This note provides information (both qualitative and quantitative) to assist statement users evaluate the significance of financial instruments on the Council's financial position and financial performance, including the nature and extent of risks and how the Council manages these exposures.

#### Financial risk management

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

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

Council's audit and risk management 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 the Council. Council's audit and risk management 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 and risk management committee.

Council does not enter into derivatives.

#### Credit risk

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

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

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

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

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

#### Liquidity risk

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

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

#### Exposure to liquidity risk

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. Refer to Note 19 Borrowings.



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 28. Financial instruments and financial risk management (continued)

The following lines of credit were available at the end of the reporting period:

	0 to 1 year \$ '000	1 to 5 years \$ '000	Over 5 years \$ '000	Total contractual cash flows \$ '000	Carrying amount \$ '000
<b>2024</b>					
Payables	20,425	–	–	20,425	20,425
Loans - QTC	3,117	12,367	4,833	20,317	16,584
	<b>23,542</b>	<b>12,367</b>	<b>4,833</b>	<b>40,742</b>	<b>37,009</b>
<b>2023</b>					
Payables	13,161	–	–	13,161	13,727
Loans - QTC	2,443	9,719	3,792	15,954	12,820
	<b>15,604</b>	<b>9,719</b>	<b>3,792</b>	<b>29,115</b>	<b>26,547</b>

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

## Market risk

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

*Interest rate risk*

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

*Sensitivity*

Sensitivity to interest rate movements is shown for variable financial assets and liabilities based on the carrying amount at reporting date. The Council does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or Loss, therefore a change in interest rates at the reporting date would not affect profit or loss.

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

	Net carrying amount \$ '000	Net result		Equity	
		1% increase \$ '000	1% decrease \$ '000	1% increase \$ '000	1% decrease \$ '000
<b>2024</b>					
QTC cash fund	73,272	732	(732)	732	(732)
Loans - QTC	(16,584)	–	–	–	–
<b>Net</b>	<b>56,688</b>	<b>732</b>	<b>(732)</b>	<b>732</b>	<b>(732)</b>
<b>2023</b>					
QTC cash fund	87,279	873	(873)	873	(873)
Loans - QTC	(12,820)	–	–	–	–
<b>Net</b>	<b>74,459</b>	<b>873</b>	<b>(873)</b>	<b>873</b>	<b>(873)</b>

The QTC loans held by the Council are fixed rate loans. Council has applied them as financial instruments with fixed interest rates, which are carried at amortised cost and are not subject to interest rate sensitivity.



## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 29. National competition policy

**Business activities to which the code of competitive conduct is applied**

Council applies the competitive code of conduct to the following activities:

- Building certification - Commercial business unit
- Water and sewerage - Significant business activity full cost pricing
- Refuse management - Significant business activity full cost pricing

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

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

	Building certification \$ '000	Water and sewerage \$ '000	Refuse management \$ '000
Revenue for services provided to the Council	–	–	10
Revenue for services provided to external clients	94	37,509	13,846
Community service obligations	–	500	583
	<u>94</u>	<u>38,009</u>	<u>14,439</u>
Less : expenditure	(242)	(39,983)	(18,566)
<b>Surplus/(deficit)</b>	<b>(148)</b>	<b>(1,974)</b>	<b>(4,127)</b>

**Description of CSO's provided to business activities:**

Activities	CSO description	Actual \$'000
Water and sewerage	Council services	500
Refuse management	Cleaning and refuse collection services to council and community groups	583

## Notes to the Financial Statements

for the year ended 30 June 2024

## Note 30. Controlled entities that have not been consolidated

During the 2023 financial year, Council divested its control over its controlled entity on 16 June 2023 when both the Company and Council executed the asset sale and purchase agreement which formalised the separation from Council.

For further information, see Note 1(j) for details. Note shown for comparative information only.

## Controlled entity

	Ownership interest %	Revenue \$ '000	Expenses \$ '000	Profit / (loss) \$ '000	Assets \$ '000	Liabilities \$ '000
<b>2024</b>						
The Rattler Railway Company Ltd	0%	-	-	-	-	-
		-	-	-	-	-
<b>2023</b>						
The Rattler Railway Company Ltd	100%	5,581	3,340	2,241	2,743	835
		5,581	3,340	2,241	2,743	835

Operation of a steam railway tourism venture in the Mary Valley.

## Note 31. Transactions with related parties

## (a) Key management personnel

## Transactions with key management personnel

KMP includes the Mayor, councillors, Council's Chief Executive Officer and executive management.

	2024 \$ '000	2023 \$ '000
<b>The compensation paid to key management personnel comprises:</b>		
Short-term employee benefits	2,137	2,003
Post-employment benefits	238	206
Termination benefits	231	-
<b>Total</b>	<b>2,606</b>	<b>2,209</b>

## (b) Other Related Parties

## Transactions with other related parties

Other related parties include the close family members of the 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.

There are no close family members of KMP that are employed by Council.

There were no significant related party transactions during the year and all transactions were at arm's length.

## Notes to the Financial Statements

for the year ended 30 June 2024

### Note 31. Transactions with related parties (continued)

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#### (c) 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 Gympie Region. Therefore, on a regular basis, ordinary citizen transactions occur between Council and its related parties. Some examples include:

- Payment of rates
- Use of the Gympie Aquatic Recreation Centre
- Dog registration
- Borrowing books from a Council library

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



## General Purpose Financial Statements

for the year ended 30 June 2024

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### Management Certificate

for the year ended 30 June 2024

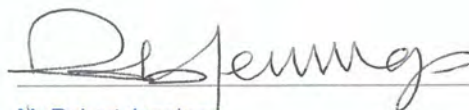
These General Purpose Financial Statements have been prepared pursuant to sections 176 and 177 of the *Local Government Regulation 2012* (the Regulation) and other prescribed requirements.

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

- i. the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulations 2012* for the establishment and keeping of accounts have been complied with in all material respects; and
- ii. the General Purpose Financial Statements, as set out on pages herewith, present a true and fair view, in accordance with Australian Accounting Standards, of the Council's transactions for the financial year and financial position at the end of the year.



Cr Glen Hartwig  
**Mayor**  
30 October 2024



Mr Robert Jennings  
**Chief Executive Officer**  
30 October 2024

## INDEPENDENT AUDITOR'S REPORT

To the councillors of Gympie Regional Council

### Report on the audit of the financial report

#### Opinion

I have audited the financial report of Gympie Regional Council.

The financial report comprises the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including material accounting policy information and the certificate given by the Mayor and Chief Executive Officer.

In my opinion, the financial report:

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

#### Basis for opinion

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

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

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

#### Other information

The councillors are responsible for the other information.

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

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

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

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

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact.

I have nothing to report in this regard.

### **Responsibilities of the councillors for the financial report**

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

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

### **Auditor's responsibilities for the audit of the financial report**

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

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

[https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of my auditor's report.

### **Report on other legal and regulatory requirements**

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

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



### **Prescribed requirements scope**

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



Michael Claydon  
as delegate of the Auditor-General

31 October 2024

Queensland Audit Office  
Brisbane

## Current Year Financial Sustainability Statement

	Target (Tier 3)	Actual 2024	5 Yr Av. 2020-24
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## Audited ratios

Council's performance at 30 June 2024 against key financial ratios and targets.

## Liquidity

## 1. Unrestricted cash expense coverage ratio

Total cash and equivalents add current investments add available ongoing QTC working capital limit less externally restricted cash

Total operating expenditure less depreciation and amortisation less finance costs

x 12

&gt; 3 mths

3.3  
months

N/A

The unrestricted cash expense cover ratio is an indicator of the unconstrained liquidity available to a council to meet ongoing and emergent financial demands, which is a key component to solvency. It represents the number of months a council can continue operating based on current monthly expenses.

## Operating Performance

## 2. Operating surplus ratio

Operating result

Total operating revenue

&gt; 0%

(9.71)%

(4.30)%

The operating surplus ratio is an indicator of the extent to which operating revenues generated cover operational expenses. Any operating surplus would be available for capital funding or other purposes.

## 3. Operating cash ratio

Operating result add depreciation and amortisation add finance costs

Total operating revenue

&gt; 0%

17.44%

20.00%

The operating cash ratio is a measure of council's ability to cover its core operational expenses and generate a cash surplus excluding depreciation, amortisation, and finance costs.

## Asset management

## 4. Asset sustainability ratio

Capital expenditure on replacement of infrastructure assets (renewals)

Depreciation expenditure on infrastructure assets

&gt; 80%

262.24%

114.00%

The asset sustainability ratio approximates the extent to which the infrastructure assets managed by a council are being replaced as they reach the end of their useful lives.

## 5. Asset consumption ratio

Written down replacement cost of depreciable infrastructure assets

Current replacement cost of depreciable infrastructure assets

&gt; 60%

72.36%

72.00%

The asset consumption ratio approximates the extent to which council's infrastructure assets have been consumed compared to what it would cost to build a new asset with the same benefit to the community.

Current Year Financial Sustainability Statement (continued)

	Target (Tier 3)	Actual 2024	5 Yr Av. 2020-24
<b>Debt servicing capacity</b>			
<b>6. Leverage ratio</b>			
Book value of debt			
<u>Total operating revenue less total operating expenditure add depreciation and amortisation and finance costs</u>	0 - 3 times	<b>0.8 times</b>	<b>0.7 times</b>

The leverage ratio is an indicator of a council's ability to repay its existing debt. It measures the relative size of the council's debt to its operating performance.

**Note 1 - basis of preparation**

The current year financial sustainability statement is prepared in accordance with the requirements of the Local Government Regulation 2012 and the Financial Management (Sustainability) Guideline 2024. The amounts used to calculate the 6 reported measures are prepared on an accrual basis and are drawn from the council's audited general purpose financial statements for the year ended 30 June 2024.



Certificate of Accuracy (audited ratios)

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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.



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Cr Glen Hartwig  
**Mayor**  
30 October 2024



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Mr Robert Jennings  
**Chief Executive Officer**  
30 October 2024

## INDEPENDENT AUDITOR'S REPORT

To the Councillors of Gympie Regional Council

### Report on the Current Year Financial Sustainability Statement – Audited Ratios

#### Opinion

I have audited the accompanying current year financial sustainability statement of Gympie Regional Council for the year ended 30 June 2024, comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with s.212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current year financial sustainability statement of Gympie Regional Council for the year ended 30 June 2024 has been accurately calculated.

#### Basis of opinion

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

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

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

#### Emphasis of matter – basis of accounting

I draw attention to Note 1 to the statement which describes the basis of accounting. The current year financial sustainability statement has been prepared in accordance with the Financial Management (Sustainability) Guideline 2024 for the purpose of fulfilling the council's reporting responsibilities under the Local Government Regulation 2012. As a result, the statement may not be suitable for another purpose. My opinion is not modified in respect of this matter.

#### Other information

The councillors are responsible for the other information.

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

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

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

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

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

### **Responsibilities of the councillors for the current year financial sustainability statement**

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

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

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

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

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

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



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



Michael Claydon  
as delegate of the Auditor-General

31 October 2024

Queensland Audit Office  
Brisbane

## Current Year Financial Sustainability Statement

	Target (Tier 3)	Actual 2024	5 Yr Av. 2020-24
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## Contextual ratios (unaudited)

**Financial Capacity****1. Council controlled revenue**

Net rates, levies and charges add fees and charges			
Total operating revenue	Not Applicable	82.72%	81.50%

Council controlled revenue is an indicator of a council's financial flexibility, ability to influence its operating income, and capacity to respond to unexpected financial shocks.

**2. Population growth**

Prior year estimated population			
Previous year estimated population	-1	Not Applicable	2.34%
			1.50%

Population growth is a key driver of a council's operating income, service needs, and infrastructure requirements into the future.

**Note 1 - basis of preparation**

The current year financial sustainability statement - Contextual Ratios is prepared in accordance with the requirements of the Local Government Regulation 2012 and the Financial Management (Sustainability) Guideline 2024. The amounts used to calculate the 2 reported measures are prepared on an accrual basis and are drawn from the council's audited general purpose financial statements for the year ended 30 June 2024.

Certificate of Accuracy (contextual ratios - unaudited)

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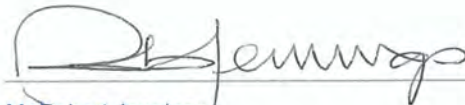
This current-year financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the Regulation).

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



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Cr Glen Hartwig  
Mayor  
30 October 2024



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Mr Robert Jennings  
Chief Executive Officer  
30 October 2024



## Unaudited Long Term Financial Sustainability Statement

	Target 2024	Actual 2024	2025	2026	2027	2028	Forecast					
							2029	2030	2031	2032	2033	2034

## Measures of financial sustainability

## Liquidity

## 1. Unrestricted cash expense coverage ratio

Total cash and equivalents add current investments  
add available ongoing QTC working capital limit less  
externally restricted cash

x 12

Total operating expenditure less depreciation and  
amortisation less finance costs

Target 2024	Actual 2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Not Applicable	<b>3.3 months</b>	5.5 months	4.7 months	4.8 months	4.9 months	4.9 months	5.7 months	5.7 months	5.1 months	4.1 months	3.6 months

The unrestricted cash expense cover ratio is an indicator of the unconstrained liquidity available to a council to meet ongoing and emergent financial demands, which is a key component to solvency. It represents the number of months a council can continue operating based on current monthly expenses.

## Operating Performance

## 2. Operating surplus ratio

Operating result

Target	Actual	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
> 0%	<b>(9.71)%</b>	(4.35)%	(0.89)%	0.26%	0.72%	1.07%	0.66%	0.69%	0.67%	0.96%	0.79%

Total operating revenue

The operating surplus ratio is an indicator of the extent to which operating revenues generated cover operational expenses. Any operating surplus would be available for capital funding or other purposes.

## 3. Operating cash ratio

Operating result add depreciation and amortisation add finance  
costs

Target	Actual	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
> 0%	<b>17.44%</b>	18.50%	21.70%	22.50%	24.00%	25.60%	26.50%	26.60%	26.30%	25.90%	25.30%

Total operating revenue

The operating cash ratio is a measure of council's ability to cover its core operational expenses and generate a cash surplus excluding depreciation, amortisation, and finance costs.

## Unaudited Long Term Financial Sustainability Statement (continued)

	Target 2024	Actual 2024	2025	2026	2027	2028	Forecast					
							2029	2030	2031	2032	2033	2034
<b>Asset Management</b>												
<b>4. Asset sustainability ratio</b>												
Capital expenditure on replacement of infrastructure assets (renewals)	> 80%	<b>262.24%</b>	306.50%	187.50%	123.20%	93.30%	87.40%	78.35%	85.30%	81.40%	85.60%	85.90%
Depreciation expenditure on infrastructure assets												

The asset sustainability ratio approximates the extent to which the infrastructure assets managed by a council are being replaced as they reach the end of their useful lives.

**5. Asset consumption ratio**

Written down replacement cost of depreciable infrastructure assets	> 60%	<b>72.36%</b>	74.60%	74.60%	74.80%	75.70%	76.80%	76.10%	75.60%	75.10%	74.70%	74.30%
Current replacement cost of depreciable infrastructure assets												

The asset consumption ratio approximates the extent to which council's infrastructure assets have been consumed compared to what it would cost to build a new asset with the same benefit to the community.



Unaudited Long Term Financial Sustainability Statement (continued)

	Target 2024	Actual 2024	2025	2026	2027	2028	Forecast					
							2029	2030	2031	2032	2033	2034
<b>Debt servicing capacity</b>												
<b>6. Leverage ratio</b>												
Book value of debt												
Total operating revenue less total operating expenditure add depreciation and amortisation and finance cost	0 - 3 times	<b>0.8 times</b>	0.7 times	0.5 times	0.5 times	0.4 times	0.4 times	0.3 times	0.3 times	0.3 times	0.7 times	0.7 times

The leverage ratio is an indicator of a council's ability to repay its existing debt. It measures the relative size of the council's debt to its operating performance.

**Financial Capacity**

**7. Council controlled revenue**

Net rates, levies and charges add fees and charges	Contextua	<b>82.72%</b>	80.92%	82.88%	83.35%	83.59%	83.94%	84.03%	84.18%	84.43%	84.43%	84.92%
Total operating revenue	I											

Council controlled revenue is an indicator of a council's financial flexibility, ability to influence its operating income, and capacity to respond to unexpected financial shocks.

**8. Population growth**

Prior year estimated population		Contextua	<b>2.34%</b>	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
Previous year estimated population	-1	I										

Population growth is a key driver of a council's operating income, service neds, and infrastructure requirements into the future.

**Gympie Regional Council Financial Management Strategy**

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

Council aims to operate within a set of conservative guide-posts to ensure we are financially sustainable in the short, medium and long term.



## Certificate of Accuracy - Long Term Financial Sustainability Statement

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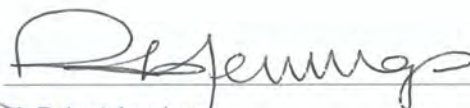
This long-term financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the Regulation).

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



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Cr Glen Hartwig  
Mayor  
30 October 2024



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Mr Robert Jennings  
Chief Executive Officer  
30 October 2024



**Gympie Regional Council**  
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