

GYMPIE REGIONAL COUNCIL

MINUTES

of the

SPECIAL MEETING

CHAIRMAN: Cr GC Hartwig (Mayor)

Held in the Boardroom

Town Hall

2 Caledonian Hill

Gympie Qld 4570

On Tuesday, 19 December 2023

At 9.00am



Gympie Regional Council SPECIAL

Mayor GC Hartwig (Chairman)

*Crs J Milne, NG Jensen, SA Waldock, BM Devereaux, DH Stewart, HT Smerdon,
WA Polley and RA Fredman.*

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The meeting commenced at 09.00am

PRESENT: Mayor Cr GC Hartwig (Chairman), Crs J Milne, NG Jensen, SA Waldock, BM Devereaux, DH Stewart, HT Smerdon, and WAL Polley.

Also in attendance were.

Chief Executive Officer (Mr R Jennings), Acting Director – Community Sustainability (Ms A Stengl), Director – Corporate Services (Mr D Lewis), Director – Infrastructure Services (Mr G O’Byrne), Manager Governance, Integrity and Risk (Mrs L Hatch), Manager – Finance (Mrs D Hatherell), Manager – Communications, Business and Engagement (Ms T Bailey), and Minutes Clerks (Ms C Kennedy and Mrs T Bannan).

SECTION 1: APOLOGIES / LEAVE OF ABSENCE

Cr Fredman has submitted an apology for this meeting due to prior engagement.

SECTION 2: DISCLOSURE OF INTERESTS

The Mayor asked if any Councillor needed to disclose an interest in any agenda item.

SECTION 3: CORPORATE SERVICES

3.1 Annual Report 2022/2023

PORTFOLIO: Governance, Risk and Disaster Management

DIRECTORATE: Corporate Services

DOC ID:

LINKS TO CORPORATE/OPERATIONAL PLAN

KEY RESPONSE AREAS:

Organisation.

1. BACKGROUND AND PREVIOUS COUNCIL CONSIDERATION

Gympie Regional Council's Annual Report (the Report) provides information to the community and stakeholders on Council's activities and financial performance during the 2022/2023 financial year.

2. REPORT

The Report has been prepared in accordance with the legislative requirements as prescribed under Chapter 5 Part 3 Division 3 of *the Local Government Regulation 2012* (the Regulation).

In accordance with Section 182 (1) of the Regulation, Council is required to prepare an Annual Report for each financial year. Sections 183 to 190 of the Regulation, identify the information required to be included in the Annual Report.

Section 182 (2) of the Regulation, requires Council to adopt the Annual Report within one month after the day that the Auditor-General gives council the Auditor-General's audit report on council's financial statements for the relevant period. The Auditor-General's audit report was received by council on 29 November 2023.

Section 182 (4) of the LG Regulation, requires council to publish its Annual Report on its website within two weeks of adopting the Annual Report.

3. BUDGET IMPLICATIONS

There are no budget implications associated with the recommendation of this report.

4. POLICY IMPLICATIONS

Under the Regulation, Council must prepare an Annual Report for each financial year. To comply with the Regulation, the Annual Report must be adopted by Council within one (1) month of receipt of the Auditor-General's audit report on council's financial statements for the relevant financial period and be published on council's website within two weeks of its adoption.

This report complies with Section 182 of the Regulation.

5. CONSULTATION

Consultation on the preparation of the 2022/2023 Annual Report has been undertaken across Council and with key stakeholders, including the Queensland Audit Office and Council's Audit and Risk Committee.

6. CONCLUSION

The 2022/2023 Annual Report fulfils council's statutory reporting obligations while providing information to our community and stakeholders on the wide range of activities undertaken that have contributed to the progress of Council's vision and strategic goals during the period.

ATTACHMENTS

- ↓1. Draft 2022/2023 Annual Report

M34/12/23

Moved Cr DH Stewart

Seconded Cr WA Polley

That Council resolves to adopt the Gympie Regional Council 2022/2023 Annual Report inclusive of the audited Financial Statements for 2022/2023 and delegate authority to the Mayor and Chief Executive Officer to approve administrative changes and finalise the report, no later than 22 December 2023.

Carried

FOR: Cr HT Smerdon, Cr DH Stewart, Cr NG Jensen, Cr GC Hartwig, Cr SA Waldock, Cr WA Polley, Cr BM Devereaux and Cr J Milne

AGAINST: Nil

SECTION 4: ATTACHMENTS

3.1 Annual Report 2022/2023

ATTACHMENT 1 DRAFT 2022/2023 ANNUAL REPORT 7

There being no further business the meeting closed at 9.10am

Confirmed this ~~TWENTY~~
FOURTH day of 20
JANUARY.



Cr GC Hartwig
CHAIRMAN

ANNUAL REPORT

2022/2023



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 the 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 region's Annual Report for 2022/2023.

This report is not only compiled 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* but to also detail Gympie Region's performance over the past financial year.

The Annual Report 2022/2023 highlights the achievements and progress made over this period, as well as identifying what improvements we can make with council's vision, objectives and strategies to ensure ongoing improvement and value creation for our community.

Progress in this report is measured in line with the strategies and performance measures 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.

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 or call one of our friendly customer service officers on 1300 307 800.

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Our Region



Key Statistics

Located in South-East Queensland, the Gympie region includes a combination of rural, urban and coastal areas across 6,897 square kilometres with a population of approximately 55,112 residents. The region includes small communities, such as Tin Can Bay, Cooloola Cove and Rainbow Beach located in the middle of the Great Sandy Biosphere, the pioneering towns of Kilkivan and Goomeri to the west and the lush rural communities of Imbil and Kandanga in the Mary Valley, with the city of Gympie being the main hub for the area.



Population
55,112



Local Jobs
21,131



Local Businesses
4849



GRP
\$2.40B



Land Area
6897 sq km



Message from the Mayor

The annual report is not just a compilation of facts and figures; it illustrates council's achievements and provides a comprehensive reflection of the progress we've collectively made as a region.

It brings me great pride to highlight the significant strides we've made in enhancing our entire road network. Council's dedicated crews have worked tirelessly, facing challenges head-on, as they continue to rebuild our roads, which were significantly damaged during the 2022 flood events.

The team has been hard at work completing several betterment and reconstruction projects, with Greendale Road Glastonbury and Maudsley Street Goomeri being the first two roads completed as part of council's Building a Resilient Region program.

In addition to our road network, a project that stands as a testament to our commitment to enhancing our parks and open spaces was the revitalisation of Dickabram Park. This project has transformed Dickabram Park into a haven for the community to gather and enjoy the scenic beauty of our region. The comprehensive upgrade, proudly funded by the Australian Government's Local Roads and Community Infrastructure Program, has brought about several improvements, including a new shelter crafted from flood-resilient materials.

This past year saw our region host several major events that not only captivated our residents but also attracted visitors from across the country. The Australian Rally Championship and Australian Skydiving Championship were resounding successes, showcasing our region's prowess in hosting world-class sporting events.

These events proved instrumental in bolstering our local tourism sector and driving economic growth. They brought a surge of visitors who explored our region and contributed significantly to our economy.

In addition to the remarkable events hosted by council, I am thrilled to highlight the outstanding success of the Gympie Regional Gallery for its exceptional exhibition, '22.96/receding.' This groundbreaking exhibition commemorated the first anniversary of the devastating Gympie floods. The success of '22.96/receding' was unparalleled, marking it as one of the Gympie Regional Gallery's most impactful exhibitions to date. Recently the exhibition was recognised as a Finalist for the 2023 Gallery and Museum Achievement Awards (GAMAA).

In closing, I would like to thank our amazing staff for their contributions over the past year. While there's still more work to be done, you have all achieved amazing things for our community.

Thank you.

*Cr Glen Hartwig,
Mayor*



Your Councillors



Cr Glen Hartwig, Mayor
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Cr Jess Milne, Division 1
0436 282 707
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Cr Dolly Jensen, Division 2
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Cr Dan Stewart, Division 5
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**Cr Hilary Smerdon, Division 6,
Deputy Mayor**
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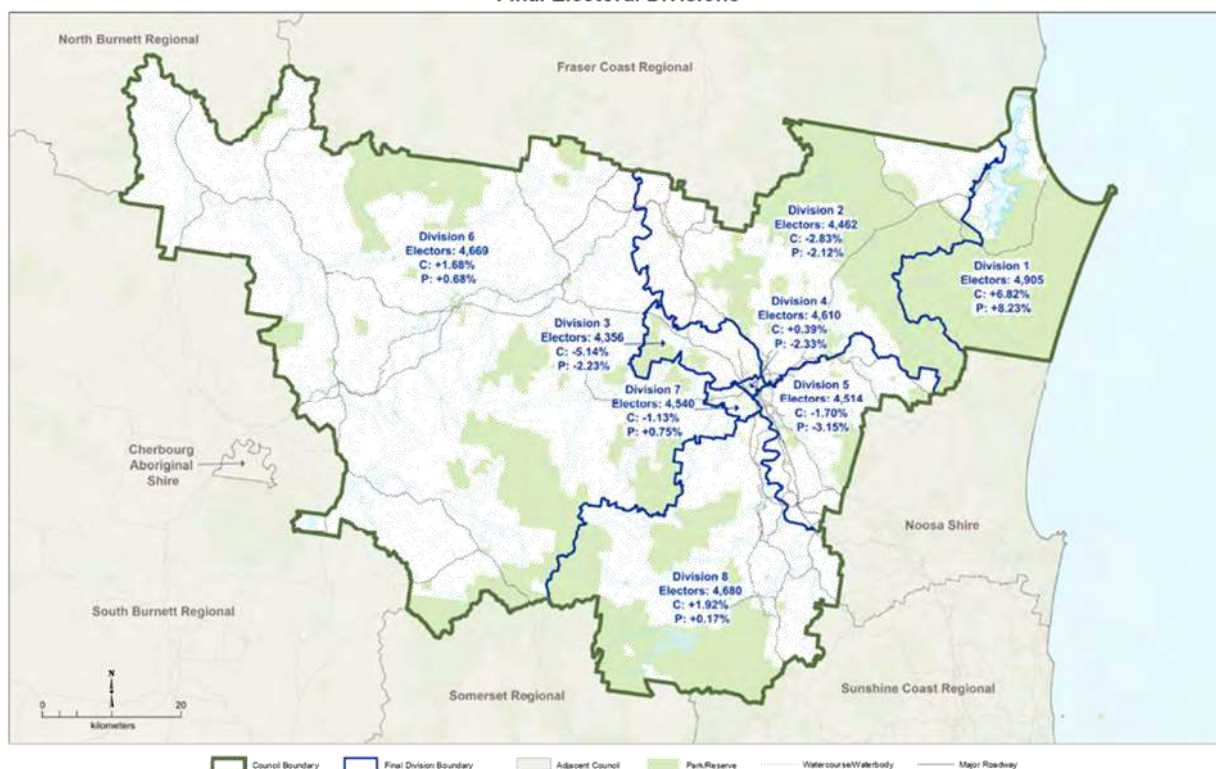


Cr Warren Polley, Division 7
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Cr Bob Fredman, Division 8
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GYMPIE REGIONAL Final Electoral Divisions



This product was created using datasets from various authoritative sources and is intended as a guide only to display final divisional boundaries. Elector deviation is referenced as C (Current) and P (Projected). The digital GIS data is available FREE to download from Queensland Spatial Catalogue, or Ctripal, at <http://qldspatialinformation.qld.gov.au>. © The State of Queensland - 2019 (Department of Natural Resources, Mines and Energy). © Electoral Commission of Queensland 2019. Creative Commons (CC BY)

Message from the CEO

The Annual Report is a time of year that allows us the opportunity to not only reflect and celebrate on the year that was, but also to acknowledge the harsh times some of our community and businesses have faced.

The Gympie region has proven to be a resilient region and as a council we are committed to ensuring we continue to build a strong economy and focus on providing increasingly outstanding services to our community. This is evident by our Town Hall counter interactions as we welcomed 8374 community member enquiries, over 41,000 telephone calls, online requests exceeded 2500 and we received over 5100 email and mail enquiries. At end June 2023, our organisation reached its target of responding to 95 per cent of all incoming customer requests within 10 business days - a major achievement with the increase in enquiries during community recovery from the 2022 floods.

Our libraries welcomed over 189,000 visitors with the home library services reaching 17,522. The Gympie Regional Gallery welcomed 8443 visitors and in Building and Plumbing sector there were over 3200 approvals and searches.

We also recognise Arts and Culture as a major contributor to establishing a local cultural identity and sense of place through self-expression. The draft Arts and Cultural Strategy 2023-2028 has been developed and been presented to the public for consultation.

Our Waste Management and Communications Teams joined forces in 2022/2023 to roll out the Waste Survey. This has been the first survey since 2018 with over 1071 responses received with 582 participants (56 per cent) commenting and providing additional feedback.

The Natural Areas Education Program has made significant inroads into managing the weedy vegetation which occurs in the natural areas adjacent to the R2R (River to Rail) trail network, within "The Sands" precinct.

We also focused on our planning and infrastructure to meet foreseeable future needs to support economic development, community enhancement and resident wellbeing. A Local Housing Action Plan was developed and implemented in cooperation with the Queensland Government.

We provided over \$850,000 in financial assistance for community grants responding to community need, and the enhancement 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.

*Robert Jennings,
Chief Executive Officer*





Our Vision

Gympie Regional Council has a vision for embracing opportunities, promoting wellbeing and celebrating strong communities.

Our Mission

To leave a positive legacy for future generations by embracing progress through good planning and efficient service delivery.



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.

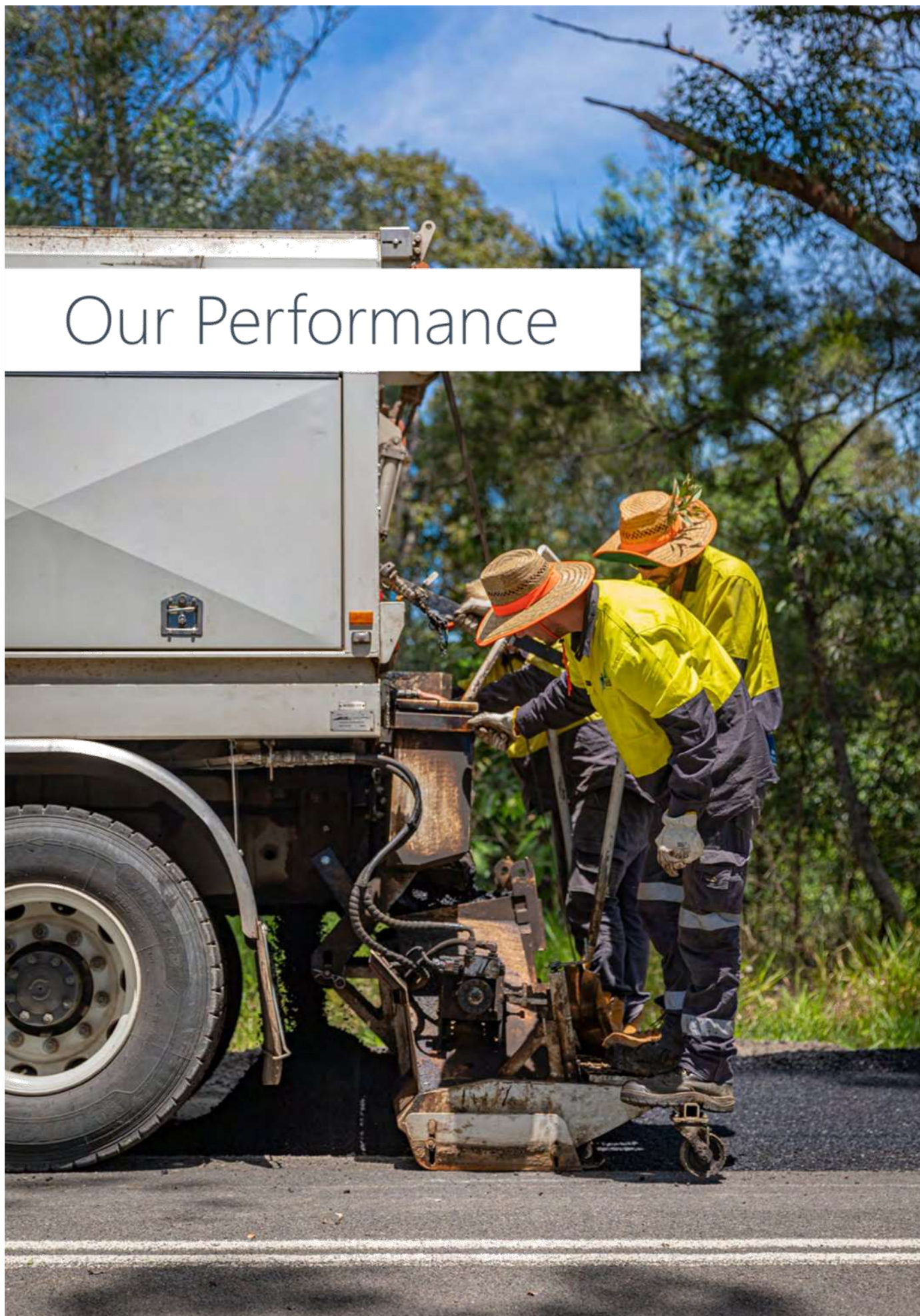
Integrity

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

Teamwork and Collaboration

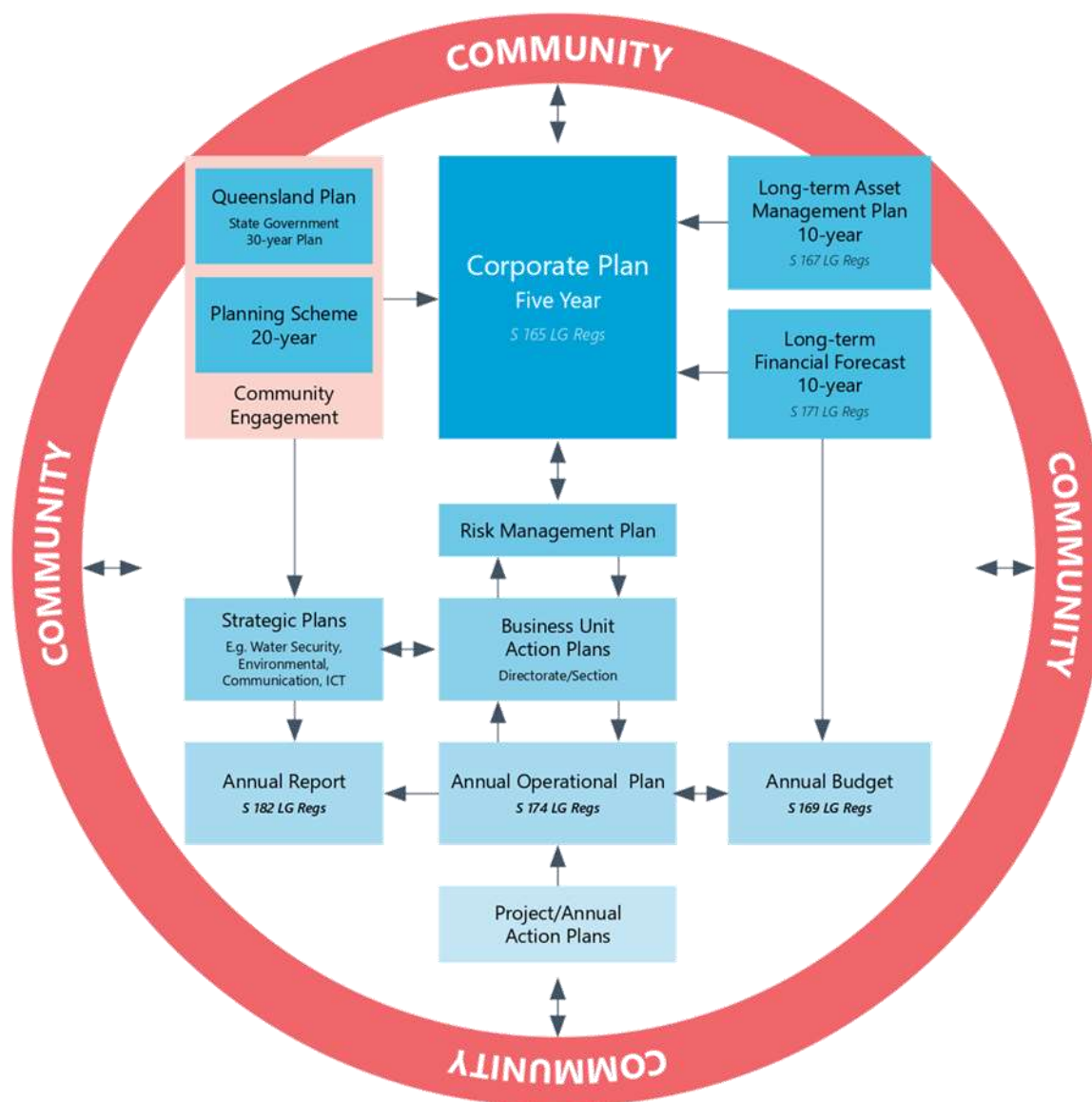
We recognise and support everyone's contributions. We are inclusive and contribute respectfully working as a team. We will care for ourselves and others.

Our Performance



Council's Planning Framework

Strategic planning is vital to ensure that council is effectively responding to the immediate and emerging needs of the community. The planning framework below illustrates how Council plans and administers its functions to enable evidence-based and strategically-driven decision making.



LG Regs – Local Government Regulation 2012

Council's activities are aimed at achieving its vision for the future of our local government area. The three key response areas are:

1. **Community and Environment**
2. **Infrastructure and Economic Opportunity**
3. **Organisation.**

The following pages outline some of Gympie Regional Council's achievements in the delivery of activities in relation to these three key response areas.

Key Response Area 1

Community and Environment

Our communities have infrastructure and spaces for living, working, learning, sport and recreation that supports and caters for growth and enables the community to be inclusive, connected and safe. Natural ecosystems are conserved and enhanced and our built environment embraces biodiversity, sustainability and heritage.



Arts and Cultural Plan

Gympie Regional Council recognises Arts and Culture as a major contributor to establishing a local cultural identity and sense of place through self-expression.

With this in mind, the draft Arts and Cultural Strategy 2023-2028 has been developed and been presented to the public for consultation.

Finalisation and implementation of this strategy will take place in the upcoming financial year.



Waste Survey

The Gympie Regional Council Waste Management and Communications Teams joined forces in 2022/2023 to roll out the Waste Survey.

This has been the first survey since 2018. Over 1071 responses were received with 582 participants (56 per cent) commenting and providing feedback. The top participating suburbs were Gympie, Southside, Curra, Chatsworth and Amamoor.



Natural Areas Education Program

The Natural Areas Education Program has made significant inroads into managing the weedy vegetation which occurs in the natural areas adjacent to the R2R (River to Rail) trail network, within "The Sands" precinct.

Flying Fox Survey

Gympie Regional Council has collaborated with the Queensland Parks and Wildlife Service Wildlife Operations branch to undertake counts of flying fox roosts in the Gympie Local Government Area. The National Flying Fox Monitoring Program will undertake roosts counting quarterly. February was the first count survey of the calendar year, with a count being taken of the flying fox roost in Commissioners Gully. The count data returned the adjacent numbers.

Species	Number
Grey Headed Flying Fox (GHFF)	28,873
Black Headed Flying Fox (BHFF)	4574
Little Red Flying Fox (LRFF)	28,784
Total	62,231

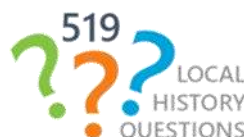


Gympie Regional Libraries 2022/2023

LIBRARY SERVICE



PEOPLE AND PROGRAMS



LIBRARY COLLECTION



Gympie Gallery 2022/2023

The Gympie Regional Gallery was established in 1998 in the School of Arts Building (circa 1905) in Nash Street. The gallery showcases professional and emerging artists from our region, as well as touring exhibitions from around Australia. In the 2022/2023 financial year, the gallery saw:



Between 14 February and 15 April 2023, a multifaceted exhibition entitled *22.96 / receding* was held at the Gallery. This exhibit by three Gympie artists; Miriam Innes, Joolie Gibbs and Leeroy Todd, commemorated the anniversary of the flooding event which took place in regional and urban Gympie areas in 2022. The concepts of *22.96 / receding* utilised earth medium connected with the Mary River, producing thought provoking, educational and visually and physically engaging narrative that acknowledged community resilience and encouraged healing through creative recovery initiatives. Funding for the projection artwork, 15 public programs and exhibition catalogue were successfully sourced through the Australian Government's Regional Arts Fund. Due to the volume of registrations for the Official Opening Night, a second evening event was delivered to offer an opportunity for community members to engage with exhibitions, artists and project artwork.

Key Response Area 2

Infrastructure and Economic Opportunity

Our planning and infrastructure seeks to meet foreseeable future needs to support economic development, community enhancement and residents' wellbeing.



Local Housing Action Plan

The Local Housing Action Plan was developed and implemented in cooperation with the Queensland Government and Gympie Regional Council, in consultation with key local housing stakeholders.

The Plan aims to:

1. develop agreed priority actions to respond to housing needs, including actions to assist with the disaster response following the Southeast Queensland floods 2022
2. establish strong foundations for longer-term housing responses to assist housing and homelessness outcomes in the Gympie region into the future
3. incorporate existing information and plans that assist with developing responses to housing need and acknowledge work already completed by councils, state agencies, private and not-for profit organisations
4. facilitate targeted interaction between all parties through agreed actions to ensure a focus on deliverables and projects that can improve housing responses in the short and longer-term.

This plan is available for review at www.gympie.qld.gov.au/local-housing-action-plan



Gympie Recovery Accommodation Park

The Queensland State Government worked with Gympie Regional Council to implement a Local Housing Action Plan for the region, which includes housing investments, new builds and extra support services for the community.

In April 2022, the Jayne Street caravan park was leased from council to provide immediate to medium-term accommodation in response to the floods experiences within the Gympie region. Initially, one and two bedroom accommodation units were established onsite. As those displaced by the floods transitioned back to permanent housing, the park then provided housing to the homeless in the community, with eight tiny homes also established onsite. These homes are similar to a cabin, providing a small lounge, kitchen and bedroom and were a welcome addition to the accommodation already onsite.



Regional Road Network Works

Through 2022/2023 financial year, the Operations Roads and Drainage team delivered selected Queensland Reconstruction Authority (QRA) funded Reconstruction of Essential Public Asset (REPA) works and successfully integrated Business as Usual (BAU) maintenance activities back into the works schedule. These works meant that 'business as usual' maintenance on gravel roads in the region were delayed throughout the 2022/2023 financial year.

Rural Maintenance and Internally Delivered REPA Works

REPA01 Eastern and Western Roads Package 01 Works

Eastern Roads (North Western Region)				
Road Name	Works Status		Expenditure to 30 June 2023	Planned Commencement
	Drainage	Grading		
Greendale Road	Complete	Complete	\$331,185	October 2022
Paff Road	Complete	Complete	\$1570	January 2022
Kewins Road	Complete	Complete	\$87,369	January 2023
Glastonbury Creek Road	Complete	Complete	\$333,337	January 2023
Fishermans Pocket Road	Complete	Complete	\$208,162	March 2023
Total			\$961,623	

Mary Valley Roads and Eastern Roads (Southern Region)				
Road Name	Works Status		Expenditure to 30 June 2023	Planned Commencement
	Drainage	Grading		
Amamoor Creek Road	Complete	Complete	\$808,210	July 2022
Total			\$808,210	

Western Roads				
Road Name	Works Status		Expenditure to 30 June 2023	Planned Commencement
	Drainage	Grading		
Crownthorpe Road	Complete	Complete	\$193,411	November 2022
Holroyd Road	Complete	Complete	\$193,428	December 2022
Daddamarine Road	Complete	Complete	\$159,166	January 2023
Running Creek Road	Complete	Complete	\$186,243	February 2023
Sexton Road	Complete	In Progress	\$46,745	June 2023
Total			\$778,993	

Package	Total Cost Estimate	Expenditure to 30 June 2023 (\$)	Expenditure to 30 June 2023 (%)
REPA01 Eastern and Western Roads	\$6M	\$2,548,826	42%

Key Response Area 3

Organisation

Gympie Regional Council is an organisation that understands the community and delivers services efficiently and effectively through highly engaged staff.



Cybersecurity Awareness Training

Over the 2022/2023 financial year, the Information, Communication and Technology Team embarked on many cyber security initiatives that improved the cyber security posture of council. Face-to-face cyber and information security awareness training was delivered by external consultants at this year's Safety Day to Councillors and key staff including high-risk users and business unit champions. Staff were trained on the types of threats that can affect council and how they can be mitigated. In this period, the Information, Communication and Technology Team with the assistance of the external consultants, completed an information and security classification framework that classifies the information that council generates and stores, which then feeds into related policies such as disaster recovery, business continuity planning, and records and information storage and handling.



Finance and Procurement Systems

Eftsure

To help reduce the risk of fraud, and cybercrime, council has engaged Eftsure. Eftsure is an Australian-owned software company that provides electronic funds transfer (EFT) payment protection by validating ABN, GST registration status, and bank account details to ensure payments are made to our suppliers accurately and efficiently. Eftsure also ensures details on supplier invoices are not fraudulently amended without their knowledge.

ProMaster

Council also implemented ProMaster to enable staff to scan, record, reconcile, and approve corporate credit card purchases on the go using a smartphone or computer. By implementing ProMaster, staff will no longer need to keep paper-based receipts, reconcile their corporate credit card in a spreadsheet at the end of each month, or manually approve their team's corporate credit card purchases.



Disaster Management Plan

The Gympie Local Disaster Management Project Plan, the Gympie Local Disaster Management Plan (LDMP) and Gympie Flood Operations Plan have been reviewed incorporating recommendations from the review report of the 2022 floods and the Inspector-General of Emergency Management review of the South East Queensland floods of 2022. The Gympie Flood Operations Plan includes learnings identified from the debriefs and research from the 2011 and 2022 flooding events. On 8 November 2022, the Local Disaster Management Group endorsed the Flood Recovery Plan 2022. This plan provides an overview of recovery activities to be delivered in the Gympie region until 30 June 2024, with updates implemented in response to changing circumstances. Quarterly updates have and will continue to be presented to Council. To review this plan and to follow the updates go to www.gympie.qld.gov.au Gympie Region Flood Recovery Plan 2022-2024.

Governance Matters



Elected Members

Councillor Remuneration

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

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.

Councillor	Division	Remuneration	Superannuation Contribution	Total Remuneration
Glen Hartwig	Mayor	\$135,860.00	\$16,303.06	\$152,163.06
Jess Milne	Division 1	\$72,174.00	\$8,660.87	\$80,834.87
Dolly Jensen	Division 2	\$72,174.00	\$8,660.87	\$80,834.87
Shane Waldock	Division 3	\$72,174.00	\$8,660.87	\$80,834.87
Bruce Devereaux	Division 4	\$72,174.00	\$8,660.87	\$80,834.87
Dan Stewart	Division 5	\$72,174.00	\$8,660.87	\$80,834.87
Hilary Smerdon (Deputy Mayor)	Division 6	\$84,912.26	\$10,189.64	\$95,101.90
Warren Polley	Division 7	\$72,174.00	\$8,660.87	\$80,834.87
Bob Fredman	Division 8	\$72,174.00	\$8,660.87	\$80,834.87

Councillor Expenses

In accordance with section 250 of the *Local Government Regulation 2012*, council's reimbursement policy is established in order to ensure the payment of legitimate and reasonable expenses incurred by Councillors for discharging their duties and responsibilities as Councillors. This is to ensure that Councillors are not financially disadvantaged as a result of carrying out their official duties. The table below provides councillor expenses information for the 2022/2023 financial year.

Councillor	Cost of Vehicle provided	Vehicle allowance	Phone/iPad Network and call costs	Total Remuneration
Glen Hartwig (Mayor)	-	\$8,000.00	\$872.04	\$8,872.04
Jess Milne	-	\$8,000.00	\$632.64	\$8,632.64
Dolly Jensen	\$10,091.40	-	\$632.64	\$10,724.04
Shane Waldock	-	\$8,000.00	\$632.64	\$8,632.64
Bruce Devereaux	\$10,091.40	-	\$632.64	\$10,724.04
Dan Stewart	-	\$8,000.00	\$632.64	\$8,632.64
Hilary Smerdon (Deputy Mayor)	\$10,091.40	-	\$632.64	\$10,724.04
Warren Polley	-	\$8,000.00	\$632.64	\$8,632.64
Bob Fredman	-	\$8,000.00	\$632.64	\$8,632.64

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 2022/2023 budget and it is confirmed that no discretionary funds were expended during the 2022/2023 financial year.

Overseas Travel

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

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. Information in relation to this attendance is provided in the table below.

Councillor	Ordinary Meetings (12)	Special Meetings (6)	Total Meetings (18)
Glen Hartwig (Mayor)	12	6	18
Jess Milne	12	6	18
Dolly Jensen	12	6	18
Shane Waldock	11	6	17
Bruce Devereaux	12	6	18
Dan Stewart	12	5	17
Hilary Smerdon (Deputy Mayor)	12	5	17
Warren Polley	11	5	16
Bob Fredman	11	5	16

Councillor Conduct Disclosures

As required under section 150 *Local Government Act 2009* (LGA) and section 186 of the *Local Government Regulation 2012* (LGR), Councillor conduct disclosure matters for the 2022/2023 are outlined in the table below.

Section of the Local Government Act	Description	Number
150I(2)	Orders made by the Chairperson for unsuitable meeting conduct.	0
150AH(1)	Orders made by Council that: a. No action be taken against the Councillor; b. An order be taken against the Councillor for inappropriate conduct.	6
150AR(1)	Orders, decision and recommendations made by the Councillor Conduct Tribunal that: a. No action be taken against the Councillor; b. An order be taken against the Councillor about misconduct and connected inappropriate conduct.	3

Complaints about Councillors

The table below outlines the total amount of complaints received about Councillors during the 2022/2023 financial year.

Section of Local Government Act	Description	Number
150P(2)a	Complaints referred to the assessor by the local government, a councillor or the Chief Executive Officer and others.	25
150P(3)	Matters referred to the Crime and Corruption Commission by the local government.	2
150R(2)	Notices given by the CEO or a Councillor to the assessor about a Councillor's conduct ¹ .	0
150S(2)(a)	Notices of misconduct given to the assessor by the local government.	0
150W(1)(a),(b) and (e)	Decision by the assessor to dismiss, refer to the local government or take no further action ² .	0 ³
150AC (3)(a)	Occasions where referral notices from the assessor recommend conduct should be referred to another agency for consideration.	1
150AF (4)(a)	Occasions where information about misconduct is obtained by the local government during investigation that is given to the assessor.	0
Chapter 5A part 3 division 5	Occasions where the local government asked another entity to investigate suspected inappropriate conduct of a councillor.	1
Chapter 5A part 3 division 6	Applications heard by the conduct tribunal about the alleged misconduct of a councillor ⁴ .	1

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 Suspected inappropriate conduct complaints referred back to Council – still under investigation as at 30 June 2023.

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

As at 30 June 2023



Chief Executive Officer
Robert Jennings



Director
Community Sustainability
Adrian Burns


Planning


Building & Plumbing


Regulatory Compliance


Environment &
Resource Recovery


Community & Commercial



Director
Corporate Services
David Lewis


Governance, Integrity
& Risk


Finance


Information & Technology


People & Culture


Communication, Business
& Engagement



Director
Infrastructure Services
Graham O'Byrne

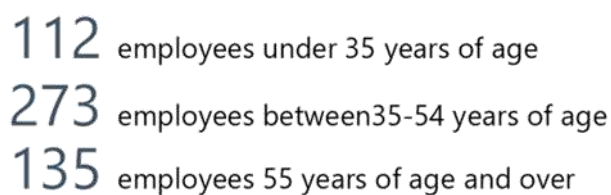

Capital Delivery & Assets


Operations Roads
& Drainage


Property & Open Space


Water & Wastewater

Our Workforce



Executive Leadership Team Remuneration

The total remuneration of the senior management of council, for the reporting period was \$1,240,652. This includes any lump sum payments. The remunerations set out in the table below represents the packages for senior management (CEO and Directors) employed as at 30 June 2023.

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.

Administrative Action Complaints

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

An **administrative action complaint** is a complaint that—

- (a) is about an administrative action of a local government, including the following, 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 committed to a continuous improvement approach with ongoing development and monitoring of appropriate systems, practices, procedures, policies and services that seek to improve council's overall performance. In order to remain accountable for decisions made, council understands the importance and value of listening and responding to complaints.

As an organisation, council endeavours to not only ensure they meet their obligations under the Act, but also ensure customers, residents and staff can easily find out:

- Where to submit their complaint
- How to submit their complaint
- Clearly understand what information is required to accompany their complaint
- How their complaint will be managed
- Where policies and procedures can be located for reference.

In order to ensure a satisfactory outcome is provided to the complainant, an internal review process is also provided as an option to the complainant, before the matter is escalated to the relevant external authority.

The table below provides the numbers of Administrative Action Complaints managed by council in the 2022/2023 financial year.

Administrative Action Complaints	2020-2021	2021-2022	2022/2023
Number of complaints received by council (excluding parking)	10	13	11
Number of complaints resolved	58	48	18
Number of complaints not resolved	9	9	2
Number of complaints carried forward	9**	0	2

**The nine complaints carried forward in 2020/2021 relate to parking fine complaints.

Registers

In accordance with section 190(1)(f) of the **Local Government Regulation 2012** (the Regulation), 'a list of the registers kept by the local government must be included in the annual report for the financial year. Registers held by Gympie Regional Council over the 2022/2023 financial year included:

- 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.

Grants

Community Grants Program 2022/2023

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 2022/2023 Community Grants Program in accordance with Community Grants Policy and Community Grants Program Guidelines 2022/2023 endorsed on 24 August 2022 and budget allocations. In line with the revised and adopted policy for 2022/2023, council had one competitive grant round and one rolling grant round. The competitive grant round opened on 5 September 2022 and closed to applications on 16 October 2022. The rolling grant round was open from 5 September 2022 until 31 May 2023.

Grant Categories

There were a total of 14 grant categories available in the 2022/2023 Community Grants Program. Tables 1 and 2 below outline the category, purpose, maximum grant amount and total budget allocation for all categories in both the Competitive and Rolling Rounds.

Table 1 Competitive Grant Round Categories

Category	Purpose	Maximum Grant Amount	Total budget allocation
Community Projects	To support community led projects that increase the social wellbeing of residents in the Gympie region.	\$5000	\$185,000 (also covers the rolling grant category of Venue Waiver)
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	
Local Events	To support community led local events and festivals that have low tourist demand, and are of high local social benefit.	\$5000	
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.	\$40,000	\$150,000 (also covers the rolling grant category of Micro Environment)
Creative Industry Development (RADF)	To enhance cultural tourism and the promotion of local arts, culture and heritage to intrastate, interstate and international audiences. To develop enterprising arts and cultural products or services (including professional development and sector development for the creative arts sector).	\$5000	\$40,000 (also covers the rolling grant category of Creative Individual Skills Development)
Creative Community Projects (RADF)	To nurture creative communities by increasing participation in and/or appreciation of arts and culture within the Gympie region.	\$8000	
Regional/Major Events	To support large-scale events and festivals that have low to medium tourist demand, economic value and substantial local social benefits that typically attract visitation from outside the region and substantial local participation.	\$40,000	Awarded from events attraction, development, sponsorship and community funding allocations approved in council 2022/2023 Budget

Table 2 Rolling Round Grant Categories

Category	Purpose	Maximum grant amount	Total budget allocation
Recovery, Wellbeing and Resilience	To support communities in choosing their response to the loss, anxiety and distress they have experienced as a result of severe weather and flooding events.	\$40,000	\$180,000
Get Local Community Grants	To support communities impacted by the effects of COVID-19 and natural disaster to deliver activities and events that enable social connectedness and recovery.	\$1500	\$19,443
Micro 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.	\$1500	\$150,000 (also covers Competitive Round grant category of Major Environment)
RADF Creative Individual Skills Development	To support artists to build on established art practice and provide opportunities to share the learnt skills and knowledge with the local arts community.	\$1500	\$40,000 (also covers the rolling grant category of Creative Individual Skills Development)
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	\$185,000 (also covers Competitive Round grant categories of Community Facilities, Community Projects, Volunteer Support and Local Events)
Hall Insurance	To support the organisational capacity of eligible community halls to meet their insurance obligations.	\$1500	\$38,000

Grant Information Sessions

In order to ensure the community were well advised of the process surrounding the new grant guidelines and council's Community Grants Policy, a total of 12 information sessions and two workshops were held during September and October 2022 in Gympie and at regional libraries. Ninety-two people attended these information sessions.

Council Officers from the Community Development Team provided information on the policy intent of the grants program, how to apply, criteria and the assessment process as part of the sessions to assist in building community organisation capacity to plan and resource community projects.

Information was also provided to applicants via email, in person and over the phone prior to and during the Competitive Round. Council officers undertook over 100 contacts with potential grant applicants in this process.

In addition, officers provided this support to potential applicants of categories in the Rolling Round throughout the year.

Assessment Process

All applications received by council for the Competitive Grant Round were assessed against the eligibility and assessment criteria detailed in the Council adopted grant guidelines.

The following assessment process was undertaken:

- **Eligibility check:** All applications were checked against eligibility criteria to ensure the applicant type, project type, amount requested and timeframes were eligible
- **Assessment:** Applications were assessed against specified assessment criteria by a panel comprised of council officers who have knowledge and experience in the respective grant category including Arts, Community and Culture, Facilities, Events, and Environment Team members. Panel members also participated in moderation meetings to review the assessments and determine grant recommendations
- **Endorsement:** Grant recommendations were presented to Council for endorsement pursuant to this report.

List of Successful Applicants

Competitive Round

Applicant	Project	Amount
Community Projects category		
Kilkivan & District Community Care Assn. Inc.	Kilkivan care coordination	\$4000
Gympie Medical Transport Inc.	Contribution to new car	\$5000
Sunshine Coast Gliding Club Inc.	Provision of defibrillator	\$2084
Gympie Queens Park Tennis Club Inc.	Coach and equipment	\$1217
Community Facilities category		
Goomeri Golf Club	Watering system upgrade	\$9460
Gympie Family History Society Inc.	Internal painting	\$3186
Gympie Senior Citizens Centre Inc.	Cold room repairs	\$2232
Traveston Community Tennis Club Inc.	Solar LED lighting for tennis court	\$10,000
Widgee District Hall and Recreation Assoc. Inc.	Upgrade of infrastructure 2022	\$3558
Gympie & District Riding for Disabled Assoc. Inc.	Sewage treatment plant	\$10,000
Manumbar Campdraft & Hall Association	Kitchen upgrade	\$7200
Tin Can Bay Yacht Club Inc.	New deck roof	\$5000
Gympie and District Pony Club Inc.	Amenities block	\$10,000
Kandanga Public Hall Association Inc.	Projector and screen installation	\$1613
Tin Can Bay Community and Men's Shed Inc.	Machinery enclosure	\$5760
Woolooga Community and Rec Hall	Resurface of timber dance floor	\$10,000
Gympie Gymnastics Club Inc.	New facility planning	\$10,000
Cooloola City Farm Nurseries Inc.	Address security and safety issues	\$4130
Glastonbury Hall & Recreation Association	Improvement of Glastonbury Hall catering facilities	\$8000
Gympie and District Hockey Association	Club kitchen upgrade	\$5000
Cooloola Coast Youth Activity Project Inc.	110 Emperor Street structural engineer report	\$4500
Lions Club of Tin Can Bay	Driveway and parking renewal	\$10,000
Volunteer Support category		
Tin Can Bay Sailability Inc.	First aid training	\$1700
Gympie Clay Target Club Inc.	Equipment upgrade	\$2950
Long Flat Hall Committee Inc.	Purchase of defibrillator	\$2082
Rainbow Beach Amateur Anglers Inc.	Website development	\$2700

Applicant	Project	Amount
Veterans Retreat Limited	Defibrillator supply and first aid training	\$2850
Gympie Golf Club Inc.	Recycle program	\$3000
Tin Can Bay Chamber of Commerce and Tourism Inc.	Visit Tin Can Bay website	\$3000
Major Environment category		
Gympie & District Landcare Group Incorporated	Biological control of Cat's Claw and Madeira Vines in the Gympie Region 2022/2023	\$33,785
Mary River Catchment Coordination Association	Biodiversity and waterway health in the Gympie region	\$33,000
Koala Action Gympie Region Inc.	Create a koala-aware community in the Gympie region	\$8865
Cooloolo CoastCare Assn Inc.	Marine turtle monitoring on the Cooloolo Coast	\$11,595
Natura Pacific Pty Ltd	Back from the Brink: Nangur Spiny Skink	\$12,120
Australian Native Animals Rescue and Rehabilitation Association	Gympie Wildlife - rescue, rehabilitation, release	\$26,335
Friends of Kandanga Group Inc.	Riparian/wildlife corridor revegetation Kandanga	\$5000
RADF Creative Industry Development category		
Joolie Gibbs	If Trees Could Talk	\$3778
Ethan Roberts	Co-write and performance with local experienced songwriters	\$5000
Olivia Everitt	Grant Writing for the Arts: Workshop Series	\$2608
The Atomic Beau Project	Music video creation x 2	\$5000
RADF Creative Community Projects category		
Heart and Soul Sisters Pty Ltd	"Who We Are" Creative Project	\$4800
Creative Arts Gympie Region	Creative Gympie Event Series	\$2800
Perseverance Street Theatre Company Ltd	Original contemporary performance: "Growing Up"	\$8000
Joanne Roberts (auspiced by Australian Institute of Country Music)	Songwriters Showcase	\$8000
Local Events category		
Returned & Services League of Australia (Queensland Branch) Goomeri Chapter	Goomeri ANZAC Day 2023	\$1641
Community Information Resource Services t/a Rainbow Beach Community Centre	Santa Comes to Rainbow 2022	\$3000
Little Kids Day Out	Little Kids Day Out 2023	\$5000
Save the Mary River Coordinating Group Inc.	Mary River Festival 2023	\$4500
Gympie RSL Sub Branch	Inaugural masked ball fundraiser	\$1946
Regional/Major Events category		
Mary Valley Chamber of Commerce	GourMay Mary Valley	\$20,000
Rainbow Beach Sports, Recreational and Memorial Club Inc.	Rainbow Beach Family Fishing Classic and Expo	\$20,000
Gympie Minister's Network	Christmas in the Park	\$15,000
Rotary Club of Gympie Inc.	Gympie Rotary Quilt & Craft Spectacular	\$23,000
Gympie & District Eisteddfod Association Inc.	2023 Gympie & District Eisteddfod	\$25,000

Applicant	Project	Amount
Australian Outrigger Canoe Racing Association South Queensland Branch Inc.	2023 South Queensland Zone Championships	\$10,000
Goomeri Pumpkin Festival Inc.	Goomeri Pumpkin Festival 2023	\$40,000
Gympie Show Society	Gympie Show 2023	\$40,000

Rolling Round

Applicant	Project	Amount
Recovery, Wellbeing and Resilience		
Gympie & District Women's Health Centre	Coffee & Convo's – group counselling sessions	\$26,544
Gympie Aero Club	Aviation open day and static display	\$4024
Parkrun Australia	Parkrun for Tin Can Bay	\$7500
Gympie Community Place	Old's Cool - Health Matters	\$39,980
Kia Ora Memorial Hall	Wellness hub for community	\$11,450
Gympie Rotary	Launch and program outdoor exercise equipment	\$18,100
Glastonbury Hall	Glastonbury Connect - strengthening our community resilience	\$37,621
Perseverance Street Theatre Company	GRIT 2.0 theatre project in community halls	\$34,781
Get Local Community Grants		
Rainbow Beach Amateur Anglers Inc.	Kids fishing and club open day	\$1500
Links Community Services Inc.	Disability Action Week	\$1500
Kilkivan Veteran's and Community 'Men's Shed' Association Inc.	Official opening	\$1000
Mary Valley RSL Sub-Branch Inc.	Remembrance Day Commemoration	\$1250
Gympie Bone Museum	Science in the Pub	\$1300
TCB Chamber of Commerce and Tourism Inc.	100 years of the Tin Can Bay township	\$1500
The Australian Institute of Country Music Inc.	AICM presents OZ Music Trivia	\$1500
Mary Valley RSL Sub-Branch Inc.	2023 Anzac Day Commemoration	\$1500
Tin Can Bay Community and Men's Shed Inc.	Official opening new storage shed	\$1500
Kandanga Tennis Club Inc.	Tinder tennis with coach Trent – find a tennis partner, or join a tennis group	\$750
Mary Valley Rail Trail Association Inc.	Bellbird and back ... a taste of the trail	\$1500
Gympie Community Garden Inc.	Community garden naming open day	\$1500
Gympie Central State School P&C	Community movie night	\$1500
Curra Community Hall Management Committee Inc.	Curra Community Hall meet and greet	\$1500
Kia Ora Memorial Hall	Xmas in July	\$1050
Friends of Kandanga	Mary Valley Cabaret	\$1500
Kilkivan Country Club	Come and try day	\$750
Goomeri Golf Club Inc	Goomeri open day	\$1000
Rainbow Beach (CIRS) Community	Funny Fellas workshop and open mic	\$1500
Curra Art Group	Membership drive and open day	\$1350

Applicant	Project	Amount
Bravo Disability Support Network	Bravo Day - BBQ and activities	\$1400
Glastonbury Hall	Glastonbury 'Celebrates the Good Times' Fun Family Event	\$1500
Kandanga & District Swimming Carnival	Bush Dance	\$1500
Mothar Mountain Hall	"Movin The Mountain" Sunday arvo music, wine and cheese community event	\$1300
Veteran Hall	Night at the movies	\$1500
Cooloolo BMX Club	Volunteer appreciation	\$1400
Cedar Pockets School of Arts	Cedar Pocket Christmas movie night	\$1500
Links Community Services	Disability Action Week	\$1500
Tin Can Bay Chamber of Commerce	Sound of Teen Spirit Revival	\$1500
Cooloolo Coast Youth Activity Project	Sound of Teen Spirit Revival	\$1450
Cooloolo Coast Probus	Seniors Week Celebration	\$886
Tin Can Bay P&C association	Mid term movies	\$700
Micro Environment Projects		
Gympie Community Garden	Propagation shed/nursery for resilience and learning	\$1500
Friends of Amamoor	Community environmental awareness and workshop	\$1500
Gympie Central State School P&C	Native bee garden	\$1500
Cooloolo Christian College - P&F	Nature Space - saving our waterways	\$1500
Curra Community Hall	One day landcare workshop	\$1500
Kitiwah Place Early Learning centre	Composting and garden renewal	\$1500
Two Mile State School	From Little Things, Big Things Grow: Native Bee Hives, Humane Rat and Cane Toad Traps	\$1060
Gympie District Landcare	Composting worm workshop	\$1140
Tin Can Bay P&C	Sustainability and composting for tuckshop	\$1450
Edmund Rice Education	Integrated Food & Biodiversity Forest Garden - IFBFG	\$1500
Barambah Environmental Education Centre	Outdoor Learning Building Environmental Leaders of the Future	\$495
Cooloolo Youth Activity Project	Boost Biodiversity	\$1500
Mothar Mountain Hall	Native plant and habitat enhancement Mothar Mtn Hall	\$1500
Tin Can Bay Chamber of Commerce	Native regeneration for tourism	\$1500
RADF Creative Individual Skills Development		
		Nil
Council Venue Fee Waiver		
Gympie Gymnastics Club	Awards night	\$1232
Links Community Services	30 years in the community	\$1856
Gympie Chamber of Commerce	Gympie Chamber of Commerce Awards Night 2023	\$1490
Gympie District Show Society	Gympie Show Ball	\$1575
Gympie Devils Junior Rugby League	Rainbows Rugby League Golden Jubilee 50th Year Reunion	\$1232

Applicant	Project	Amount
Hall Insurance		
Gunalda Community Hall		\$827.13
Kia Ora Memorial Hall Inc.		\$1417.69
Langshaw Hall Committee Incorporated		\$1349.15
Traveston Progress Association Inc.		\$1412.94
Glastonbury Hall & Recreation Association Inc		\$1500.00
Long Flat Hall Committee Inc.		\$1349.15
Cedar Pocket School of Arts Incorporated		\$1313.18
Manumbar Community Hall Inc		\$1349.15
Cooloola Coast Youth Activity Project Inc.		\$1175.00
Chatsworth Hall Committee Inc.		\$1341.00
Cooloola Coast Community Complex Inc.		\$1500.00
Curra Community Hall Management Committee Inc.		\$1500.00
The Goomboorian Hall Committee Incorporated		\$1500.00
The Veteran Hall Social Committee Inc.		\$1349.15
Lower Wonga Hall and Recreation Association Inc.		\$1349.15
Boobyjan Hall and Community Centre		\$898.46
Mothar Mountain Hall Committee Inc.		\$1349.15
Wolvi and District War Memorial Hall Inc.		\$1349.15
Kandanga Public Hall Assn		\$1349.00
Widgee District Hall & Recreation Association Inc.		\$1500.00
Theebine Memorial Recreation Centre Inc		\$800.21
Kandanga Creek community Hall Inc.		\$1417.69
Community Information and Resource Service Association Incorporated		\$1380.00
Pie Creek Community Hall Assoc Inc.		\$1337.16
Widgee Community Complex Inc.		\$1349.15
Tansey Show Society Inc		\$1349.15
Imbil RSL Hall		\$409.75
Woolooga Rec and Community Hall		\$1500.00

Concession Grants

The following table lists the rates and charges concessions provided by Gympie Regional Council to community organisations. There were no cash payments made to these organisations under this part of the grants program.

Recipient	Project	Amount
Skill Centred Queensland Inc	Full rates	\$7882.14
Scout Association of Australia QLD Branch - Cartwright Road	Half water access charge, half water consumption	\$354.97
Masonic Lodge Gympie	Half general rate	\$933.56
Scout Association of Australia QLD Branch - Nashville Scout Group	Half water access charge, half water consumption	\$701.51
Australian Red Cross Society	Half garbage, half water access charge, half water consumption	\$622.42
Mary Valley Show Society Inc	Half water access charge, half water consumption	\$1940.16
Lodge Telford No 291	Half general rate	\$836.30
Scout Association of Australia QLD Branch - Imbil	Half water access charge, half water consumption	\$244.43
Kandanga Tennis Club Inc	Half garbage, half water access charge, half water consumption	\$452.09
Racecourse & Showgrounds Administration Committee	Sewerage charge, water access charge	\$31,875.60
Australian Volunteer Coastguard Association Inc	Half garbage, half sewerage charge, half water access charge, half water consumption	\$1560.45
TS Quiberon Unit Support Group Inc	Full rates	\$1098.86
Lions Club	Full sewerage, half garbage, half water access charge, half water consumption	\$1744.47
Roadcraft	General rate	\$23,802.64
Nahrunda Park Co-Operative Society Ltd	Half general rate	\$736.06
Queensland Country Women's Association - Miva	Half general rate	\$836.30
Trustees of Theebine Lodge No 400 of Ancient and Accepted Masons	General rate	\$1672.60
Goomeri & District Show Society Inc	Half sewerage charge	\$4439.40
Union Church of Kilkivan Inc	Half sewerage charge	\$543.60
Kilkivan Kindergarten Association	Full rates	\$2473.84
Total		\$84,751.40

List of Business Activities

Section 45(a) of the *Local Government Act 2009* requires that the annual report contain a list of business activities the local government conducted during the financial year. As per section 45(d) of the Act, there are no new significant business activities to be report for the financial year. The following tables list each of the business activities of council by organisational directorate.

Community and Environment

Animal control services	Environmental services
Art Gallery	Events and Festivals
Arts and Culture	Gympie Aquatic Recreation Centre
Building regulatory services	Heritage facilities and museums
Cemetery management	Heritage planning and awareness
Club development	Lands protection
Community development	Libraries
Community facilities management	Local Law services
Community grants	Open space and recreation
Cultural development	Plumbing regulatory services
Disaster Management	Social planning
Energy Efficiency	Strategic and Regional Planning
Environmental health regulation	Venues
Environmental planning	Waste management
Environmental protection	

Infrastructure and Economic Opportunity

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

Organisation

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

Beneficial Enterprises

Further to the requirements of section 41 of the Act, council's involvement with the Rattler Railway Company has been noted as conducting a beneficial enterprise. At its Ordinary Meeting on 22 February 2023, Council endorsed the finalisation of the transition of the Mary Valley Rattler to a stand-alone organisation.

Details of Special Rates and Charges

Further to section 190(1)(d) of the *Local Government Regulation 2012* (the Regulation) where specified, 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 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 2022/2023 was \$786,827.

Internal Audit Report

Gympie Regional Council has an Audit and Risk Committee (ARC), which oversees an outsourced internal audit function and deals with external audit, governance and risk matters or issues. The ARC is an advisory committee which 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 an independent member as per the ARC 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
- Gympie Regional Council's risk profile and organisational culture.

Infrastructure Charges

Infrastructure charges revenue and expenditure reporting (actual and forecast) and trunk infrastructure information are summarised in the following table.

2022/2023 Financial year infrastructure charges revenue and expenditure summary

Infrastructure charges revenue		Infrastructure charges revenue expenditure		
Total amount of infrastructure charges revenue collected (by way of infrastructure charges levied)	Total amount of infrastructure charges that were offset (i.e. infrastructure provided by a developer in lieu of paying the charge)	Total amount of infrastructure charges revenue spent on the supply of trunk infrastructure	Total amount of infrastructure charges that the local government refunded	Total amount of unspent infrastructure charges revenue
\$2,835,000	0	0	0	\$2,835,000

2022/2023 Financial year trunk infrastructure information summary

LGIP reference number (if applicable)	Trunk infrastructure description	Trunk infrastructure network	Suburb or locality of trunk infrastructure	Method of infrastructure delivery (council or developer contributed)	Infrastructure value (\$'000)	Development approval reference number (if applicable)
NA						

Forecast infrastructure charges revenue and trunk infrastructure expenditure summary

Financial Year	2023/2024	2024/2025	2025/2026	2026/2027	Total
Infrastructure charges revenue	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$8,000,000
Trunk infrastructure expenditure	\$2,500,000	\$4,083,000	\$2,914,000	\$3,526,000	\$13,023,000

An overview of how infrastructure charges revenue is collected and expended:

- Infrastructure charges are collected in monetary form and in non-cash form as trunk infrastructure may be provided by a developer in lieu of paying the levied infrastructure charge
- Not all infrastructure charges that are levied through development are collected by the local government, as the development approval may lapse
- Under the *Planning Act 2016*, infrastructure charges revenue that is collected in monetary form, is not required to be spent in the same suburb or locality where it was collected
- Infrastructure charges revenue may be used to pay for shared regional scale infrastructure such as an arterial road or sewerage treatment plant
- Offset provisions under the *Planning Act 2016*, also allow for an entire infrastructure charge, relating to more than one network, to be applied against the cost of infrastructure to be provided under a condition of development (i.e. the construction of an arterial road)
- Due to slow development growth, infrastructure charges that are collected may sit with a local government for a period of time, before being spent on trunk infrastructure.



2022/2023 FINANCIAL PERFORMANCE

Community Financial Report 2022/2023

The Community Financial Report is presented in accordance with the requirement of section 179 of the *Local Government Regulation 2012*. The intent of the Community Financial Report is to simplify complex financial information, which assisting readers to evaluate councils' financial position in a form easily understood by the community.

The Community Financial Report is to accompany the Financial Statements in the Annual Report.

The General Purpose Financial Statements record councils financial performance for year ending 30 June 2023.

This report highlights areas of importance to allow interested stakeholders the opportunity to make their own informed decisions. The four key financial statements for 2022/2023 and the key performance indicators are described as follows:

- Statement of Comprehensive Income – shows revenue, expenses and asset revaluation adjustments for the 2022/2023 year
- Statement of Financial Position – shows the assets and liabilities which make up the community equity as at 30 June 2023
- 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 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 money received from council operations is spent on the provision of services to the community.

	2021	2022	2023
Operating Revenue	\$100.21M	\$112.60M	\$125.93M
Operating Expenses	\$100.16M	\$114.08M	\$128.75M
Operating Result	\$0.05M	(\$1.48M)	(\$2.82M)
Capital Revenues	\$24.71M	\$39.98M	\$45.23M
Capital Expenses	\$4.29M	\$5.06M	\$25.08M
Net Result Attributable to Council	\$20.47M	\$33.43M	\$17.33M
Asset Revaluation in period	\$345.94M	\$96.28M	\$103.54M
Total Comprehensive Income for the period	\$366.40M	\$129.72M	\$120.86M

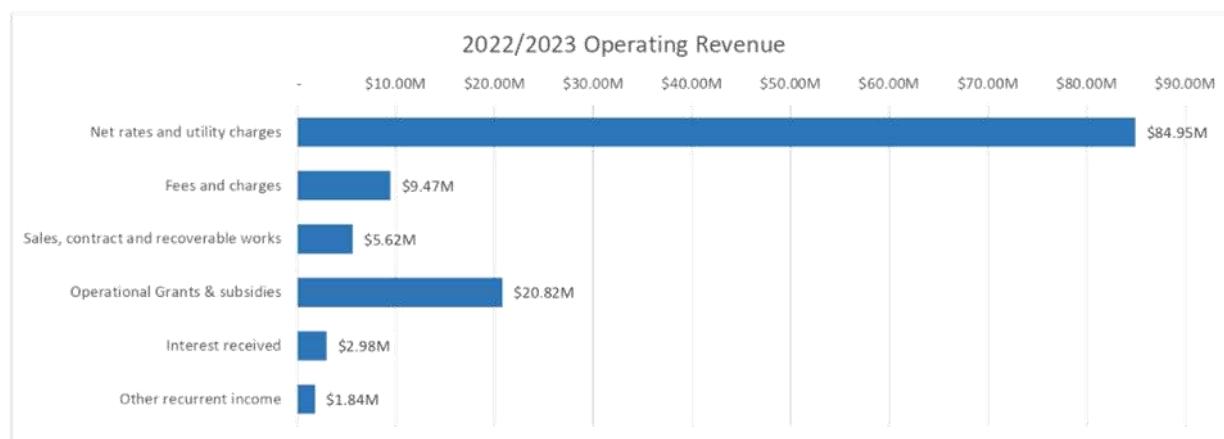
Council's Revenue

Total income (revenue) for 2022/2023 was \$171.15 million, being \$125.92 million from operations and \$45.23 million from capital sources. The major source of operating revenue was rates and utility charges of \$84.95 million or around 68 per cent of the total operating revenue. The number of ratable properties in the region was 26,601 (26,210 in 2021/2022).

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.

	2021	2022	2023
Recurrent revenue:			
Rates and utility charges	\$81.22M	\$83.53M	\$84.95M
Less discounts	(\$4.80M)	(\$3.01M)	(\$0.79M)
Net rates and utility charges	\$76.42M	\$80.52M	\$84.95M
Fees and charges	\$8.82M	\$8.49M	\$9.47M
Sales, contract and recoverable works	\$5.52M	\$7.43M	\$5.62M
Operational grants and subsidies	\$7.88M	\$11.81M	\$20.82M
Interest received	\$0.34M	\$0.52M	\$2.98M
Other recurrent income	\$1.22M	\$3.54M	\$2.08M
Total recurrent revenue	\$100.21M	\$112.60M	\$125.92M
Total capital revenue	\$24.71M	\$39.98M	\$45.23M
Total revenue	\$124.92M	\$152.58	\$171.15M

As rates and charges make up 68 per cent of operating revenue, council has a 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 which are out of its control.

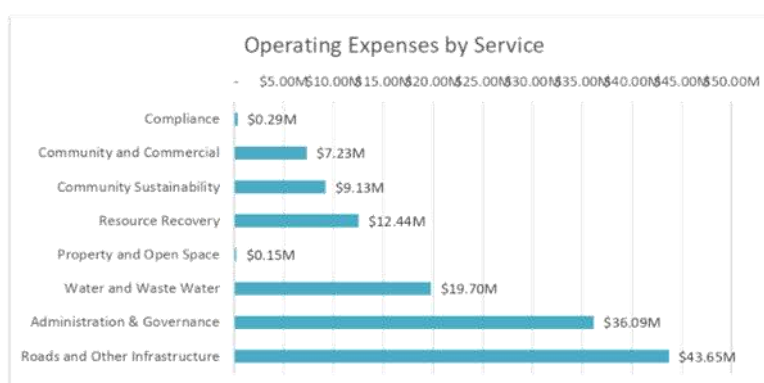
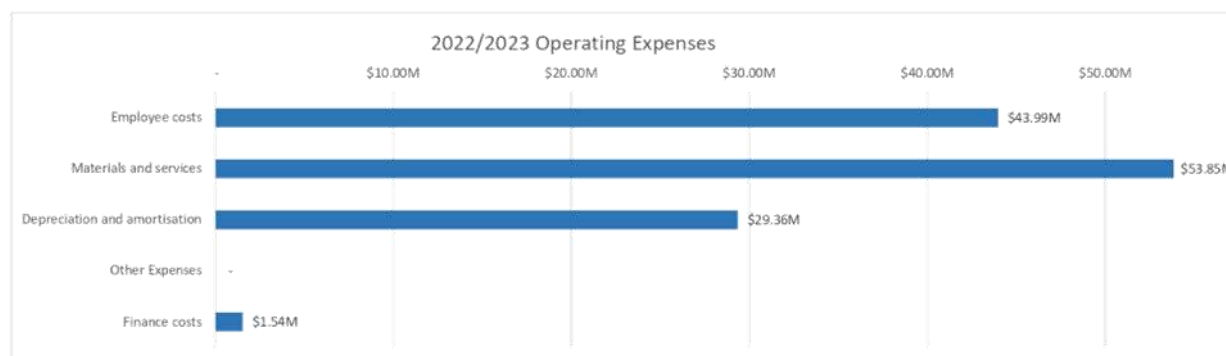


While operating revenues are used to fund the day-to-day operations of council, capital revenues are used to invest in renewing, upgrading, or increasing council's asset base. The majority of capital revenues come from State and Federal Government grants and subsidies, with additional amounts received 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. 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.

	2021	2022	2023
Recurrent expenses:			
Employee costs	\$39.24M	\$38.69M	\$43.99M
Materials and services	\$38.72M	\$45.66M	\$53.85M
Depreciation and amortisation	\$20.95M	\$27.72M	\$29.36M
Other expenses	-	-	-
Finance costs	\$1.25M	\$2.00M	\$1.54M
Total recurrent expenses	\$100.16M	\$114.08M	\$128.74M



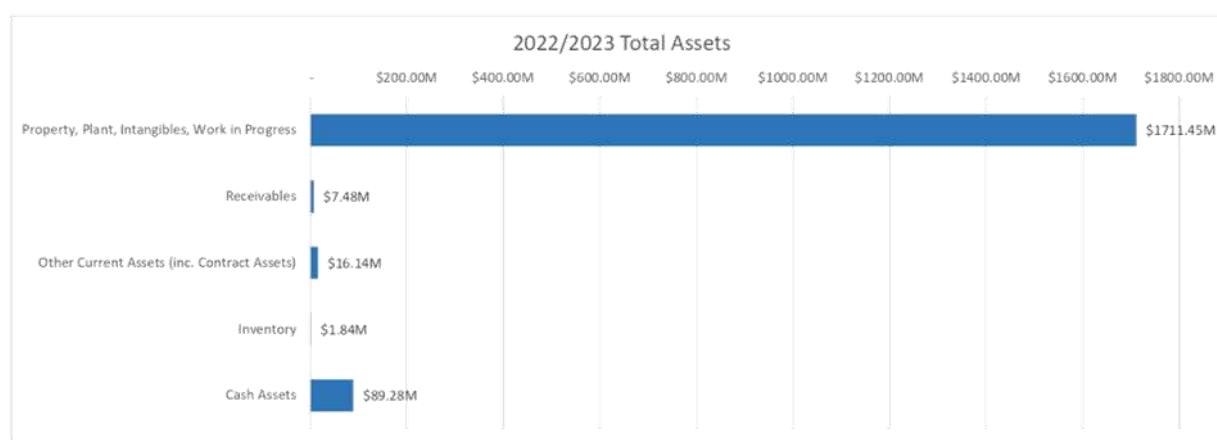
Statement of Financial Position

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 \$1,826.19 million (\$1,693.20 million in 2021/2022). 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, cash held in bank accounts of \$2.00 million and investments of approximately \$87.28 million to assist with the funding of future operations of council including the provision of infrastructure projects.

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



Council's Liabilities

The total liabilities of council were \$75.14 million (\$63.01 million in 2021/2022). Council's liabilities include amounts owing to employees for annual leave, employee related accruals, long service leave and sick leave entitlements of \$14.04 million (\$11.83 million in 2021/2022), other liabilities (including contract liabilities) \$22.07 million (\$14.06 million in 2021/2022), refuse dump restoration and quarry rehabilitation \$14.57 million (\$13.95 million in 2021/2022) and loans \$12.82 million (\$14.33 million in 2021/2022).



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 2022/2023 our Community Equity was \$1,751.05million (\$1,630.18 million in 2021/2022).

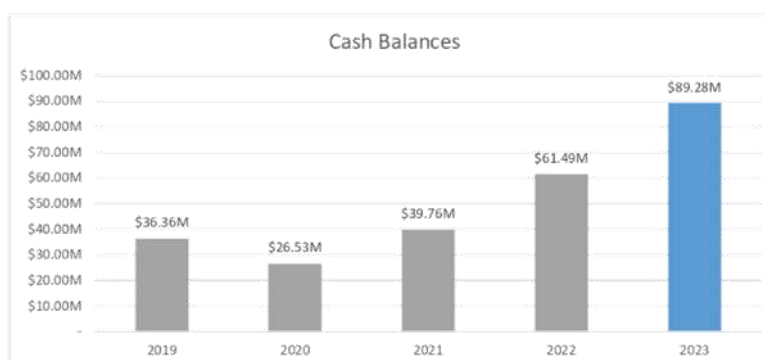
	2021	2022	2023
Total Assets	\$1550.11M	\$1693.20M	\$1826.19M
Less Total Liabilities	\$49.64M	\$63.01M	\$75.14M
Equity	\$1500.47M	\$1630.18M	\$1751.05M
Represented by			
Asset revaluation reserve	\$727.95M	\$824.23M	\$927.77M
Retained surplus (deficiency)	\$772.52M	805.95M	\$823.28M
	\$1500.47M	\$1630.18M	\$1751.05M

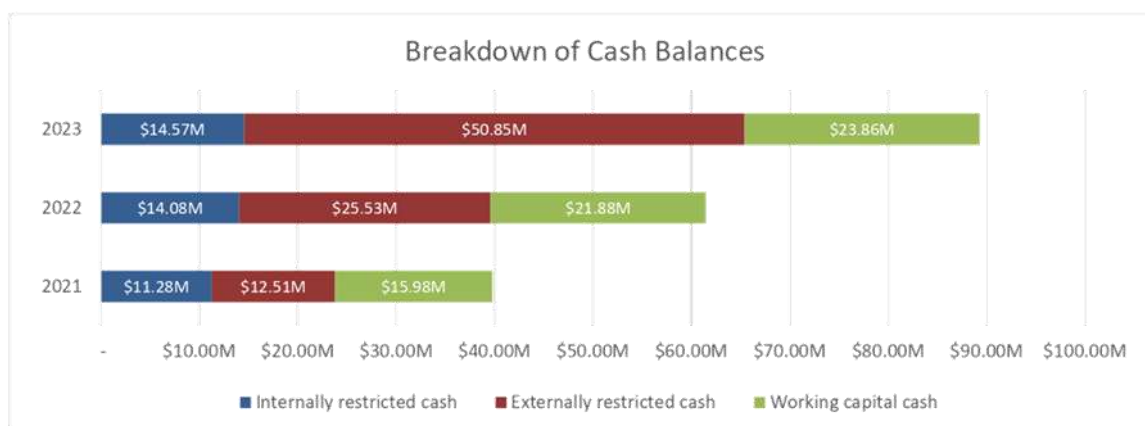
Statement of Cash Flows

The statement of cash flows show how council receives and spends money during the year. Council cash held at the end of the reporting period was \$89.28 million (\$61.49 million in 2021/2022). Cash on hand consist of:

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

	2021	2022	2023
Net cash inflow (outflow) from operating activities	\$28.62M	\$34.51M	\$35.55M
Net cash inflow (outflow) from investing activities	(\$14.07M)	(\$11.37M)	(\$6.25M)
Net cash inflow (outflow) from financing activities	(\$1.32M)	(\$1.41M)	(\$1.51M)
Net increase (decrease) in cash held	\$13.23M	\$21.72M	\$27.79M
Cash at beginning of reporting period	\$26.53M	\$39.76M	\$61.49M
Cash Balance	\$39.76M	\$61.49M	\$89.28M





Capital Expenditure

Capital expenditure is monies spent on assets and infrastructures, such as parks, roads, water and sewerage, land, buildings, plant and equipment. During the financial year council spent \$47.80 million on capital works with 44 per cent going toward renewing existing assets and the balance directed at upgrades or new assets to provide higher levels of service to the community.

Major capital projects completed during the year included:

- Gympie Pump Station 2 and emergency storage at Southside 1 replacement
- Revitalising the Cooloola Coast Esplanade - continuation of Tin Can Bay Esplanade cycleway including new boardwalk
- Bridge Number 54 (Widgee Crossing Road) timber bridge replacement
- Water Main Upgrade and Renewal (Fireflow) Program
- Rammutt Road Stage 2 road widening and intersection upgrade
- Bridge Number 52 (Glastonbury Creek Road) timber bridge replacement
- Road reconstruction for regional waste transfer station at Laurenceson Road
- Stormwater Drainage Rehabilitations - Stumm Road/Justin Street
- Thornside Road - floodway rehabilitation.

Council's Financial Sustainability

Financial Management Strategy

As part of the 2022/2023 budget, Council adopted a financial sustainability policy, which outlines the approach to be taken to achieve 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 collect 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 sourced from the Financial Management (Sustainability) Guideline issued by the Department of State Development, Infrastructure, Local Government and Planning.

Council's performance as at 30 June 2023 against these measures is shown in the following table.

Ratio	Explanation	Calculation	Target	2023	Target Met	Comment
Operating surplus ratio	Measures the extent to which revenues raised, cover operational expenses only or are available for capital funding purposes or other purposes.	Operating Surplus (Net result excluding all capital items) divided by total operating revenue (excluding capital items).	Between 0 per cent and 10 per cent	(2.44) per cent	✗	This result is below the target range as operating expenditure exceeded operating revenues for the financial year. Noting extraordinary expenses incurred such as information technology upgrades and Southside sewerage connections.
Asset sustainability ratio	This ratio reflects the extent to which infrastructure assets managed by council are being replaced as they reach the end of their useful lives	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense	> 90 per cent	100.73 per cent	✓	This ratio is over the target amount due to a focus on renewal capital works during the year balancing out the capital expenditure incurred for new assets.
Net financial liabilities ratio	Measures the extent to which net financial liabilities of council can be repaid from operating revenue	Total liabilities less current assets divided by total operating revenue	< 60 per cent	(31.51) per cent	✓	Council has limited debt compared to its operating revenue and is well placed to continue servicing its loans.

The long-term financial forecast shows surpluses from 2026 onwards as well as only minor fluctuations in the net financial liabilities' ratio. The forecast for the asset sustainability ratio are derived from the expected level of capital works for each asset class and these amounts will change as improved asset management places are put in place. The forecast is reviewed on a regular basis and updated for changes in circumstances or assumptions.

Gympie Regional Council

GENERAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2023

Gympie Regional Council

Financial Statements 2023

General Purpose Financial Statements

for the year ended 30 June 2023

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Financial Statements 2023

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Gympie Regional Council

Financial Statements 2023

Statement of Comprehensive Income for the year ended 30 June 2023

	Notes	2023 \$ '000	2022 \$ '000
Income			
Recurrent revenue			
Rates, levies and charges	3a	84,949	80,518
Fees and charges	3b	9,468	8,793
Sales revenue	3c	5,623	7,427
Grants, subsidies, contributions and donations	3d	20,824	11,809
Total recurrent revenue		120,864	108,547
Capital revenue			
Grants, subsidies, contributions and donations	3d	45,233	39,833
Total capital revenue		45,233	39,833
Other income			
Other income	4a	1,836	3,535
Interest received	4b	2,981	518
Capital income	5	244	151
Total other income		5,061	4,204
Total income		171,158	152,584
Expenses			
Recurrent expenses			
Employee benefits	6	43,988	38,691
Materials and services	7	53,853	45,664
Finance costs	8	1,541	2,003
Depreciation and amortisation:			
- Property, plant and equipment	14	29,189	27,592
- Intangible assets	15	175	137
Total recurrent expenses		128,746	114,087
Other expenses			
Capital Expenses	9	25,084	5,064
Total other expenses		25,084	5,064
Total expenses		153,830	119,151
Net Result		17,328	33,433
Other comprehensive income			
Amounts which will not be reclassified subsequently to the operating result			
Net movement in asset revaluation surplus	22	103,535	96,282
Total other comprehensive income for the year		103,535	96,282
Total comprehensive income for the year		120,863	129,715

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

Gympie Regional Council

Financial Statements 2023

Statement of Financial Position

as at 30 June 2023

	Notes	2023 \$ '000	2022 \$ '000
Assets			
Current assets			
Cash and cash equivalents	10	89,279	61,486
Receivables	11	7,480	11,242
Inventories	12	1,840	1,761
Contract assets	16	15,580	3,683
Other assets	13	561	571
Total current assets		114,740	78,743
Non-current assets			
Property, plant and equipment	14	1,710,946	1,614,137
Intangible assets	15	505	318
Total non-current assets		1,711,451	1,614,455
Total Assets		1,826,191	1,693,198
Liabilities			
Current liabilities			
Payables	18	13,727	10,294
Contract liabilities	16	15,172	7,219
Borrowings	19	1,650	1,548
Provisions	20	10,959	8,955
Other liabilities	21	1,689	1,773
Total current liabilities		43,197	29,789
Non-current liabilities			
Borrowings	19	11,170	12,785
Provisions	20	15,571	15,373
Other liabilities	21	5,206	5,067
Total non-current liabilities		31,947	33,225
Total Liabilities		75,144	63,014
Net community assets		1,751,047	1,630,184
Community equity			
Asset revaluation surplus	22	927,765	824,230
Retained surplus/(deficiency)		823,282	805,954
Total community equity		1,751,047	1,630,184

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

Gympie Regional Council

Financial Statements 2023

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

	Notes	Asset revaluation surplus \$ '000	Retained surplus \$ '000	Total equity \$ '000
2023				
Balance as at 1 July		824,230	805,954	1,630,184
Net result		—	17,328	17,328
Other comprehensive income for the year				
- Increase/(decrease) in asset revaluation surplus	22	103,535	—	103,535
Other comprehensive income		103,535	—	103,535
Total comprehensive income for the year		103,535	17,328	120,863
Balance as at 30 June		927,765	823,282	1,751,047
2022				
Balance as at 1 July		727,948	772,521	1,500,469
Net result		—	33,433	33,433
Other comprehensive income for the year				
- Increase/(decrease) in asset revaluation surplus	22	96,282	—	96,282
Other comprehensive income		96,282	—	96,282
Total comprehensive income for the year		96,282	33,433	129,715
Balance as at 30 June		824,230	805,954	1,630,184

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

Gympie Regional Council

Financial Statements 2023

Statement of Cash Flows

for the year ended 30 June 2023

	Notes	2023 \$ '000	2022 \$ '000
Cash flows from operating activities			
Receipts from customers		110,159	108,327
Payments to suppliers and employees		(97,491)	(90,651)
		<u>12,668</u>	<u>17,676</u>
Receipts			
Interest and investment revenue received		2,981	518
Non capital grants and contributions		20,963	17,466
Payments			
Borrowing costs		(1,060)	(1,153)
Net cash inflow/(outflow) from operating activities	26	<u>35,552</u>	<u>34,507</u>
Cash flows from investing activities			
Receipts			
Proceeds from sale of property, plant and equipment		1,948	243
Grants, subsidies, contributions and donations		27,907	15,044
Payments			
Payments for property, plant and equipment		(35,739)	(26,657)
Payments for intangible assets		(362)	—
Net cash inflow/(outflow) from investing activities		<u>(6,246)</u>	<u>(11,370)</u>
Cash flows from financing activities			
Payments			
Repayment of borrowings		(1,513)	(1,414)
Net cash flow inflow/(outflow) from financing activities		<u>(1,513)</u>	<u>(1,414)</u>
Net increase/(decrease) in cash and cash equivalents held		<u>27,793</u>	<u>21,723</u>
plus: cash and cash equivalents – beginning		61,486	39,763
Cash and cash equivalents at the end of the financial year	10	<u>89,279</u>	<u>61,486</u>

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

Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements

for the year ended 30 June 2023

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 2022 to 30 June 2023 and have been prepared in compliance with the requirements of the *Local Government Act 2009* and the *Local Government Regulation 2012*.

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

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

(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 2022, none of the standards had a material impact on reported position, performance and cash flows.

(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 2023. 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

(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 2023, Gympie Regional Council completed \$5.8m of emergency works involving clean up and emergent repairs to damaged assets in response to the May 2022 flood event. These costs are included in Employee Costs and Materials and Services Costs. Works related to the Restoration of Essential Public Assets (REPA) commenced in the 2023 year and have been included in the work in progress and is expected to continue into the 2024 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.

Direct financial support provided by Council to RRC included the provision of a \$1.1m loan and annual financial contributions of \$300,000 for the sleeper renewal program, \$100,000 in operational support, \$50,000 loan repayment waiver and payment of insurance premiums, audit fees and legal fees relating to the RRC.

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.

continued on next page ...

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Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements

for the year ended 30 June 2023

Note 1. Information about these financial statements (continued)

The agreement details the requirements as part of the financial separation Council and RRC, including:

- RRC pay \$1 (excluding GST) to Council for the purchase of Council owned Rail Assets excluding the Locomotive.
- Current leases granted to GRC by Department of Transport and Main Roads (DTMR) relating to the Rail Corridor, Railway Stations and Workshops to be transferred to RRC.
- RRC to surrender the Railway Corridor Lease from Amamoor to Imbil with DTMR and the lease to be transferred to Council by DTMR.
- Total payment by Council of \$1,800,000 to RRC, being 4 years of annual contributions of \$450,000 less \$600,000 that had been paid in advance prior to the date of execution.
- Loan facility balance of \$850,000 to be written off. In anticipation of the separation this balance was impaired last year by Council.
- Licence to operate the locomotive provided by Council to RRC by a period of 20 years from the commencement date of the agreement

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 financial year can be found at Note 30.

Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements

for the year ended 30 June 2023

Note 2. Analysis of results by function

(a) Council functions – component descriptions

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.

Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements for the year ended 30 June 2023

Note 2. Analysis of results by function (continued)

(b) Council functions - analysis of results by function

Functions	Recurring grants \$ '000	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 other \$ '000	Capital grants \$ '000	Capital other \$ '000		Recurring \$ '000	Capital \$ '000				
2023											
Office of the CEO	—	1	1	—	2	(4,339)	—	(4,339)	(4,338)	(4,337)	1,893
Directorate of Corporate Services	12,427	57,269	6,563	244	76,503	(30,532)	(19,098)	(49,630)	39,164	26,873	127,399
Directorate of Infrastructure Services	5,448	4,750	30,022	—	40,220	(45,073)	(3,758)	(48,831)	(34,875)	(8,611)	100,324
Directorate of Community Sustainability	1,101	5,744	436	—	7,281	(16,659)	—	(16,659)	(9,814)	(9,378)	6,799
Water and Waste Water Operations	—	26,156	8,091	—	34,247	(19,702)	(1,707)	(21,409)	6,454	12,838	405,769
Environment and Resource Recovery	1,848	10,937	120	—	12,905	(12,441)	(521)	(12,962)	344	(57)	1,184,007
Total	20,824	104,857	45,233	244	171,158	(128,746)	(25,084)	(153,830)	(3,065)	17,328	1,826,191
2022											
Office of the CEO	160	7	136	—	303	(14,513)	—	(14,513)	(14,346)	(14,210)	300,174
Directorate of Corporate Services	6,823	51,259	6,055	151	64,288	(10,595)	(325)	(10,920)	47,487	53,368	106,265
Directorate of Infrastructure Services	2,698	9,233	20,574	—	32,505	(41,202)	(1,470)	(42,672)	(29,271)	(10,167)	1,079,148
Directorate of Community Sustainability	548	4,962	1,745	—	7,255	(13,004)	—	(13,004)	(7,494)	(5,749)	7,522
Water and Waste Water Operations	—	24,933	10,843	—	35,776	(23,440)	(743)	(24,183)	1,493	11,593	188,978
Environment and Resource Recovery	1,580	10,397	480	—	12,457	(11,333)	(2,526)	(13,859)	644	(1,402)	11,111
Total	11,809	100,791	39,833	151	152,584	(114,087)	(5,064)	(119,151)	(1,487)	33,433	1,693,198

Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements

for the year ended 30 June 2023

Note 3. Revenue

	2023 \$ '000	2022 \$ '000
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(a) Rates, levies and charges

Rates, levies and charges are recognised as revenue when Council obtains control over the assets comprising these receipts which is the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.

General rates	52,943	52,217
Separate rates	—	1
Special levies	426	412
Water	6,629	6,305
Water consumption, rental and sundries	4,672	4,574
Sewerage	12,851	12,173
Garbage charges	8,220	7,846
Total rates and utility charge revenue	85,741	83,528
Less: discounts	(5)	(2,323)
Less: pensioner remissions	(787)	(687)
Total rates, levies and charges	84,949	80,518

(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.

	2023 \$ '000	2022 \$ '000
Fines and infringements	36	19
Licences and permits	209	206
Search fees	506	627
Building fees and charges	844	876
Development fees	2,068	1,446
Animal registrations	186	208
Inspection fees	1,223	1,217
Sewerage trade waste	403	485
Parking fees and fines	89	74
Other statutory charges	2,873	2,670
User fees and charges	1,031	965
Total fees and charges	9,468	8,793

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Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements

for the year ended 30 June 2023

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.

	2023 \$ '000	2022 \$ '000
Rendering of services		
Transport and main roads	4,213	6,174
Water sales	1,009	903
Total sale of services	5,222	7,077
Sale of goods		
Sale of goods and services	401	350
Total sale of goods	401	350
Total sales revenue	5,623	7,427

(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.

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Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements

for the year ended 30 June 2023

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.

	2023 \$ '000	2022 \$ '000
(i) Operating		
General purpose grants	8,774	8,030
Government subsidies and grants	11,579	3,779
Commonwealth government subsidies and grants	471	—
Total recurrent grants, subsidies, contributions and donations	20,824	11,809

(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	25,887	13,313
Donations	13,382	21,198
Contributions	5,964	5,322
Total capital grants, subsidies, contributions and donations	45,233	39,833

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

	2023		2022	
	Revenue recognised at a point in time \$ '000	Revenue recognised over time \$ '000	Revenue recognised at a point in time \$ '000	Revenue recognised over time \$ '000
Grants and subsidies	24,529	22,182	7,756	17,366
Donations	13,382	—	21,198	—
Contributions	5,964	—	5,322	—
	43,875	22,182	34,276	17,366

Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements

for the year ended 30 June 2023

Note 4. Interest and other income

	2023 \$ '000	2022 \$ '000
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(a) Other Income

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.

Other income	382	1,124
Rental income	518	411
Insurance claim	936	2,000
Total Other Income	1,836	3,535

(b) Interest received

Interest received from investments and term deposits	2,690	275
Interest from overdue rates and utility charges	291	243
Total Interest Received	2,981	518

Note 5. Capital income

	Notes	2023 \$ '000	2022 \$ '000
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(a) Gain / (loss) on disposal of non-current assets

Proceeds from the disposal of property, plant and equipment		1,082	243
Less: carrying value of disposed property, plant and equipment	14	(838)	(172)
		244	71

Gain on disposal of non-current assets

	244	71
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(b) Provision for restoration of land

Decrease of quarries rehabilitation provision	20	—	80
		—	80

Total capital income		244	151
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Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements

for the year ended 30 June 2023

Note 6. Employee benefits

		2023	2022
	Notes	\$ '000	\$ '000
Employee benefit expenses are recorded when the service has been provided by the employee.			
Wages and salaries		34,944	29,424
Councillors remuneration		864	843
Annual, sick and long service leave entitlements		6,931	7,045
Superannuation	25	4,731	4,288
		<u>47,470</u>	<u>41,600</u>
Other employee related expenses		958	856
		<u>48,428</u>	<u>42,456</u>
Less: capitalised employee expenses		(4,440)	(3,765)
Total Employee benefits		<u>43,988</u>	<u>38,691</u>

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

	2023	2022
	Number	Number
Additional information:		
Total Council employees at the reporting date:		
Elected members	9	9
Administration staff	323	264
Depot and outdoors staff	193	185
Total full time equivalent employees	<u>525</u>	<u>458</u>

Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements

for the year ended 30 June 2023

Note 7. Materials and services

	2023 \$ '000	2022 \$ '000
Expenses are recorded on an accruals basis as Council receives the goods or services.		
Agency personnel costs	720	354
Advertising and marketing expense	170	98
Audit of annual financial statements by the Auditor-General of Queensland *	245	194
Chemicals	1,081	803
Communications and IT	736	601
Consultants	2,522	1,869
Contract expenditure	11,165	8,034
Donations, sponsorships and grants	2,517	838
Energy (electricity and gas)	1,816	1,838
Equipment less than \$5,000	1,570	266
Fuel and oil	1,684	1,776
Repairs and maintenance	12,758	12,557
Insurance	1,587	924
Legal fees	584	726
Licences	2,542	2,474
Plant hire	1,389	2,862
Professional development, training	393	196
Professional membership and subscription	341	324
Publications	307	318
Rentals and leases	162	111
Travel and accommodation	65	42
Waste levy	2,902	2,882
Water	398	383
Other materials and services	6,199	5,194
Total materials and services	53,853	45,664

* Total audit fees quoted by the Queensland Audit Office relating to the 2022-2023 financial statements are \$173,655 (2022: \$193,141).

Note 8. Finance costs

	2023 \$ '000	2022 \$ '000
Finance costs charged by the Queensland Treasury Corporation	930	1,029
Bank charges	130	124
Impairment of receivables	—	850
Unwinding of discount on provisions	481	—
Total finance costs	1,541	2,003

Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements

for the year ended 30 June 2023

Note 9. Capital expenses

	2023 \$ '000	2022 \$ '000
Notes		
(a) Provision for restoration of land		
Increase in landfill restoration provision	55	2,526
Increase in quarry restoration provision	75	—
20	130	2,526

The discount rate adjustment to the quarry rehabilitation liability was adjusted against expenses as there was an insufficient asset revaluation reserve in the relevant asset class.

(b) Other capital expenses

Loss on write-off of assets	24,954	2,538
	24,954	2,538

Total capital expenses	25,084	5,064
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Note 10. Cash, cash equivalents and financial assets

	2023 \$ '000	2022 \$ '000
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Cash and cash equivalents in the statement of cash flows include cash on hand, all cash and cheques receipted but not banked at the year end, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to 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	2,000	1,407
Deposits at call *	87,279	60,079

Balance per Statement of Financial Position	89,279	61,486
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Balance per Statement of Cashflows	89,279	61,486
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* 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	89,279	61,486
Less: externally imposed restrictions on cash	(49,019)	(25,533)
Unrestricted cash	40,260	35,953

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Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements

for the year ended 30 June 2023

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

	2023 \$ '000	2022 \$ '000
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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:

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

Unspent government grants and subsidies	26,492	7,151
Unspent developer contributions	17,460	11,542
Unspent waste levy	6,895	6,840
Total externally imposed restrictions on cash assets	50,847	25,533

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

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

Future capital works	14,567	14,075
Total internally allocated cash	14,567	14,075

Trust Funds

In accordance with the *Local Government Act 2009* and Local Government Regulation 2012, a separate trust bank account and separate accounting records are maintained for funds held on behalf of outside parties.

Funds held in the trust account include those funds from the sale of land for arrears in rates, 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.

Trust funds held for outside parties

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

Security deposits	1,533	1,813
	418	249
	1,951	2,062

Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements

for the year ended 30 June 2023

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.

	2023 \$ '000	2022 \$ '000
Current		
Rateable revenue and utility charges	3,714	5,064
Fees and charges	1,571	1,730
Grants	147	3,183
Other debtors	753	294
GST receivable	1,309	1,176
Total	7,494	11,447
less: Provision for impairment		
Other	(14)	(205)
Total current receivables	7,480	11,242
Non-current		
Loans and advances to controlled entities and associates	—	850
Total	—	850
less: Provision for impairment		
Loans and advances to controlled entities and associates	—	(850)
Total non-current receivables	—	—

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.

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Financial Statements 2023

Notes to the Financial Statements

for the year ended 30 June 2023

Note 11. Receivables (continued)

Council has identified 3 distinctive groupings of its receivables: rates and charges, statutory charges and other debtors.

Rates and charges: Council is empowered under the provisions of the Local Government Act 2009 to sell an owner's property to recover outstanding 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.

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

	2023 \$ '000	2022 \$ '000
Movement in accumulated impairment losses is as follows:		
Opening balance at 1 July	(205)	(205)
Add		
Additional impairments recognised	—	—
Less		
Impairment debts written off during the year	—	—
Impairments reversed	191	—
Balance at the end of the year	(14)	(205)

Loans relate to a loan made to Council's former subsidiary the Rattler Railway Company Limited. During the 2023 financial year Council divested its interests in the Rattler Railway Company Limited and as part of the settlement agreement, the outstanding loan balance was written off.

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 (8.17% per annum from 1 July 2022, 8.03% for 2021-2022). No interest is charged on other debtors.

Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements

for the year ended 30 June 2023

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.

	2023	2022
	\$ '000	\$ '000

Current Inventories

Inventories held for distribution

Quarry and road materials	722	740
Stores and materials	1,118	1,021
Total current inventories	1,840	1,761

Note 13. Other assets

	2023	2022
	\$ '000	\$ '000

Current

Prepayments	561	571
Total current other assets	561	571

Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements for the year ended 30 June 2023

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
2023											
Measurement basis	Cost	Fair Value	Fair Value	Fair Value	Cost	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	
Opening gross balance	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)	(486)	—	—	—	—	(136,638)	(138,048)
Write-offs	—	(68)	(169)	—	—	(6,333)	(969)	(1,979)	(183)	—	(9,701)
Revaluation decrements to equity (ARS)	—	—	—	—	—	—	—	—	—	—	—
Revaluation increments to equity (ARS)	—	4,331	10,870	1,465	—	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	—	—	—	—	—	—	—	—	—	—	—
Total gross value of property, plant and equipment	37,288	88,672	215,973	19,077	9,319	1,428,801	255,816	256,722	23,718	5,500	2,340,886
Opening accumulated depreciation and impairment	—	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	26,189
Depreciation on disposals	—	—	—	(217)	(282)	—	—	—	—	(117,110)	(117,609)
Depreciation on write-offs	—	(34)	(146)	—	—	(2,869)	(371)	(866)	(30)	—	(4,319)
Revaluation decrements to equity (ARS)	—	—	—	—	—	—	—	—	—	—	—
Revaluation increments to equity (ARS)	—	590	5,719	646	—	17,984	6,121	4,802	1,824	—	37,886
Adjustments and other transfers	—	—	—	—	—	—	—	—	—	—	—
Total accumulated depreciation of property, plant and equipment	—	11,732	113,616	8,244	5,189	264,338	121,621	95,420	6,168	3,632	629,940
Total net book value of property, plant and equipment	37,288	76,940	102,357	10,833	4,150	1,164,463	134,195	161,302	17,550	1,868	1,710,946
Other information											
Range of estimated useful life (years)		Land not depreciated. Site improvements: 5-183	15-160	4-100	3-40	10-180	10-100	5-100	17.5-105	35-40	
*Asset additions comprise											
Asset renewals	21,014	—	—	81	155	—	—	—	—	—	21,250
Other additions	10,898	—	—	1,750	522	9,983	1,336	2,063	—	—	26,552
Total asset additions	31,912	—	—	1,831	677	9,983	1,336	2,063	—	—	47,802

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Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements for the year ended 30 June 2023

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
2022											
Measurement basis	Cost	Fair Value	Fair Value	Fair Value	Cost	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	
Opening gross balance	33,785	64,503	185,105	14,548	9,396	1,213,484	223,006	223,114	19,409	18,243	2,004,593
Correction to opening balances	—	—	—	10	(29)	—	—	—	—	—	(19)
Additions	25,321	—	8,270	1,236	109	9,760	1,778	3,381	—	—	47,855
Disposals	—	—	(176)	(110)	(345)	—	—	(4)	—	—	(635)
Write-offs	—	(154)	(282)	—	—	(3,295)	(136)	(1,153)	(64)	—	(5,084)
Revaluation decrements to equity (ARS)	—	(6,060)	(2,921)	—	—	(8)	(1)	—	—	—	(8,990)
Revaluation increments to equity (ARS)	—	14,852	14,730	988	—	77,971	14,186	14,276	1,291	123,110	261,404
Work in progress transfers	(28,466)	9,674	4,847	—	—	10,997	530	1,270	1,148	—	—
Adjustments and other transfers	—	(576)	(2,500)	—	—	3,076	—	—	—	—	—
Total gross value of property, plant and equipment	30,640	82,239	205,073	16,672	9,131	1,311,985	239,363	240,884	21,784	141,353	2,299,124
Opening accumulated depreciation and impairment	—	6,065	89,635	4,663	4,301	214,819	100,685	79,808	3,399	1,308	504,683
Correction to opening balances	—	—	—	—	(46)	—	—	—	—	—	(46)
Depreciation expense	—	1,060	5,460	1,315	741	10,779	4,016	3,323	393	505	27,592
Depreciation on disposals	—	—	(117)	(112)	(202)	—	—	(3)	—	—	(434)
Depreciation on write-offs	—	(51)	(110)	—	—	(2,220)	(87)	(461)	(11)	—	(2,940)
Revaluation decrements to equity (ARS)	—	2,980	9,009	370	—	14,099	7,064	5,208	238	117,144	156,132
Revaluation increments to equity (ARS)	—	—	—	—	—	—	—	—	—	—	—
Adjustments and other transfers	—	(278)	(148)	—	—	424	—	—	—	—	—
Total accumulated depreciation of property, plant and equipment	—	9,776	103,731	6,236	4,794	237,901	111,698	87,875	4,019	118,957	684,987
Total net book value of property, plant and equipment	30,640	72,463	101,342	10,436	4,337	1,074,084	127,665	153,009	17,765	22,396	1,614,137
Other information											
Range of estimated useful life (years)	Not depreciated	Land not depreciated. Site improvements: 5-183	15-160	4-100	3-40	10-180	10-100	5-100	17.5-105	35-40	
*Asset additions comprise											
Asset renewals	8,982	—	—	—	—	—	—	—	—	—	8,982
Other additions	16,339	—	6,270	1,236	109	9,760	1,778	3,381	—	—	38,873
Total asset additions	25,321	—	6,270	1,236	109	9,760	1,778	3,381	—	—	47,855

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Financial Statements 2023

Notes to the Financial Statements

for the year ended 30 June 2023

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.

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.

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.

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Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements

for the year ended 30 June 2023

Note 14. Property, plant and equipment (continued)

(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 is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining useful life.

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

Level 1: Fair value based on quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value based on inputs that are directly or indirectly observable, such as prices for similar assets, for the asset or liability.

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

Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements for the year ended 30 June 2023

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.	5.04%	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.	5.30%	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.	5.30%	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.	5.30%	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.	Nil	Nil
Heavy plant (Level 2)	Market value	30/06/2021	Pickles Valuations	Current replacement cost of modern equivalent asset, asset condition, useful life and residual value.	8.50%	Nil

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Financial Statements 2023

Notes to the Financial Statements for the year ended 30 June 2023

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.	7.30%	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.	5.30%	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

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Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements

for the year ended 30 June 2023

Note 15. Intangible assets

	2023 \$ '000	2022 \$ '000
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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.

Intangible assets are as follows:

Software

Opening gross carrying value	1,445	1,978
Additions	362	—
Disposals	—	(533)
Closing gross carrying value	1,807	1,445
Opening accumulated amortisation and impairment	(1,127)	(1,217)
Amortisation charges	(175)	(137)
Accumulated amortisation on disposals	—	227
Closing accumulated amortisation and impairment	(1,302)	(1,127)
Net carrying value at end of financial year	505	318
Total intangible assets - net book value	505	318

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.

	2023 \$ '000	2022 \$ '000
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(a) Contract assets

Current

Contract assets	15,580	3,683
Total current contract assets	15,580	3,683

(b) Contract liabilities

Current

Grants

Funds received upfront to construct Council controlled assets	15,172	7,219
Total grants	15,172	7,219
Total current contract liabilities	15,172	7,219

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Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements

for the year ended 30 June 2023

Note 16. Contract balances (continued)

	2023 \$ '000	2022 \$ '000
Revenue recognised that was included in the contract liability balance at the beginning of the year		
Funds to construct Council controlled assets	5,655	2,623
Total revenue included in the contract liability	5,655	2,623

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.

Where Council assesses that an agreement contains a lease, a right of use asset and lease liability is recognised on inception of the lease. Council does not separate lease and non-lease components for any class of assets and has accounted for lease payments as a single component.

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

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

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

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

Exceptions to lease accounting

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

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Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements

for the year ended 30 June 2023

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.

	2023 \$ '000	2022 \$ '000
Expenses		
Expenses relating to short-term leases	58	69
Expenses relating to low-value assets	104	42
Net expense relating to leases	162	111

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.

Gympie Regional Council

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Notes to the Financial Statements

for the year ended 30 June 2023

Note 18. Payables

	2023 \$ '000	2022 \$ '000
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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.

Current

Creditors	7,315	4,902
Prepaid rates	4,329	3,937
Other entitlements	251	218
Employee related accruals	1,832	1,237
Total current payables	13,727	10,294

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 2030. 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.

	2023 \$ '000	2022 \$ '000
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Current

Loans - Queensland Treasury Corporation	1,650	1,548
Total current borrowings	1,650	1,548

Non-current

Loans - Queensland Treasury Corporation	11,170	12,785
Total non-current borrowings	11,170	12,785

Reconciliation of Loan Movements for the year

Loans - Queensland Treasury Corporation

Opening balance at beginning of financial year	14,333	15,747
Principal repayments	(1,513)	(1,414)
Book value at end of financial year	12,820	14,333

The QTC loan market value at the reporting date is \$13.740 million (2022: \$15.859 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.

Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements

for the year ended 30 June 2023

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.

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:

- | | |
|-----------------------|---------------------------|
| • Boundary Pit | • McIntosh Pit |
| • Hall Road Pit | • Trinity Pit |
| • Running Creek Pit 2 | • Goomeri Tip Pit |
| • Edwards Pit | • Mt Olive Pit |
| • Lord Nelson Pit | • Upper Widgee Road Pit 1 |
| • Saleyards Pit | • Gould Pit |
| • Fleming Pit | |

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Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements

for the year ended 30 June 2023

Note 20. Provisions (continued)

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.

	2023 \$ '000	2022 \$ '000
Current		
Annual leave	4,072	3,349
Long service leave	4,269	3,753
Sick leave	1,977	1,705
Sub total - aggregate employee benefits	10,318	8,807
Quarry sites	350	148
Refuse sites	291	—
Total current provisions	10,959	8,955
Non-current		
Long service leave	1,645	1,565
Sub total - aggregate employee benefits	1,645	1,565
Quarry sites	285	397
Refuse sites	13,641	13,411
Total non-current provisions	15,571	15,373

Details of movements in provisions

Quarry rehabilitation

Balance at beginning of financial year	545	625
Additional provision	95	42
Amounts used	(6)	(62)
Increase in provision due to unwinding of discount	15	3
Increase/(decrease) in provision due to change in discount rate	(14)	(63)
Balance at end of financial year	635	545

Refuse restoration

Balance at beginning of financial year	13,411	10,886
Additional provision	789	3,373
Increase in provision due to unwinding of discount	466	279
Increase/(decrease) in provision due to change in discount rate	(734)	(1,127)
Balance at end of financial year	13,932	13,411

Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements

for the year ended 30 June 2023

Note 21. Other liabilities

	2023 \$ '000	2022 \$ '000
Current		
Waste levy refund received in advance	1,689	1,773
Total current other liabilities	1,689	1,773
Non-current		
Waste levy refund received in advance	5,206	5,067
Total non-current other liabilities	5,206	5,067

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:

	2023 \$'000	2022 \$'000
Land and site improvements	21,497	17,756
Buildings	27,215	22,064
Heavy plant	1,467	618
Road, bridge and drainage	703,717	624,494
Water	85,568	78,814
Sewerage	72,940	64,821
Other infrastructure	9,395	9,697
Rail	5,966	5,966
Total asset revaluation surplus	927,765	824,230

Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements

for the year ended 30 June 2023

Note 23. Commitments for expenditure

	2023 \$ '000	2022 \$ '000
Capital commitments (exclusive of GST)		
Commitment for the construction of the following assets contracted for at the reporting date but not recognised as liabilities:		
Property, plant and equipment		
Road, drainage and bridge network	10,176	887
Water	108	1,037
Other	9,768	4,863
Total commitments	20,052	6,787

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 2022 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 \$1,516,518.

Insurance claims pending

	2023 \$'000	2022 \$'000
Insurance claims pending	217	708
Total	217	708

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 2023 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.

Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements

for the year ended 30 June 2023

Note 24. Contingent liabilities (continued)

Waste Operations

Council is assessing a matter relating to its waste operations that could give rise to a liability.

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 seriously prejudice the outcome of the matter.

Note 25. Superannuation - regional defined benefit fund

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

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

Any amount by which the scheme is over or under funded may affect future contribution rate obligations, but has not been recognised as an asset or liability of 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 LGIASuper trust deed changes to council's obligations will only be made on the advice of an actuary.

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

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

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

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

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

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

	2023	2022
Notes	\$ '000	\$ '000
Superannuation contributions made to the Regional Defined Benefits Fund	123	146
Other superannuation contributions for employees	4,608	4,142
Total superannuation contributions paid by Council for employees	4,731	4,288

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Gympie Regional Council

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Notes to the Financial Statements

for the year ended 30 June 2023

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

	2023 \$ '000	2022 \$ '000
Net operating result from income statement	17,328	33,433
Non-cash items		
Depreciation and amortisation	29,364	27,729
	29,364	27,729
Losses/(gains) recognised on fair value re-measurements through the income		
Unwinding of discount rates on reinstatement provisions	611	—
	611	—
Investing and development activities		
Net (profit)/loss on disposal of assets	(244)	71
Loss on write-off of assets	24,954	—
Non cash capital grants, contributions and additions	—	(25,604)
Net capital (income)/expenses	—	4,984
Capital grants	(45,233)	(13,313)
	(20,523)	(33,862)
Changes in operating assets and liabilities:		
(Increase)/decrease in receivables	3,927	(4,604)
Increase/(decrease) in provision for doubtful debts	(191)	850
(Increase)/decrease in inventories	(79)	(446)
(Increase)/decrease in contract assets	—	(2,814)
(Increase)/decrease in other assets	36	(571)
Increase/(decrease) in payables	2,413	2,202
Increase/(decrease) in contract liabilities	—	4,521
Increase/(decrease) in employee leave entitlements	2,219	(1,216)
Increase/(decrease) in other provisions	—	2,445
Increase/(decrease) in other liabilities	447	6,840
	8,772	7,207
Net cash provided from/(used in) operating activities from the statement of cash flows	35,552	34,507

Note 27. Events after the reporting period

There were no material adjusting or non-adjusting events after the reporting period.

Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements

for the year ended 30 June 2023

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 management 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.

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Notes to the Financial Statements

for the year ended 30 June 2023

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
2023					
Payables	13,161	—	—	13,161	13,727
Loans - QTC	2,443	9,719	3,792	15,954	12,820
	<u>15,604</u>	<u>9,719</u>	<u>3,792</u>	<u>29,115</u>	<u>26,547</u>
2022					
Payables	10,294	—	—	10,294	10,294
Loans - QTC	2,443	9,772	6,182	18,397	14,333
	<u>12,737</u>	<u>9,772</u>	<u>6,182</u>	<u>28,691</u>	<u>24,627</u>

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

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
2023					
QTC cash fund	87,279	873	(873)	873	(873)
Loans - QTC	(12,820)	—	—	—	—
Net	<u>74,459</u>	<u>873</u>	<u>(873)</u>	<u>873</u>	<u>(873)</u>
2022					
QTC cash fund	60,079	601	(601)	601	(601)
Loans - QTC	(14,333)	—	—	—	—
Net	<u>45,746</u>	<u>601</u>	<u>(601)</u>	<u>601</u>	<u>(601)</u>

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.

Gympie Regional Council

Financial Statements 2023

Notes to the Financial Statements for the year ended 30 June 2023

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	—	—	20
Revenue for services provided to external clients	132	34,247	12,785
Community service obligations	—	500	583
	<u>132</u>	<u>34,747</u>	<u>13,388</u>
Less : expenditure	(203)	(26,890)	(11,888)
Surplus/(deficit)	(71)	7,857	1,500

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

Gympie Regional Council

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Notes to the Financial Statements

for the year ended 30 June 2023

Note 30. Controlled entities that have not been consolidated

During the financial year Council divested its control over its controlled entity when on 16 June 2023 both the Company and Council executed the asset sale and purchase agreement which formalised the separation from Council, see Note 1(j) for details. As control was not maintained for the whole year it has not been consolidated because its size and nature meant that it was not material to council's operations.

A summary of the entity, its net assets and results for the year follows:

Controlled entity

	Ownership interest %	Revenue \$ '000	Expenses \$ '000	Profit / (loss) \$ '000	Assets \$ '000	Liabilities \$ '000
2023						
The Rattler Railway Company Ltd	100%	5,581	3,340	2,241	2,743	835
		<u>5,581</u>	<u>3,340</u>	<u>2,241</u>	<u>2,743</u>	<u>835</u>
2022						
The Rattler Railway Company Ltd	100%	2,817	3,059	(242)	1,292	1,626
		<u>2,817</u>	<u>3,059</u>	<u>(242)</u>	<u>1,292</u>	<u>1,626</u>

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

Note 31. Transactions with related parties

(a) Subsidiaries (ie. entities and operations controlled by Council)

Name of operation/entity	Principal activity and place of business
Rattler Railway Company Ltd	Mary Valley Rattler Steam Train Tourism Venture Tozer Street, Gympie

During the year Council divested its interests in the Rattler Railway Company Limited. The terms of the agreement resulted in the sale of Council's share in the Company and its railway related assets to the Rattler Railway Company Limited. Additionally Council waived the balance of the Company's outstanding loan with Council.

(b) Key management personnel

Transactions with key management personnel

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

	2023 \$ '000	2022 \$ '000
The compensation paid to key management personnel comprises:		
Short-term employee benefits	2,003	1,637
Post-employment benefits	206	183
Termination benefits	—	241
Total	<u>2,209</u>	<u>2,061</u>

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Financial Statements 2023

Notes to the Financial Statements for the year ended 30 June 2023

Note 31. Transactions with related parties (continued)

(c) 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.

(d) 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.

Gympie Regional Council

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General Purpose Financial Statements for the year ended 30 June 2023

Management Certificate

for the year ended 30 June 2023

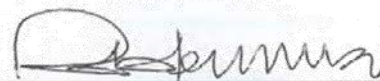
These General Purpose Financial Statements have been prepared pursuant to sections 176 and 177 of the *Local Government Regulation 2012* (the Regulation) and other prescribed requirements.

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

- i. the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulations 2012* for the establishment and keeping of accounts have been complied with in all material respects; and
- ii. the General Purpose Financial Statements, as set out on pages 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.



C. Glen Hartwig
Mayor
30 November 2023



Mr Robert Jennings
Chief Executive Officer
30 November 2023



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.

In my opinion, the financial report:

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

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

Basis for opinion

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

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

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

Other information

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

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

The councillors are responsible for the other information.

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



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

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

Responsibilities of the councillors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for 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.



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

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

Report on other legal and regulatory requirements

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

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

Prescribed requirements scope

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



Michael Claydon
as delegate of the Auditor-General

30 November 2023

Queensland Audit Office
Brisbane

Gympie Regional Council

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General Purpose Financial Statements

for the year ended 30 June 2023

Current Year Financial Sustainability Statement

	Actual 2023	Target
Measures of financial sustainability		
1. Operating surplus ratio		
Net result (excluding capital items)		
Total operating revenue (excluding capital items)	(2.44)%	0% - 10%
An indicator of which the extent to which revenues raised cover operational expenses only or are available for capital funding purposes or other purposes.		
2. Asset sustainability ratio		
Capital expenditure on the replacement of assets (renewals)	100.73%	> 90.00%
Depreciation expense		
An approximation of the extent to which the infrastructure assets managed are being replaced as these reach the end of their useful lives.		
3. Net financial liabilities ratio		
Total liabilities less current assets		
Total operating revenue (excluding capital items)	(31.51)%	< 60.00%
An indicator of the extent to which the net financial liabilities can be serviced by its operating revenue.		

Note 1 - basis of preparation

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

Gympie Regional Council


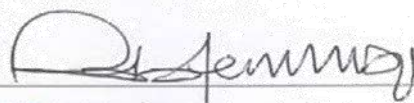
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General Purpose Financial Statements for the year ended 30 June 2023

Certificate of Accuracy

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

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


Cr Glen Hartwig
Mayor
30 November 2023
Mr Robert Jennings
Chief Executive Officer
30 November 2023



INDEPENDENT AUDITOR'S REPORT

To the Councillors of Gympie Regional Council

Report on the Current-Year Financial Sustainability Statement

Opinion

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

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

Basis of opinion

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

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

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

Emphasis of matter – basis of accounting

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

Other information

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

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

The councillors are responsible for the other information.

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



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

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

Responsibilities of the councillors for the current year financial sustainability statement

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

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

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

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

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

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



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



Michael Claydon
as delegate of the Auditor-General

30 November 2023

Queensland Audit Office
Brisbane

Gympie Regional Council

Financial Statements 2023

General Purpose Financial Statements for the year ended 30 June 2023

Unaudited Long Term Financial Sustainability Statement

	Target	Actual 2023	2024	2025	2026	2027	Forecast					
							2028	2029	2030	2031	2032	2033
Measures of financial sustainability												
1. Operating surplus ratio												
Net result (excluding capital items)												
Total operating revenue (excluding capital items)	0% - 10%	(2.44)%	(4.60)%	(3.10)%	0.10%	0.40%	0.60%	1.00%	1.10%	1.10%	1.30%	1.10%
An indicator of which the extent to which revenues raised cover operational expenses only or are available for capital funding purposes or other purposes.												
2. Asset sustainability ratio												
Capital expenditure on the replacement of assets (renewals)												
Depreciation expense	> 90.00%	100.73%	333.00%	179.90%	100.10%	96.10%	92.00%	110.40%	99.30%	104.20%	102.10%	84.90%
An approximation of the extent to which the infrastructure assets managed are being replaced as these reach the end of their useful lives.												
3. Net financial liabilities ratio												
Total liabilities less current assets												
Total operating revenue (excluding capital items)	< 60.00%	(31.51)%	(24.80)%	(17.80)%	(15.30)%	(13.80)%	(17.20)%	(17.50)%	(20.60)%	(20.40)%	(20.00)%	(21.80)%
An indicator of the extent to which the net financial liabilities can be serviced by its operating revenue.												

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.

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General Purpose Financial Statements for the year ended 30 June 2023

The three sustainability indicators, set by the Department of State Development, Infrastructure, Local Government and Planning to help monitor the long-term sustainability of all councils across Queensland. Throughout the financial year, these indicators are calculated and reported on monthly at Council meetings, as part of a full suite of financial reports. Should there be any deviation outside these parameters, the executive management and Council will be fully informed and may take corrective action as required.

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Financial Statements 2023

General Purpose Financial Statements for the year ended 30 June 2023

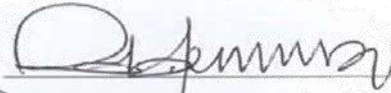
Certificate of Accuracy - Long Term Financial Sustainability Statement

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

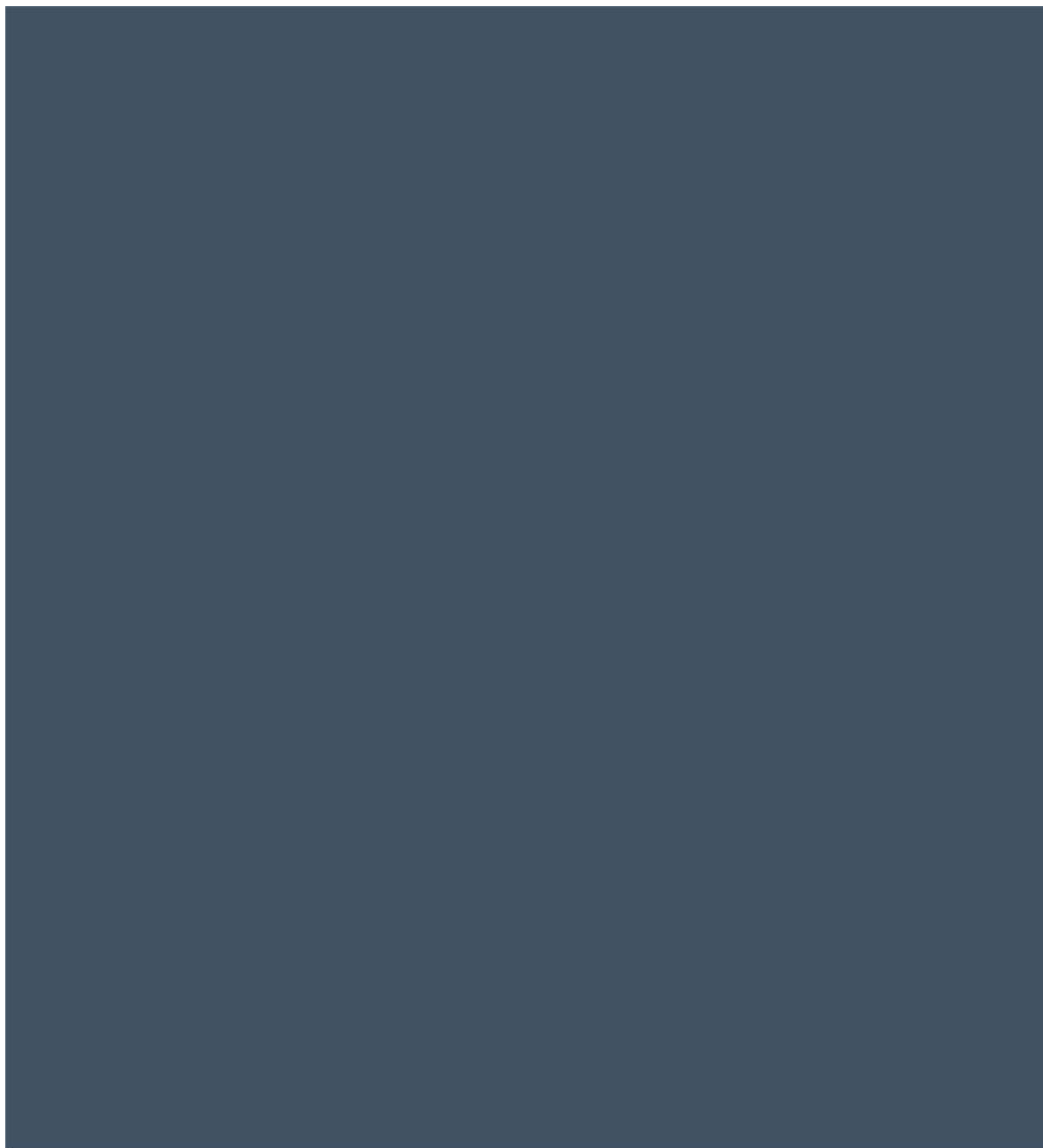
In accordance with Section 212(5) of the Regulation we certify that this long-term financial sustainability statement has been accurately calculated.



Cr Glen Hartwig
Mayor
30 November 2023



Mr Robert Jennings
Chief Executive Officer
30 November 2023



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