



ANNUAL REPORT

For the year

1 July 2016 to 30 June 2017



*Trail Lake Dunn Sculpture
Artist: Milynda Rogers*

TABLE OF CONTENTS

COUNCIL PROFILE.....	3
REPORT FROM THE MAYOR AND CEO	4
THE COUNCIL	5
LOCAL GOVERNMENT REGULATION 2012 DISCLOSURES	5
LOCAL GOVERNMENT ACT 2009 DISCLOSURES	11
APPENDIX 1 - COMMUNITY FINANCIAL REPORT	12
APPENDIX 2 – RECOGNITION OF GOVERNMENT FUNDING	14
APPENDIX 3 – CORPORATE AND OPERATIONAL PLAN ASSESSMENT	16
APPENDIX 4 – GRANTS TO COMMUNITY ORGANISATIONS.....	28
APPENDIX 5 – AUDITED FINANCIAL STATEMENTS, CURRENT YEAR SUSTAINABILITY STATEMENT, LONG TERM SUSTAINABILITY STATEMENT.....	30

COUNCIL PROFILE

Barcaldine Regional Council encompasses five communities with an estimated resident population of 3,000 and covers an area of 53,520 km² in central western Queensland. The communities of Alpha, Aramac, Barcaldine, Jericho and Muttaborra are the residential and service bases for the region. Council has an office in each community to serve the needs of local residents.

Barcaldine Regional Council is the major employer in all communities with a total of 157 full time equivalent employees working in a diverse range of services including road construction and maintenance, administration, water supply, sewerage, waste collection, aged care, banking, post office, tourism, libraries, sport, arts and more. Road maintenance and construction is the major activity of Council.

Rural industries including sheep and cattle grazing are the mainstay of the local economy, supported by a range of small businesses and public services including State Government agencies. Tourism is developing into a major industry and important economic driver. The region is fortunate to have attractions of national, state and local historical significance as well as a growing indigenous cultural presence, natural landscapes and streetscapes which contribute to the character of the region.

The continuous development of events which attract visitors and bring people together are synonymous with the region. Annual events such as the Tree of Knowledge Festival, the Harry Redford Cattle Drive, agricultural shows, campdrafts, rodeos and the Westech Field Days play an important role in showcasing what the region has to offer.

The communities within the Council area have a wide range of services to meet most of the needs of residents. Quality infrastructure caters for cultural, sport and recreation activities and public services including education, health care, fire, police and ambulance services.

The five towns in the region and surrounding centres are all linked by sealed roads. Unsealed roads in the region are generally accessible by conventional vehicles except during the wet season when they may become impassable.

Council continues to support investment in new infrastructure to ensure the future life of its communities. Council forward plans for future projects and continues to apply for grant funding to further enhance community infrastructure.

REPORT FROM THE MAYOR AND CEO

During 2017 Barcaldine Regional Council continued to provide a wide variety of quality services to all five communities in the region.

Council has finished the year in a strong financial position. However long term sustainability is an issue that requires addressing, with Council heavily reliant on external funding to maintain its infrastructure and workforce.

Road construction and maintenance continues to be the main source of employment and income within Council and our communities. As roads are our major asset, Federal and State funding for roadworks is critical for our continued prosperity.

Council has invested substantial funds towards improvements to our town streets, rural roads and highways to meet the demands of local residents and our major industries.

Our local communities hold many events and raise funds for many non-profit organisations throughout the year, mainly through the tremendous efforts of volunteers. These organisations and events help add to the character and liveability of the region. Council recognises these efforts by providing substantial cash donations and in-kind support to local community organisations.

Council could not provide the necessary upgrades to our community infrastructure without the support of the Australian and Queensland Governments.

During the year Council completed a number of projects including the construction of a new Jericho Swimming Pool, retiling of the Barcaldine Swimming Pool and construction of new tennis courts in Aramac.

Current projects include the construction of the new Muttaborrasaurus Interpretive Centre in Muttaborra, construction of a new water recreation park in Barcaldine, construction of a new swimming pool and amenities block in Aramac, refurbishment of the public toilets in Jericho and Alpha and disability access for the Bank of Qld in Alpha.

Thank you to all of our employees and contractors for their efforts to improve our infrastructure and provide a high level of service to our residents and our communities.

Council will pursue all possible funding opportunities to improve our local infrastructure and keep our workforce gainfully employed.



Cr Rob Chandler
Mayor



Des Howard
Chief Executive Officer

THE COUNCIL

Barcaldine Regional Council is an elected body consisting of a Mayor and six Councillors.

Mayor – Cr Rob Chandler

Deputy Mayor – Cr Jenni Gray

Cr Sean Dillon

Cr Rebecca Plumb

Cr Garry Bettiens

Cr Gary Peoples

Cr Milynda Rogers

The Councillors are bound by a Code of Conduct that ensures they undertake their duties in the best interests of the Region and its residents.

The Chief Executive Officer is responsible for ensuring all decisions of Council comply with the Local Government Act 2009, other relevant legislation and local laws.

LOCAL GOVERNMENT REGULATION 2012 DISCLOSURES

183 FINANCIAL STATEMENTS

183(a) General Purpose Financial Statements

The general purpose financial statements for the year ending 30 June 2017 are attached at Appendix 5.

183(b) Sustainability Statement

The financial sustainability statement for the year ending 30 June 2017 is attached at Appendix 5.

183(c) Long-Term Sustainability Statement

The long-term financial sustainability statement for the year ending 30 June 2017 is attached at Appendix 5.

183(d) Auditor General's Audit Reports

The Auditor General's audit reports about the general purpose financial statement for the year ending 30 June 2017 and the current year financial sustainability statement are attached at Appendix 5.

184 COMMUNITY FINANCIAL REPORT

The Community Financial Report for the year ending 30 June 2017 is attached at Appendix 1.

185 RESOLUTIONS

185(a) Resolutions Made Under section 250(1) (Requirement to adopt expenses reimbursement policy or amendment)

The Councillor Expenses Reimbursement Policy was reviewed by Council resolution on 16 July 2014. No changes were made to the Policy during the year ending 30 June 2017.

185(b) Resolutions Made Under Section 206(2) (Non-current asset thresholds)

There were no resolutions made under Section 206(2) during the year ending 30 June 2017.

186 COUNCILLORS
186(a) and (b) Remuneration

Councillor Remuneration for the Year Ending 30 June 2017

COUNCILLOR	REMUNERATION PAID	TELEPHONE ALLOWANCE	EXPENSES INCURRED	FACILITIES PROVIDED	SUPER-ANNUATION
Cr Rob Chandler (Mayor)	\$97,683.96	0	\$ 21,387.28	Mayor's Office Motor Vehicle Telephone IT equipment Corporate Clothing	Nil
Cr Jenni Gray (Deputy Mayor)	\$ 56,355.96	\$ 600.00	\$ 1,416.04	Motor Vehicle Corporate Clothing	Nil
Cr Garry Bettiens	\$ 48,841.92	\$ 600.00	\$ 2,704.64	Corporate Clothing	Nil
Cr Sean Dillon	\$ 48,841.92	\$ 600.00	\$ 2,502.96	Corporate Clothing	Nil
Cr Gary Peoples	\$ 48,841.92	\$ 600.00	\$ 1,837.75	IT equipment Corporate Clothing	Nil
Cr Rebecca Plumb	\$ 48,841.92	\$ 600.00	\$ 1,795.03	IT equipment Corporate Clothing	Nil
Cr Milynda Rogers	\$ 47,485.26	\$ 600.00	\$ 2,251.43	IT equipment Corporate Clothing	Nil
TOTAL	\$ 396,892.86	\$ 3,600.00	\$ 33,895.13		Nil

186(c) Meetings Attended

Number of Meetings Attended During the Year Ending 30 June 2017

	General Meetings	Special Meetings	Audit Committee Meetings
Councillor / Meetings Held	12	2	2
Cr Rob Chandler (Mayor)	12	2	-
Cr Jenni Gray (Deputy Mayor)	12	2	-
Cr Garry Bettiens	12	2	-
Cr Sean Dillon	12	2	2
Cr Gary Peoples	12	1	-
Cr Rebecca Plumb	12	2	2
Cr Milynda Rogers	11	2	-

186(d)(i) Taking Disciplinary Action

There were no orders and recommendations made under Section 180(2) or (4) of the Act during the year ending 30 June 2017.

186(d)(ii) Inappropriate Conduct

There were no orders and recommendations made under Section 181 of the Act during the year ending 30 June 2017.

186(e)(i)(ii)(iii) Taking Disciplinary Action

There were no Councillors for whom orders or recommendations were made under section 180 of the Act or orders made under section 181 of the Act during the year ending 30 June 2017.

186(f) Complaints about Councillors

Section	Details	Number of Complaints
186(f)(i)	Complaints about the conduct or performance of Councillors for which no further action was taken under section 176C(2) of the Act	Nil
186(f)(ii)	Complaints referred to the Department's Chief Executive under section 176C(3)(a)(i) of the Act	Nil
186(f)(iii)	Complaints referred to the Mayor under Section 176C(3)(a)(ii) or (b)(i) of the Act	Nil
186(f)(iv)	Complaints referred to the Department's Chief Executive under Section 176C(4)(a) of the Act	Nil
186(f)(v)	Complaints assessed by the Chief Executive Officer as being about corrupt conduct under the Crime and Corruption Act	Nil
186(f)(vi)	Complaints heard by a regional conduct review panel	Nil
186(f)(vii)	Complaints heard by the Tribunal	Nil
186(f)(viii)	Complaints to which Section 176C(6) of the Act applied	Nil

187 ADMINISTRATIVE ACTION COMPLAINTS

187(1)(a) Statement about Commitment to Dealing Fairly with Administrative Action Complaints

The Council intends to provide a level of customer service that does not attract complaints, but acknowledges the right of persons to provide feedback, both positive and negative, on its services and/or to lodge a complaint about a decision or other action it takes.

The complaints process has been instituted to ensure that, to the greatest practical extent, any complaint is dealt with fairly, promptly, professionally, in confidence (subject to any legal requirements) and in a manner respectful to the complainant.

The Council commits to providing adequate resources and trained officers to deal with complaints and to record and analyse complaints data.

187(1)(b) Implementation of Complaints Management Process

The implementation of the complaints management process is achieved by the following procedures:

- Anyone who is dissatisfied about a decision or other action of the Council, a Council officer or a Councillor can easily and simply lodge a complaint.

- Complainants are provided with information on the complaints process and, if necessary, assistance to make their complaint.
- Each complaint is initially assessed in terms of its seriousness, safety implications, complexity and degree of urgency.
- Council officers will receive complaints in a professional manner and welcome valid feedback as an opportunity for improvement of the Council's administrative practices. Complaints are responded to as quickly as possible and in accordance with the timeframes set out in the complaints process.
- Complainants will not suffer any reprisal from Council or its officers for making a complaint.
- Complaints are properly monitored with a view to continuous improvement of the Council's business processes.
- If a complainant is not satisfied that a complaint has been satisfactorily resolved, he/she will be informed of any statutory right of review and, if they request, be provided with details of any further review mechanism that is available.

The implementation of registers and procedures to measure response to internal works requests and customer service requests has led to continuous improvement and facilitates reporting in this area of service delivery.

187(2)(a)(i)(ii)(iii) Administrative Action Complaints Made, Resolved and Not Resolved

There were no administrative action complaints made to, resolved or not resolved by Council, during the year ending 30 June 2017.

187(2)(b) Administrative Action Complaints Made in a Previous Financial Year

There were no administrative action complaints under paragraph (a)(iii) made in a previous financial year.

188 OVERSEAS TRAVEL

No overseas travel was undertaken by a Councillor or employee in an official capacity in the year ending 30 June 2017.

189(a) Grants to Community Organisations

A total of \$193,771 in cash and in-kind grants was made to community organisations during the year ending 30 June 2017. A list of grants is detailed at Appendix 4.

189(b)(i)(ii) Expenditure from Councillor's Discretionary Fund

No expenditure was allocated to community organisations from a Councillor's Discretionary Fund during the year ending 30 June 2017.

190 OTHER CONTENTS

190(1)(a) Assessment of Performance – Implementation of Corporate Plan and Annual Operational Plan

The assessment of performance towards implementation of the Corporate Plan and Annual Operational Plan is included at Appendix 3.

190(1)(b) Other Issues Relevant to Assessment of Operations and Performance

There were no other issues relevant to making an informed assessment of the Council's operation and performance for the year ending 30 June 2017.

190(1)(c) Operations Report for Each Commercial Business Unit

Council did not operate any commercial business units in the year ending 30 June 2017.

190(1)(d)(i)(ii) Service Facility or Activity by Another Local Government

No action was taken for, or expenditure on, a service, facility or activity supplied by another local government under an agreement for conducting a joint government activity and no special rates or charges were levied in the year ending 30 June 2017.

190(1)(e) Invitations to Change Tenders

There were no invitations to change tenders under section 228(7) during the year ending 30 June 2017.

190(1)(f) Registers Kept

Register	Legislation	Purpose	Access
Register of Interests of Councillors and related parties	LG Regulation 2012 s 290(1)	To record certain financial and other personal interests of Councillors and related parties.	Available on Council's website and open to the public.
Register of Interests of the Chief Executive Officer and related parties	LG Regulation 2012 s290(1) and (2)	To record certain financial and other personal interests of the Chief Executive Officer, senior executive employees and related parties.	Restricted to the Chief Executive Officer, Councillors of the Barcaldine Regional Council and persons permitted by law or their agents.
Register of Roads	LG Act 2009 s74 LG Regulation 2012 s57	To record details and categories of all roads in the Regional Council area.	Available to any person.
Register of Delegations	LG Act 2009 s260 LG Regulation 2012 s305	To record delegations to persons or committees and the powers delegated.	Available to any person.
Land Record	LG Act 2009 s 96 LG Regulation 2012 s 154	To record details of every parcel of rateable land in the Council area.	Available to any person but a fee could apply.
Register of Burials		To record all burials made at the cemeteries within the Council area.	Available to any person.

Register of Complaints Made or Received about the Conduct or Performance of a Councillor	LG Act 2009 s181A	To record all written complaints received by the Chief Executive Officer and the outcome of each written complaint.	Available to any person.
Register of Water Facility Agreements	Land Protection Act 2002 s164	To record all water facility agreements entered to with landowners.	Available to any person.

190(1)(g) Summary of Concessions for Rates and Charges

Pensioners – Rates and Charges

Barcaldine Regional Council grants a concession for rates and charges to pensioners as follows:

1. The *Pensioner Rebate* is calculated (in order) as follows:-
General Rate, Water Charge, Sewerage Charge, Waste Collection Charge, Waste Management Charge 30%
2. A maximum concession of \$365.00 per annum applies to each assessment.

Non-Profit Organisations – General Rate

Barcaldine Regional Council provides a full rebate of the General Rate for ratepayers whose objects do not include making a profit or provide assistance or encouragement for arts or cultural development.

Non-Profit Organisations and Local Residents - Fees

Barcaldine Regional Council provides concessions to non-profit organisations and local residents based within the Barcaldine Regional Council boundaries for the hire of Council facilities and equipment as follows:

Non-profit organisations	100% rebate
Local residents	50% rebate

Non-Profit Organisations – Water Utility Charges

Barcaldine Regional Council grants a concession of 50% of water utility charges (including excess water charges) for land owned by non-profit organisations.

190(1)(h) Report on the Internal Audit

Council's internal audit function concentrated on payroll and human resources activities during the financial year. Internal audit reports were presented to the Audit Committee for further action.

190(1)(i) Summary of Investigation Notices for Competitive Neutrality Complaints

There were no investigation notices given in the year ending 30 June 2017 under section 49 for competitive neutrality complaints.

190(1)(j) Responses on QCA's Recommendations on Competitive Neutrality Complaints

Council made no responses in the year ending 30 June 2017 on the QCA's recommendations on competitive neutrality complaints under section 52(3).

LOCAL GOVERNMENT ACT 2009 DISCLOSURES

41 (a), (b) Identifying Beneficial Enterprises

There was no commercialization, or full cost pricing of a significant business activity in the financial year ending 30 June 2017.

45(a), (b), (c), (d) Identifying Significant Business Activities

- No business activities were conducted during the financial year ending 30 June 2017.
- There were no significant business activities during the year ending 30 June 2017.
- The competitive neutrality principle was not applied as there were no significant business activities conducted during the year ending 30 June 2017.
- There are no new significant business activities in the year ending 30 June 2017.

201(a)(b) Remuneration Packages

Total remuneration packages paid to senior contract employees for the year are:

Remuneration Range	Number of Senior Contract Employees
\$0 - \$100,000	0
\$101,000 - \$200,000	3
\$201,000 - \$300,000	1

APPENDIX 1 - COMMUNITY FINANCIAL REPORT

This report is an easy to read version of the Council's Financial Statements

Revenue: Where did our money come from?

Rates	\$6,215,846
Fees & Charges	\$790,405
Roadwork Contracts	\$7,690,693
Government Grants	\$22,144,322
Interest Received	\$575,089
Rent Received	\$307,491
Other Income	\$325,590
Total	\$38,049,436

Expenses: Where was our money invested?

Council invested our money on operating expenses and capital works. Operating costs include employee costs, materials and services, depreciation, finance costs and other expenses.

Operating Expenses

Professional Governance	\$4,408,459
Local Economy	\$1,770,533
Quality Infrastructure	\$17,239,389
Environment and Heritage Protection	\$627,864
Vibrant Communities	\$6,562,872
Total	\$30,609,117

Capital Works

Land	\$25,604
Buildings & Structures	\$900,090
Plant & Equipment	\$2,644,764
Council Roads	\$10,367,245
Water Infrastructure	\$203,296
Total	\$14,140,999

Assets: What do we own?

Cash	\$25,328,035
Receivables & Inventories	\$3,947,579
Land	\$11,508,377
Buildings & Structures	\$79,908,187
Plant & Equipment	\$12,737,646
Roads Infrastructure	\$207,139,772
Water Infrastructure	\$19,949,538
Sewerage Infrastructure	\$14,274,971
Work in Progress	\$8,505,941
Total	\$383,300,046

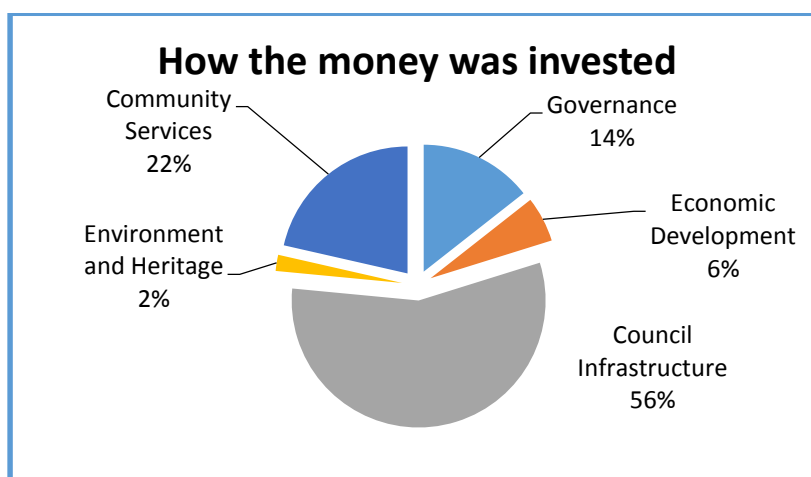
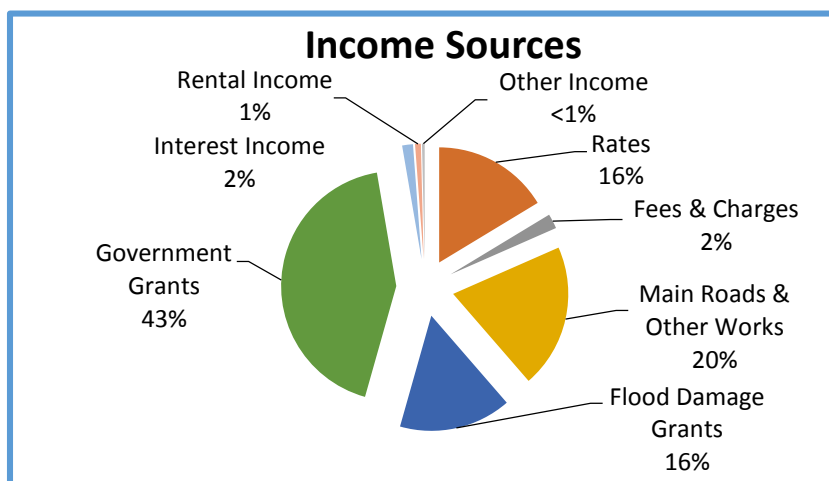
Liabilities: What do we owe?

Accounts Payable	\$2,609,596
Loans from Queensland Treasury Corporation	\$2,754,399
Employee benefits	\$1,662,072
Total	\$7,026,067

Community Equity: What is our net worth?

Council's community equity is defined as its net worth ie what Council owns less what it owes. Council's community equity is:

\$376,273,979



Measures of Financial Sustainability

The *Local Government Regulation 2012* requires that Council reports its results for the financial year against selected financial sustainability ratios.

Ratio	Target	2017	2016
Operating Surplus Ratio	0-10%	-8.61%	-9.47%
Asset Sustainability Ratio	>90%	142.98%	104.31%
Net Financial Liabilities Ratio	<60%	-79.89%	-80.28%

Operating Surplus Ratio

This is the extent to which revenue raised covers operational expenses or is available for capital funding purposes or other purposes.

Asset Sustainability Ratio

This is an approximation of the extent to which the infrastructure assets managed by Council are being replaced as these reach the end of their useful lives. This ratio indicates whether a Council is renewing or replacing existing non-financial assets at the same rate that its overall stock of assets is wearing out.

Net Financial Liabilities Ratio

This expresses Net Financial Liabilities as a percentage of Total Operating Revenue. The measure also indicates the capacity of a council to meet its financial obligations from revenue streams.

APPENDIX 2 – RECOGNITION OF GOVERNMENT FUNDING

Barcaldine Regional Council is able to provide additional amenities and infrastructure to the residents of the region due to the valuable support of the Australian Government, Queensland Government and other organisations. A comprehensive list of the funding received in the 2017 financial year is provided below.

Australian Government Funding

Funding Source	Program/Purpose	Contribution
Department of Social Services	Community Aged Care	\$124,626
	Commonwealth Home Support Program	\$653,071
Department of Infrastructure and Regional Development	Roads to Recovery	\$1,177,726
	Federal Assistance Grant	\$10,371,654
	Alpha Airport Reseal	\$133,500
	Muttaborra Airport Lighting	\$19,428
Department of Prime Minister and Cabinet	Reconciliation Week	\$5,000

State Government Funding

Funding Source	Program/Purpose	Contribution
Arts Queensland	Regional Arts Development Fund	\$25,000
Department of Community Safety	SES Operational Funding	\$23,888
Department of Communities, Child Safety and Disability Services	Respite Care	\$48,105
	Sixty and Better	\$55,306
	Commonwealth Home Support Program – Under 65	\$193,172
Department of Education and Training	Trainee Subsidies	\$90,250
Department of Housing and Public Works	Home Assist Secure	\$119,548
Department of Agriculture, Fisheries and Forestry	RAPAD - Drought Resilience	\$82,500
Qld Reconstruction Authority	Flood Damage to Roads	\$5,995,719
Department of Transport and Main Roads	TIDS – Road projects	\$824,000
	Barcaldine Coach Stop	\$7,500
Department of Local Government, Community Recovery and Resilience	Jericho Swimming Pool	\$154,000
	Barcaldine Swimming Pool	\$67,200
	Shakespeare Street Upgrade	\$105,560
	Get Ready	\$9,241
	Aramac Town Hall Airconditioning	\$21,600
	Alpha Showground Watering System	\$39,600
	Muttaborrasaurus Interpretation Centre	\$180,000
	Aramac Pool Ablutions	\$96,000
	The Globe Gallery	\$180,000

	Jericho Toilets	\$60,000
	Dunrobin Floodway	\$60,000
	Alpha Bank of Qld	\$48,000
	Bauhinia Street Sealing	\$66,000
Department of Natural Resources and Mines	Stock Route Water Facilities Upgrades	\$41,951
Department of State Development, Infrastructure & Planning	Barcaldine Sewerage Relining	\$162,000
	Jericho Swimming Pool	\$585,000
State Library of Qld	Library Resources	\$7,949
Department of Premier & Cabinet	Tree of Knowledge Festival	\$65,000
	Anzac Centenary Grants	\$15,500
Department of National Parks, Sport and Racing	Aramac Tennis Courts	\$39,482
Qld Fire and Emergency Services	Alpha SES Shed	\$36,710
Department of Tourism and Major Events	Muttaborrasaurus Interpretation Centre	\$28,264

Other Contributions

Funding Source	Program/Purpose	Contribution
Westech Field Days	New office	\$75,000
Barcaldine RSL Sub-Branch	New Clock for WWI Memorial	\$15,000
George Bourne & Associates	Tree of Knowledge Festival	\$2,727
RAPAD	Feral Pest Control	\$28,000
Desert Channels	Feral Pest Control	\$4,545

APPENDIX 3 – CORPORATE AND OPERATIONAL PLAN ASSESSMENT

1. Professional Governance

1.1. Financial Responsibility and Sustainability

Corporate Plan Strategies	Key Operational Activities	Timing
1.1.1. Embrace professional business practices and responsible use of Council resources	1. Prepare and adopt a balanced budget for 2016-17. 2. Monitor expenditure to ensure it remains within budget limits. 3. Operate in accordance with the Local Government Act and other relevant legislation and Council's Corporate and Operational Plan. 4. Adopt an Organisational Structure that provides the most efficient operations for the Council. 5. Provide an efficient finance system that ensures Council transactions are processed in a timely manner and that produces high quality reporting. 6. Maintain sound risk management policies and strategies	Completed Ongoing Ongoing Ongoing Ongoing Ongoing
1.1.2. Manage assets responsibly through appropriate maintenance and replacement strategies	1. Balance the maintenance of existing assets and infrastructure with the construction of new infrastructure. 2. Utilise evidence based decision making for asset management. 3. Maintain existing infrastructure to the best condition for its use to ensure the longest possible useful life is obtained. 4. Relocate the Council Board Room to a more suitable venue.	Ongoing Ongoing Ongoing Completed
1.1.3. Implement long term financial planning to reduce financial risks and ensure financial sustainability	1. Prepare and implement a 10 year Long Term Financial Plan. 2. Borrow funds for construction of the Aramac Pool.	Completed Deferred to 2018
1.1.4. Distribute Council resources fairly across the Region	1. Prepare a budget taking into account the needs of all residents and communities across the Region. 2. Sustain employment numbers in each community across the Region. 3. Apply Community Service Obligations to provide services in communities where it is not otherwise viable.	Ongoing Ongoing Ongoing

1.2. Confident and Stable Leadership

Corporate Plan Strategies	Key Operational Activities	Timing
1.2.1. Promote a high standard of corporate responsibility, transparency and accountability in decision making	1. Prepare Council Agendas with all the required information to enable the best decisions to be made by Council. 2. Make decisions, at all levels of the organisation, that are in the best interest of Council and the community. 3. Open Council meetings to the public and publish Council minutes on the website in a timely manner.	Ongoing Ongoing Ongoing
1.2.2. Encourage a high standard of leadership and management at all levels of Council	1. Maintain a high standard of management, leadership and administration. 2. Implement a consistent set of policies across Council to provide guidance to employees when making decisions.	Ongoing Ongoing
1.2.3. Create a positive future-focused culture that demonstrates and supports Council's values	1. Make decisions taking into account future costs and benefits. 2. Actively promote Council's values with the workforce. 3. Make decisions in accordance with long term plans including the Community Plan, Corporate Plan, Sport and Recreation Plan, Cultural Plan.	Ongoing Ongoing Ongoing

1.3. A Valued Workforce

Corporate Plan Strategies	Key Operational Activities	Timing
1.3.1. Recognise the knowledge, expertise and experience of our employees	1. Maintain open communications with employees and their representatives. 2. Implement an organisational structure that recognises the ability and qualifications of employees. 3. Sign a new Certified Agreement with employees.	Ongoing Ongoing Deferred to 2018
1.3.2. Provide a safe and healthy workplace for all employees	1. Maintain a high standard of workplace health and safety in all Council operations. 2. Provide appropriate training for existing employers to ensure all current workplace standards are maintained.	Ongoing Ongoing
1.3.3. Promote a culture of pride and satisfaction amongst the workforce	1. Provide all employees with and enforce the wearing of a mandatory Council uniform. 2. Support the annual Employee Christmas Parties in each Area.	Ongoing Completed
1.3.4. Provide employee housing where there is no suitable private housing	1. Maintain good quality housing at a reasonable rental for Council employees in each community. 2. Carry out special maintenance of Council houses.	Ongoing Deferred to 2018

1.4. Community Representation

Corporate Plan Strategies	Key Operational Activities	Timing
1.4.1. Identify and advocate for key issues in each community	1. Meet with community members on a regular basis to identify key issues in each community. 2. Participate in community organisation activities to identify community issues and to provide feedback to the community. 3. Promote key issues in the media and with the State and Federal Governments. 4. Install CCTV cameras in Council properties. 5. Assist with the production and publication of Jenny Mace book.	Ongoing Ongoing Ongoing Deferred to 2018 Completed
1.4.2. Develop relationships for the benefit of the community with key government sector and private sector organisations	1. Continue to develop relationships with key government ministers and departments. 2. Continue to develop relationships with companies operating in the Region including mining companies. 3. Develop and maintain a sound working relationships with the Central West Aboriginal Organisation.	Ongoing Ongoing Ongoing
1.4.3. Continue to develop effective mechanisms for timely communications between Council and its communities and for residents to communicate effectively with Council	1. Develop communication mechanisms between Council and the community including the Galilee Gazette and local newsletters. 2. Maintain and develop the Council website and Facebook page. 3. Implement web based programs for customers to provide quick and easy feedback eg SnapSendSolve.	Ongoing Ongoing Ongoing
1.4.4. Advocate to maintain and enhance health facilities and services in each community	1. Develop relationships with the Central West Health and Hospital Board to ensure health facilities and services reflect the community's needs	Ongoing

1.4.5. Actively contribute to wider regional organisations to provide a united voice for western Queensland	1. Actively contribute to the Western Qld Local Government Association.	Ongoing
	2. Actively contribute to Remote Area Planning and Development Board.	Ongoing
	3. Actively contribute to the Regional Pest Management Group.	Ongoing
	4. Actively contribute to the Outback Regional Roads and Transport Group.	Ongoing
	5. Actively contribute to the Outback Regional Water Group.	Ongoing
	6. Actively contribute to the Outback Qld Tourism Association	Ongoing
	7. Host the Western Qld Local Government Association conference.	Completed

1.5. Planning

Corporate Plan Strategies	Key Operational Activities	Timing
1.5.1. Make planning decisions that allow for appropriate economic development	1. Assess development applications in a professional and timely manner. 2. Ensure that all development retains the amenity of the local community. 3. Continue planning for future growth in each community.	Ongoing Ongoing Ongoing
1.5.2. Prepare and renew Council's planning documents to reflect Council's and the community's needs	1. Review internal plans and policies on a regular basis to ensure their relevance. 2. Commence development of a new planning scheme for Council.	Ongoing Ongoing

1.6. Exceptional Service Delivery

Corporate Plan Strategies	Key Operational Activities	Timing
1.6.1. Provide courteous, timely and informed responses to customers	1. Ensure that all correspondence is acknowledged as soon as possible after receipt. 2. Ensure customer requests are acknowledged and then responded to in a reasonable timeframe.	Ongoing Ongoing
1.6.2. Promote a culture of continuous improvement and problem solving throughout Council	1. Investigate ways to improve the way services are delivered 2. Provide opportunities for consumer feedback to identify areas for service improvement.	Ongoing Ongoing
1.6.3. Implement and enforce Council's Local Laws	1. Promote the Local Laws requirements to the community.	Ongoing

2. Strong Local Economy

2.1. Agriculture

Corporate Plan Strategies	Key Operational Activities	Timing
2.1.1. Assist the agriculture sector to grow sustainably	<ol style="list-style-type: none"> 1. Support the agricultural sector to raise local issues with State and Federal Governments. 2. Work with regional groups to provide support to the agricultural sector. 	<p>Ongoing</p> <p>Ongoing</p>
2.1.2. Continue weed and pest eradication programs	<ol style="list-style-type: none"> 1. Conduct weed and pest eradication programs on a continuous basis. 2. Continue to source funding opportunities for eradication programs 3. Continue to support the Barcaldine Regional Council Wild Dog Committee to develop programs to contrail wild dogs. 4. Work with regional groups to provide a united approach to weed & pest problems including wild dogs. 	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>
2.1.3. Provide stock route oversight and maintenance	<ol style="list-style-type: none"> 1. Manager the stock route network on behalf of the State Government. 2. Conduct infrastructure upgrades to watering facilities when funding is available. 	<p>Ongoing</p> <p>Ongoing</p>
2.1.4. Provide necessary and affordable infrastructure to support the agricultural industry	<ol style="list-style-type: none"> 1. Maintain access roads in a trafficable condition to enable transporting of rural produce. 2. Ensure saleyards in Barcaldine are well managed and maintained. 3. Ensure dipyards in Alpha are well managed and maintained. 4. Construct a new weed washdown facility. 	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Deferred to 2018</p>

2.2. Tourism

Corporate Plan Strategies	Key Operational Activities	Timing
2.2.1. Engage with stakeholders to encourage the development of new, sustainable tourism opportunities that are 'genuine' experiences and connect to place and people	<ol style="list-style-type: none"> 1. Pursue all available opportunities to promote 'sustainable' tourism in our region. 2. Continue to be an active member of OQTA and participate in their marketing programs including contestible funding. 3. Provide appropriate in-kind support for local indigenous tourism initiatives. 4. Construct a new Muttaborrasaurus Interpretation Centre. 	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>In Progress</p>
2.2.2. Provide necessary, affordable and appropriate tourism infrastructure	<ol style="list-style-type: none"> 1. Provide clean and attractive camping areas in each community. 2. Provide minor tourism upgrades. 3. Install tourism signage in each community. 	<p>Ongoing</p> <p>Completed</p> <p>Deferred to 2018</p>
2.2.3. Provide tourist information centres in each community	<ol style="list-style-type: none"> 1. Maintain the tourist information services and centres in each community to provide visitors with information on the Region. 	Ongoing
2.2.4. Maintain and promote iconic tourism assets in each community	<ol style="list-style-type: none"> 1. Maintain tourism assets in each community to a high standard. 2. Utilise images of each community to promote the Region. 	<p>Ongoing</p> <p>Ongoing</p>
2.2.5. Support signature events and promote the identity of the Region	<ol style="list-style-type: none"> 1. Manage and support the Harry Redford Cattle Drive on an annual basis. 2. Support local community events including Festival and Agricultural Shows. 	<p>Ongoing</p> <p>Ongoing</p>

2.3. Mining

Corporate Plan Strategies	Key Operational Activities	Timing
2.3.1. <i>Manage mining development whilst balancing the social needs of the local community</i>	1. Liase with mining companies and the State Government to ensure that the social needs of the community are met at no cost to the community. 2. Continue to plan for community infrastructure to meet the needs of a mining community. 3. Continue to respond to EIS and SMP's from mining companies to ensure community needs are met.	Ongoing Ongoing Ongoing
2.3.2. <i>Ensure that the mining industry leaves legacy infrastructure for the community</i>	1. Continue to lobby for the establishment of a 'Social Needs' grant program from all mining proponents to ensure that a legacy of infrastructure is provided for the community.	Ongoing

2.4. Employment

Corporate Plan Strategies	Key Operational Activities	Timing
2.4.1. <i>Continuously seek sources of funding to sustain growth, retain resources and provide Council employment in the Region</i>	1. Pursue all available funding opportunities, for planned projects, while maintaining Council contributions within budget limits. 2. Retain Council employee numbers across the Region.	Ongoing Ongoing

2.5. Business Investment

Corporate Plan Strategies	Key Operational Activities	Timing
2.5.1. <i>Actively seek new business, investment, population and employment opportunities for our Region</i>	1. Sell surplus residential land in Alpha. 2. Refurbish the Nurses Quarters for accommodation. 3. Purchase community housing for resale. 3. Sell surplus industrial and residential land in Barcaldine.	Ongoing Deferred In Progress Ongoing
2.5.2. <i>Continue to 'fill the gap' between local businesses and necessary service industries</i>	1. Identify gaps in service provision and where practical offer alternative services to fill the gap. 2. Upgrade the Post Office building.	Ongoing Deferred to 2018
2.5.3. <i>Maintain and expand awareness of all relevant funding opportunities</i>	1. Continue to keep the public and private enterprise aware of available funding opportunities. 2. Provide information packs to new residents and potential investors to promote the businesses and services in each community. 3. Develop partnership opportunities to promote and support local businesses.	Ongoing Ongoing Ongoing

3. Quality Infrastructure

3.1. Roads and Streets

Corporate Plan Strategies	Key Operational Activities	Timing
3.1.1. Construct and maintain Council owned roads and streets in accordance with Council's road categories	1. Maintain rural roads in accordance with the annual maintenance programs.	Ongoing
	2. Maintain town streets in accordance with the annual maintenance programs.	Ongoing
	3. Complete NDRRA flood damage works on Council owned roads in a timely fashion.	Completed
	4. Bitumen seal of Portwine Road and Tumbar Road.	In Progress
	5. Rehabilitation of Eastmere Road including Jump-up.	Completed
	6. Rehabilitation of Barcaldine Downs Road and construction of floodway.	Completed
	7. Install TMR signage	In Progress
	8. Rural Road reseals.	Ongoing
	9. Rehabilitation of town streets including Bauhinia Street, Plumb Road, Coolibah Street, Gidyea Street, pool carpark	In Progress
	10. Rehabilitation of town streets	Deferred to 2018
	11. Rehabilitation of town streets	In Progress
	12. Reseal town streets	In Progress
	13. Kerb and channelling	Completed
	14. Construct bus stop	In Progress
	15. Formalise Oak Street parking (opposite IGA) and Post Office parking	In Progress
	16. Improve the network of pathways in each community.	In Progress
	17. Extend the Acacia Street stormwater drainage.	Deferred
3.1.2. Construct and maintain Queensland Government roads on a contract basis	1. Maintain a strong relationship with Department of Transport and Main Roads.	Ongoing
	2. Complete contract works on behalf of Department of Transport and Main Roads including RMPC, TIDS, Flood Damage and road construction.	Ongoing
	3. Advocate for road funding including through Outback Regional Roads and Transport Group.	Ongoing
3.1.3. Ensure asset sustainability through proactive management of long term road planning and prioritisation	1. Pursue the implementation of Asset Management taking account of the service that Council is expected to provide.	Ongoing
	2. Categorise Council's roads to ensure maintenance and capital funds are applied according to need and usage.	Ongoing

3.2. Airports

Corporate Plan Strategies	Key Operational Activities	Timing
3.2.1. Provide and maintain an appropriate sized airport in each community	1. Maintain the airport in each community to provide an appropriate level of service.	Ongoing
	2. Replace PAALC system	Completed
	3. Install solar lights at Muttaborra Airport	Completed
	4. Upgrade Barcaldine Airport runway surface	Completed
3.2.2. Provide airport services for regulated passenger transport	1. Operate security screening at Barcaldine Airport for QantasLink flights.	Ongoing

3.3 Water Supply

Corporate Plan Strategies	Key Operational Activities	Timing
3.3.1. Provide safe, reliable and high quality water services	1. Maintain water supply infrastructure to ensure a reliable and safe water supply to all communities.	Ongoing
3.3.2. Maintain and upgrade water infrastructure to a high standard	1. Develop & implement a Total Management Plan to ensure that each community is serviced by infrastructure of the highest standard. 2. Upgrade water mains in Boree Street. 3. Install granular chlorine dispensers at water treatment plants. 4. Install new standpoint at aerodrome bore. 5. Install bore cages. 6. Replace and repair water hydrant covers. 7. Replace water pumps and water meters. 8. Extend water to rear of cemetery. 9. Minor upgrades to water treatment plant.	Ongoing Completed Completed Completed Completed In Progress In Progress In Progress Completed
3.3.3. Encourage water-wise practices to manage water responsibly	1. Maintain water restrictions and other water wise practices in the community. 2. Continue installation of water meters in Aramac and Muttaborra.	Ongoing Ongoing
3.3.4. Protect natural water sources	1. Monitor all water sources in the region to ensure their sustainability for the future.	Ongoing

3.4. Sewerage

Corporate Plan Strategies	Key Operational Activities	Timing
3.4.1. Maintain and upgrade existing sewerage schemes in Barcaldine, Aramac and Muttaborra to an appropriate standard	1. Provide a reliable and efficient sewerage service to residents. 2. Replace manhole cover lids. 3. Sewerage Pump Station upgrades. 4. Sewerage Treatment Plant upgrades. 5. Sewerage Mains Relining.	Ongoing In Progress In Progress In Progress Completed
3.4.2. Plan for future sewerage services in Alpha and Jericho	1. Investigate the funding opportunities for the provision of services in Alpha & Jericho.	Ongoing
3.4.3. Treat sewerage waste in accordance with environmental standards	1. Continue to meet all relevant standards throughout the region by systematic testing.	Ongoing

3.5. Infrastructure Support

Corporate Plan Strategies	Key Operational Activities	Timing
3.5.1. Replace plant and equipment in a manner that provides optimal efficiency	1. Replace plant and vehicles as per Council's annual plant replacement program. 2. Maximise efficiency in the use and deployment of plant.	Completed Ongoing
3.5.2. Maintain all plant and equipment to a high standard to support Council's functions in a cost efficient manner	1. Maintain plant in good order and in a presentable condition. 2. Comply with all maintenance schedules for plant and equipment.	Ongoing Ongoing
3.5.3. Maintain Council Depots in an efficient manner to provide support for Council operations.	1. Provide an efficient stores operation in each depot. 2. Install an unleaded fuel tank at Aramac Depot. 3. Install bunding for hazardous materials at Barcaldine Depot. 4. Install storage racks at Barcaldine Depot 5. Paint workshop buildings and relocate depot office. 6. Conduct minor upgrades to the depot.	Ongoing Completed Completed In Progress Completed Completed

4. Environment and Heritage Protection

4.1. Environmental Protection

Corporate Plan Strategies	Key Operational Activities	Timing
4.1.1. Minimise the impact of pests and weeds on the local landscape	1. Respond to pests and weeds problems in a timely manner. 2. Continue annual pests and weeds eradication programs on Council controlled land.	Ongoing Ongoing
4.1.2. Monitor new developments for environmentally sustainable practices	1. Support organisations working to protect and improve the environment eg Desert Uplands, Desert Channels etc.	Ongoing
4.1.3. Promote environmentally sensitive design, development and operations for tourism in the Region's natural environment	1. Ensure tourism operations implement mitigation measures where there is an impact on the natural environment. 2. Ensure that development applications address environmental issues.	Ongoing Ongoing

4.2. Disaster Management

Corporate Plan Strategies	Key Operational Activities	Timing
4.2.1. Develop and deliver initiatives to mitigate, prevent, prepare for, respond to and recover from natural disasters	1. Prepare and adopt Disaster Management Plans at a regional and local level. 2. Hold regular meetings of the Local Disaster Management Committee. 3. Provide adequate and appropriate training for members of the Local Disaster Management Committee and its sub-groups.	Ongoing Ongoing Ongoing
4.2.2. Provide emergency services support appropriate for each community	1. Support the local SES committees in each community. 2. Upgrade the SES building in Alpha.	Ongoing Completed

4.3. Heritage Protection

Corporate Plan Strategies	Key Operational Activities	Timing
4.3.1. Preserve and promote the heritage of our people, structures and communities	1. Maintain a local Heritage Register. 2. Recognise the local places on the State and National Heritage Register.	Annual Annual
4.3.2. Sensitively develop historical buildings	1. Encourage the private sector to recognise the existing streetscape when planning works on historical buildings.	Ongoing
4.3.3. Respect and acknowledge the Indigenous heritage of our Region	1. Acknowledge and include the local indigenous community in all public meetings and events. 2. Provide cultural awareness training to employees providing direct services to indigenous people.	Ongoing Ongoing
4.3.4. Form a positive sustainable partnership with the Region's Aboriginal community and maintain inclusive cultural protocols with future tourism ventures	1. Attend and participate in the six monthly negotiation table. 2. Ensure Council is represented at significant indigenous functions.	Ongoing Ongoing

4.4. Waste Management

Corporate Plan Strategies	Key Operational Activities	Timing
4.4.1. Provide the best possible waste management practices and waste disposal facilities within resource constraints	1. Provide an efficient waste management service to all communities. 2. Develop strategies to deal with industrial and contaminated waste. 3. Develop a new waste landfill at Jericho. 4. Develop a new waste landfill in Alpha. 5. Purchase new panels for containing waste. 5. Commission the new waste landfill in Barcaldine and rehabilitate the old waste landfill site.	Ongoing Ongoing Completed Completed Completed In Progress
4.4.2. Encourage and support recycling strategies	1. Organise the annual removal of scrap metal for recycling from waste landfills. 2. Maintain a waste oil collection point at each Depot. 3. Chip green waste for reuse in Council gardens.	Ongoing Ongoing Ongoing

4.5. Animal Management

Corporate Plan Strategies	Key Operational Activities	Timing
4.5.1. Utilise timely and appropriate animal management practices to minimise nuisance issues	1. Maintain a local dog register. 2. Encourage responsible pet ownership. 3. Respond appropriately to public complaints regarding nuisance animals by employing a contract dog catcher.	Ongoing Ongoing Ongoing

4.6. Environmental Health

Corporate Plan Strategies	Key Operational Activities	Timing
4.6.1. Enforce legislative requirements for businesses operating within the Region to protect the health and safety of residents and visitors.	1. Employ a contract Environmental Health Officer to regulate local businesses health and safety operations. 2. Promote the importance of complying with health and safety regulations with local businesses.	Ongoing Ongoing

Goal 5. Vibrant Communities

5.1. Enhancing Landscapes

Corporate Plan Strategies	Key Operational Activities	Timing
5.1.1. Encourage private landholders to adequately maintain the appearance of their properties	1. Conduct an annual garden competition. 2. Issue notices to landholders with untidy or overgrown allotments. 3. Conduct a garden expo to encourage local residents to improve their gardens.	Completed Annual Completed
5.1.2. Maintain and enhance the beauty of town entrances and the streetscapes of each community	1. Maintain existing street gardens and signage at a high standard. 2. Enter each community in the annual State Tidy Towns competition. 3. Continue the upgrade of the streetscape of Oak Street including street banners and street furniture. 4. Install watering systems in each community. 5. Re-paint mural in Oak Street 5. Plant trees for beautification of each community.	Ongoing Deferred In Progress In Progress Completed Completed

5.2. Arts and Culture

Corporate Plan Strategies	Key Operational Activities	Timing
5.2.1. Encourage creativity by supporting arts and cultural activity	1. Support community arts activity by providing RADF grants to local artists and arts organisations. 2. Sponsor local arts activities including the Barcaldine Art Competition. 3. Support live music and theatre performances throughout the Region. 4. Support the creation of public art throughout the Region.	Ongoing Ongoing Ongoing Ongoing
5.2.2. Embrace libraries as a multifunctional community resource	1. Provide professional library services in each community with the support of the State Library. 2. Maintain a sound working relationship with the State Library of Queensland to facilitate partnerships for innovative projects. 3. Incorporate new technology in each library to meet the demands of the residents and visitors. 4. Develop each library as a resource for family and local history research. 5. Relocate the library to the old Westpac building.	Ongoing Ongoing Ongoing Ongoing Completed
5.2.3. Maintain and enhance cultural infrastructure	1. Maintain existing Council owned arts and cultural infrastructure. 2. Support community organisations to maintain arts and cultural infrastructure including museums. 3. Fence the eastern boundary of The Globe. 4. Install new television satellite dishes. 5. Support upgrades to the Tramway Museum. 6. Fitout the new Galilee Gallery.	Ongoing Ongoing Completed Completed Completed Completed

5.3. Health and Wellbeing

Corporate Plan Strategies	Key Operational Activities	Timing
5.3.1. Provide community services through government funded programs for the benefit of disadvantage members of the community	1. Continue the provision of community programs including CHSP, HAS, 60 & Better, MOW, Respite Care. 2. Maintain a sound relationship with Government Departments which fund community programs. 3. Work with the State and Federal Governments to identify additional needs within the community.	Ongoing Ongoing Ongoing
5.3.2. Improve disability access to facilities in each community	1. Ensure public spaces have appropriate disability access. 2. Continue the program of upgrading footpaths in each community	Ongoing Ongoing
5.3.3. Provide housing for those in the community less able to provide for themselves	1. Manage community housing programs on behalf of the State Government. 2. Replace glass doors and floor coverings at pensioner units. 3. Replace floor coverings and bathroom tiles at Companion Lodge. 4. Paint community housing.	Ongoing Completed Completed Completed

5.4. Community Spaces

Corporate Plan Strategies	Key Operational Activities	Timing
5.4.1. Maintain and enhance parks and gardens to a high standard to ensure the attractiveness of our communities	1. Maintain and enhance parks and gardens in each community. 2. Install a watering system at Langston Park 3. Renovate the public toilets in Shakespeare Street. 4. Establish the Aunt Emma café in the Aramac Park. 5. Upgrade the public toilets in Muttaborra.	Ongoing Completed Deferred Deferred In Progress
5.4.2. Provide leisure spaces for the use and enjoyment of visitors and residents	1. Manage the town commons in each community for the benefit of local residents. 2. Install airconditioning and upgrade switchboard at town hall. 3. Install new vinyl and gym equipment at Harry Redford Centre 4. Install a new fence at the RSL Hall. 5. Upgrade the dressing rooms at town hall. 5. Develop and maintain walking trails in each community.	Ongoing Completed Completed In Progress Deferred Ongoing

5.5. Sport and Recreation

Corporate Plan Strategies	Key Operational Activities	Timing
5.5.1. Maintain and enhance sport and recreation infrastructure to meet the needs of each community	1. Maintain existing sporting infrastructure in each community. 2. Maintain high quality showground infrastructure. 3. Extend electricity to camp area at Alpha Showground 4. Install a new surface on the tennis courts in Aramac. 5. Install a watering system at the Alpha Showground oval. 6. Upgrade oval lights at the Barcaldine Showground. 7. Construct a new water recreation park. 8. Complete construction of Jericho Pool. 9. Construct a new swimming pool. 10. Construct a new campdraft pavilion at Barcaldine Showground. 11. Conduct major maintenance of swimming pool and install shed. 12. Paint floors of amenities and canteen of swimming pool. 13. Install a watering system at the Barcaldine Showground.	Ongoing Ongoing Completed Completed In Progress In Progress In Progress In Progress Completed In Progress In Progress Deferred Completed In Progress
5.5.2. Support organisations providing sport and recreational activities	1. Provide a concession on general rates and water charges for sport and recreation organisations. 2. Sponsor local sport and recreation events and activities.	Ongoing Ongoing

5.6. Community Support

Corporate Plan Strategies	Key Operational Activities	Timing
5.6.1. Encourage and support not-for-profit and charitable organisations working in the Region	1. Provide appropriate in-kind and financial assistance to community organisations through a Community Grants Program. 2. Provide a discount on general rates and water charges for non-profit organisations.	Ongoing Ongoing
5.6.2. Recognise and support the work of volunteers in the community	1. Provide appropriate guidance, advice and referral for community organisations. 2. Recognise the input of volunteers in Council operations. 3. Hold Australia Day Awards functions in each community to recognise volunteers.	Ongoing Ongoing Ongoing
5.6.3. Support and promote 'in place' events	1. Support local events relevant to each community. 2. Support NAIDOC Week activities.	Ongoing Ongoing

5.7. Funeral Services

Corporate Plan Strategies	Key Operational Activities	Timing
5.7.1. Provide high quality and caring funeral and burial services	1. Provide high quality funeral services in each community. 2. Work with private funeral directors to provide funeral services when required.	Ongoing Ongoing
5.7.2. Maintain cemeteries and memorial monuments in each community	1. Maintain local cemeteries to the highest standards. 2. Maintain a regional cemetery database on Council's website. 3. Install plaques at Muttaborra cemetery. 4. Fence the Pine Hill Reserve cemetery. 5. Install a watering system at the Barcaldine cemetery. 6. Install honour board, plaques and engrave crosses at cemetery. 7. Replace the clocks and make weatherproof the WWI Memorial.	Ongoing Ongoing In Progress In Progress Drought Funding In Progress Completed

5.8. Young People

Corporate Plan Strategies	Key Operational Activities	Timing
5.8.1. Provide kindergarten and child care services as appropriate for each community	1. Support the Jellybeans Association by providing a building for the provision of kindergarten and limited hours care programs. 2. Sell the old kindergarten building.	Ongoing Completed
5.8.2. Support organisations providing activities for young people in the Region	1. Support programs for young people in each community.	Ongoing

APPENDIX 4 – GRANTS TO COMMUNITY ORGANISATIONS

Organisation Name	Purpose	Amount
<u>Alpha</u>		
Alpha Catholic Church	In-kind Assistance	\$411
Alpha Junior	Touch Football Carnival Sponsorship	\$343
Alpha Jockey Club	Sponsorship & In-kind assistance	\$1,482
Alpha Rodeo Association	Events Sponsorship	\$2,500
ICPA State	State Conference Support	\$12,102
ICPA Alpha Branch	Annual Cricket Day	\$500
Alpha Anzac Day	Event Assistance	\$1,246
Alpha District Tourist Association	Insurance	\$2,305
Alpha Show Society	Show Sponsorship and In-kind assistance	\$3,278
Jellybeans Centre	Art Show Sponsorship	\$500
Jellybeans Centre	Garden Assistance	\$800
Alpha State School	Speech Night	\$250
Alpha State School	Garden Assistance	\$800
Alpha Swimming Club	Sponsorship	\$500
Alpha Senior Citizens	Annual Dinner	\$470
<u>Aramac</u>		
Queensland Ambulance Service	Rates Concessions	\$2,443
Ballyneety Rodeo Association	Event Assistance	\$1,439
Aramac State School	Awards Presentations	\$136
Aramac State School	Garden Assistance	\$800
Aramac State School P & C	Event Assistance	\$3,636
Aramac State School P & C	Christmas Celebrations	\$1,364
Aramac Anzac Day	Event Assistance	\$640
Aramac Bowls Club	Event Assistance	\$1,364
Aramac Touch Football Association	Event Assistance	\$1,500
Aramac Race Club	Sponsorship and In-kind assistance	\$2,842
Aramac Tramway Museum	Event Assistance	\$3,000
Aramac Rodeo Association	Events Assistance	\$7,000
Aramac Seniors Citizens	Annual Dinner	\$500
Aramac Hogs & Hounds	Event Assistance	\$3,844
Aramac Community Development Association	Bus Purchase	\$27,500
Aramac Community Development Association	Event Assistance	\$3,000
Blaze Aid	In-kind Assistance	\$539
<u>Barcaldine</u>		
Barcaldine Pony Club	Event Assistance	\$300
Barcaldine Arts Council	Annual Art Competition	\$3,000
Barcaldine Cultural Association	Event Assistance	\$455
Barcaldine State School	Event Assistance	\$500
Barcaldine State School	Garden Assistance	\$800
Central West Rugby League	Sponsorship	\$300
Barcaldine Mud Dash	Event Assistance	\$2,369
Barcaldine Goat Racing Committee	Event Assistance	\$2,500
Barcaldine Motorsport Association	Event Assistance	\$2,000
Barcaldine Racing Club	Event Assistance	\$1,200

Barcaldine Rugby League	Wren Cup Sponsorship	\$500
Barcaldine 60 & Better	Seniors Christmas Dinner	\$1,000
Barcaldine Aged Care	Seniors Week	\$480
Barcaldine Campdraft Association	Event Assistance	\$500
Barcaldine Amateur Swimming Club	Event Assistance	\$400
Barcaldine Show Society	Event Assistance	\$500
Barcaldine Historical Society	Insurance assistance	\$2,440
St Joseph's School	Garden Assistance	\$800
Outback Barrel Horse Association	Sponsorship	\$2,000
<u>Jericho</u>		
Jericho State School	Garden Assistance	\$800
Jericho State School	Awards Presentations	\$100
Jericho Christmas Tree	Community Christmas Celebrations	\$4,000
Jericho Rodeo Association	Event Assistance	\$4,339
<u>Muttaburra</u>		
MacLog	Photography Competition	\$500
Muttaburra Amateur Turf Club	Event Assistance	\$2,534
Muttaburra State School	Awards Presentations	\$136
Muttaburra State School	Small Schools Coaching Camp	\$227
Muttaburra State School	Garden Assistance	\$727
Landsborough Flock Ewe Show	Event Assistance	\$3,409
Muttaburra Anzac Day	Event Assistance	\$2,633
Muttaburra Golf Club	Event Assistance	\$9,000
Muttaburra Ambulance	Senior Citizens Dinner	\$400
Muttaburra Community Development Association	Event Assistance	\$1,455
Muttaburra Community Development Association	Christmas Celebrations	\$1,000
Muttaburra Community Development Association	Insurance Assistance	\$2,273
<u>Regional</u>		
Scripture Union	School Chaplaincy contribution	\$30,000
Leading in Central West	Young Leaders	\$5,000
Koori Kids	NAIDOC Week School Initiatives	\$450
Heart of Australia	Heart Truck	\$7,000
Bravehearts	Donation	\$300
Hummingbird House	Donation	\$1,984
Windorah State School	Small Schools Coaching Camp	\$455
Central West Aboriginal Corporation	National Reconciliation Week	\$3,971
Total Community Donations		\$193,771

APPENDIX 5 – AUDITED FINANCIAL STATEMENTS, CURRENT YEAR SUSTAINABILITY STATEMENT AND LONG TERM SUSTAINABILITY STATEMENT

Barcaldine Regional Council
Financial statements
For the year ended 30 June 2017

Management Certificate
For the year ended 30 June 2017

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

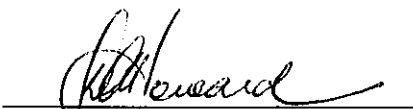
In accordance with section 212(5) of the Regulation we certify that:

- (i) the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulation 2012* for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the general purpose financial statements, as set out on pages 1 to 27, present a true and fair view, in accordance with Australian Accounting Standards, of the Council's transactions for the financial year and financial position at the end of the year.



Mayor
Rob Chandler

Date: 19 / 10 / 2017



Chief Executive Officer
Des Howard

Date: 19 / 10 / 2017

INDEPENDENT AUDITOR'S REPORT

To the Councillors of Barcaldine Regional Council

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Barcaldine 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 2017, 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 2017, 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 significant accounting policies and other explanatory 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 of Queensland 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 of Queensland 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 the information included in Barcaldine Regional Council's annual report for the year ended 30 June 2017, but does not include the financial report and my auditor's report thereon. At the date of this auditor's report, the other information was the current-year financial sustainability statement and long-term financial sustainability statement.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the Local Government regulation 2012, I have expressed 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 council for the financial report

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

The council is 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.

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:

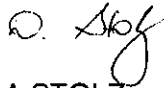
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material 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 accounting policies 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 2017:

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



D A STOLZ
as delegate of the Auditor-General



Queensland Audit Office
Brisbane

Barcaldine Regional Council
Current-year Financial Sustainability Statement
For the year ended 30 June 2017

Measures of Financial Sustainability

Council's performance at 30 June 2017 against key financial ratios and targets:

	How the measure is calculated	Actual	Target
Operating surplus ratio	Net operating result divided by total operating revenue.	-8.61%	Between 0% and 10%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense (infrastructure).	142.98%	greater than 90%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue.	-79.89%	not greater than 60%

Note 1 - Basis of Preparation

The current year financial sustainability statement is a special purpose statement prepared in accordance with the requirements of the *Local Government Regulation 2012* and the *Financial Management (Sustainability) Guideline 2013*. The amounts used to calculate the three reported measures are prepared on an accrual basis and are drawn from the Council's audited general purpose financial statements for the year ended 30 June 2017.


Certificate of Accuracy
For the year ended 30 June 2017

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

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


 Mayor
 Rob Chandler

Date: 19.10.2017


 Chief Executive Officer
 Des Howard

Date: 19.10.2017

INDEPENDENT AUDITOR'S REPORT

To the Councillors of Barcaldine Regional Council

Report on the Current-Year Financial Sustainability Statement

Opinion

I have audited the accompanying current-year financial sustainability statement of Barcaldine Regional Council for the year ended 30 June 2017, comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with section 212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current-year financial sustainability statement of Barcaldine Regional Council for the year ended 30 June 2017 has been accurately calculated.

Basis of opinion

I conducted my audit in accordance with the *Auditor-General of Queensland 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 of Queensland 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 the information included in Barcaldine Regional Council's annual report for the year ended 30 June 2017, but does not include the current-year financial sustainability statement and my auditor's report thereon. At the date of this auditor's report, the other information was the general purpose financial statements and long-term financial sustainability statement.

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

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

Auditor's 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
- Evaluate the appropriateness of accounting policies 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.


D A STOLZ
as delegate of the Auditor-General



Queensland Audit Office
Brisbane

**Barcaldine Regional Council
Long-Term Financial Sustainability
Prepared as at 30 June 2017**

Measures of Financial Sustainability

Measures of Financial Sustainability													
	How the measure is calculated	Target	Actuals at		Projected for the years ended								
			30 June 2017	30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	
Operating surplus ratio	Net operating result divided by total operating revenue	Between 0% and 10%	-8.61%	-34.42%	-13.39%	-13.95%	-15.13%	-16.83%	-15.21%	-14.93%	-14.31%	-13.96%	
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense (infrastructure).	greater than 90%	142.98%	103.68%	99.90%	99.90%	98.97%	90.58%	94.68%	93.51%	93.58%	93.55%	
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue.	not greater than 60%	-79.89%	-77.43%	-71.64%	-75.25%	-73.75%	-70.78%	-72.78%	-70.45%	-69.21%	-68.22%	

Barcaldine Regional Council's Financial Management Strategy


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

**Certificate of Accuracy
For the Long-Term Financial Sustainability Statement prepared as at 30 June 2017**

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.


 Mayor
 Rob Chandler


 Chief Executive Officer
 Des Howard

Date: 19/10/2017

Date: 19/10/2017

Barcaldine Regional Council Financial Statements for the year ended 30 June 2017



*Lake Dunn Sculpture Trail
Artist: Milynda Rogers*

Barcaldine Regional Council
Financial Statements
For the year ended 30 June 2017

Table of contents

Statement of Comprehensive Income
Statement of Financial Position
Statement of Changes in Equity
Statement of Cash Flows

Notes to the financial statements

- 1 Significant accounting policies
- 2 Analysis of results by function
- 3 Revenue analysis
- 4 Capital revenue
- 5 Capital expenses
- 6 Employee costs
- 7 Materials and services
- 8 Cash and cash equivalents
- 9 Receivables
- 10 Property, plant and equipment
- 11 Payables
- 12 Borrowings
- 13 Provisions
- 14 Retained surplus
- 15 Asset revaluation reserve
- 16 Commitments for expenditure
- 17 Contingent liabilities
- 18 Superannuation
- 19 Reconciliation of net operating surplus for the year to net cash inflow from operating activities
- 20 Events after the reporting period
- 21 Financial instruments
- 22 Transactions with related parties

Management Certificate
Independent Auditor's Report

Barcaldine Regional Council
Statement of Comprehensive Income
For the year ended 30 June 2017

	Note	2017 \$	2016 \$
Income			
Recurrent revenue			
Rates, levies and charges	3(a)	6,215,846	6,129,155
Fees and charges	3(b)	790,405	833,272
Rental income		307,491	309,320
Interest received		575,089	767,389
Recoverable works income	3(c)	7,690,693	7,147,843
Recurrent grants, subsidies, contributions and donations	3(d)	12,124,818	8,500,938
Other income		144,638	218,668
		<u>27,848,980</u>	<u>23,906,585</u>
Capital revenue			
Capital grants, subsidies, contributions and donations	4(a)	4,204,737	8,882,278
Capital flood damage recoveries	4(b)	5,995,719	449,840
		<u>10,200,456</u>	<u>9,332,118</u>
Total income		<u>38,049,436</u>	<u>33,238,703</u>
Expenses			
Recurrent expenses			
Employee costs	6	(10,163,037)	(8,982,411)
Materials and services	7	(11,531,085)	(8,872,946)
Finance costs		(153,655)	(155,248)
Depreciation and amortisation	10	(8,400,197)	(8,159,012)
		<u>(30,247,974)</u>	<u>(26,169,617)</u>
Capital expenses	5	(361,143)	(1,319,829)
		<u>(361,143)</u>	<u>(1,319,829)</u>
Total expenses		<u>(30,609,117)</u>	<u>(27,489,446)</u>
Net result		<u>7,440,319</u>	<u>5,749,257</u>
Other comprehensive income			
Items that will not be reclassified to net result			
Increase in asset revaluation surplus	15	5,409,315	5,110,123
Total other comprehensive income for the year		<u>5,409,315</u>	<u>5,110,123</u>
Total comprehensive income for the year		<u>12,849,634</u>	<u>10,859,380</u>

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

Barcaldine Regional Council
Statement of Financial Position
as at 30 June 2017

	Note	2017 \$	2016 \$
Current assets			
Cash and cash equivalents	8	25,328,035	22,996,488
Receivables	9	3,490,573	2,913,265
Inventories		457,006	533,968
Total current assets		<u>29,275,614</u>	<u>26,443,721</u>
Non-current assets			
Property, plant and equipment	10	354,024,432	344,231,316
Total non-current assets		<u>354,024,432</u>	<u>344,231,316</u>
Total assets		<u>383,300,046</u>	<u>370,675,037</u>
Current liabilities			
Payables	11	2,609,596	2,485,913
Borrowings	12	361,053	338,617
Provisions	13	1,323,078	1,246,460
Total current liabilities		<u>4,293,727</u>	<u>4,070,990</u>
Non-current liabilities			
Borrowings	12	2,393,346	2,755,497
Provisions	13	338,994	424,205
Total non-current liabilities		<u>2,732,340</u>	<u>3,179,702</u>
Total liabilities		<u>7,026,067</u>	<u>7,250,692</u>
Net community assets		<u>376,273,979</u>	<u>363,424,345</u>
Community equity			
Retained surplus	14	172,141,109	164,700,790
Asset revaluation surplus	15	204,132,870	198,723,555
Total community equity		<u>376,273,979</u>	<u>363,424,345</u>

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

Barcaldine Regional Council
Statement of Changes in Equity
For the year ended 30 June 2017

	Retained Surplus	Asset revaluation surplus	Total
Note	14	15	
	\$	\$	\$
Balance as at 1 July 2016	164,700,790	198,723,555	363,424,345
Net result	7,440,319	-	7,440,319
Other comprehensive income for the year			
Increase in asset revaluation surplus	-	5,409,315	5,409,315
Total comprehensive income for the year	7,440,319	5,409,315	12,849,634
Balance as at 30 June 2017	172,141,109	204,132,870	376,273,979
Balance as at 1 July 2015	158,951,533	193,613,432	352,564,965
Net result	5,749,257	-	5,749,257
Other comprehensive income for the year			
Increase in asset revaluation surplus	-	5,110,123	5,110,123
Total comprehensive income for the year	5,749,257	5,110,123	10,859,380
Balance as at 30 June 2016	164,700,790	198,723,555	363,424,345

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

Barcaldine Regional Council
Statement of Cash Flows
For the year ended 30 June 2017

	Note	2017	2016
		\$	\$
Cash flows from operating activities			
Receipts from customers		26,745,418	22,935,435
Payments to suppliers and employees		(21,550,903)	(17,856,942)
		<u>5,194,515</u>	<u>5,078,493</u>
Interest received		575,089	767,389
Interest paid		(153,655)	(155,248)
Net cash inflow from operating activities	19	<u>5,615,949</u>	<u>5,690,634</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(14,140,999)	(18,401,038)
Proceeds from sale of property plant and equipment		995,856	710,136
Grants, subsidies, contributions and donations		4,204,737	8,882,278
Capital flood damage recoveries		5,995,719	449,840
Net cash outflow from investing activities		<u>(2,944,687)</u>	<u>(8,358,784)</u>
Cash flows from financing activities			
Repayment of borrowings		(339,715)	(413,238)
Net cash inflow (outflow) from financing activities		<u>(339,715)</u>	<u>(413,238)</u>
Net increase/(decrease) in cash and cash equivalents held		<u>2,331,547</u>	<u>(3,081,388)</u>
Cash and cash equivalents at beginning of the financial year		22,996,488	26,077,876
Cash and cash equivalents at end of the financial year	8	<u>25,328,035</u>	<u>22,996,488</u>

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

1 Significant accounting policies

1.A Basis of preparation

These general purpose financial statements are for the period 1 July 2016 to 30 June 2017 and have been prepared in accordance with the *Local Government Act 2009* and the *Local Government Regulation 2012*.

They comply with all accounting standards and interpretations issued by the Australian Accounting Standards Board (AASB). Council is a not-for-profit entity and the Australian Accounting Standards include requirements for not-for-profit entities which are inconsistent with International Financial Reporting Standards (IFRS). In some instances these financial statements do not comply with IFRS. The main impacts are the offsetting of revaluation and impairment gains and losses within a class of assets and the timing of the recognition of non-reciprocal grant revenue.

These financial statements have been prepared under the historical cost convention except where stated.

1.B Constitution

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

1.C Rounding and comparatives

The financial statements are in Australian dollars that have been rounded to the nearest \$1.

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

1.D New and revised Accounting Standards

In the current year, Council has applied AASB 124 *Related Party Disclosures* for the first time. As a result, Council has disclosed more information about related parties and transactions with those related parties. This information is presented in Note 22.

Some Australian Accounting Standards and Interpretations have been issued but are not yet effective. Those standards have not been applied in these financial statements. Council will implement them when they are effective. The standards that are expected to have a material impact upon Council's future financial statements are:

Standard and Impact

Applicable Date

AASB 9 Financial Instruments

AASB 9 replaces AASB 139 Financial Instruments: Recognition and Measurement, and will change the classification, measurement and disclosures of financial assets. The impact of this standard is yet to be quantified.

1-Jul-18

AASB 15 Revenue from Contracts with Customers, AASB 1058 Income of Not-for-Profit Entities and AASB 2016-18 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities

AASB 15 will replace AASB 118 Revenue, AASB 111 Construction Contracts and a number of Interpretations. AASB 2016-8 provides Australian requirements and guidance for not-for-profit entities in applying AASB 9 and AASB 15. AASB 1058 will replace AASB 1004 Contributions. Together they contain a comprehensive and robust framework for the recognition, measurement and disclosure of income including revenue from contracts with customers. Council is still reviewing the way that income is measured and recognised to identify whether there will be any material impact arising from these standards.

1-Jul-19

Other amended Australian Accounting Standards and Interpretations which were issued at the date of authorisation of the financial report, but have future commencement dates are not likely to have a material impact on the financial statements.

1.E Estimates and judgements

Where necessary, judgements, estimates and assumptions have been used in preparing these financial statements. Those that have a significant effect or risk of causing an adjustment to Council's assets or liabilities relate to:

Valuation of property, plant and equipment - Note 10

Contingent liabilities - Note 17

1.F Revenue

Rental income

Rental revenue from investment and other property is recognised as income on a periodic straight line basis over the lease term.

1.G Taxation

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

2 Analysis of Results by Function

(a) Components of council functions

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

Governance

The objectives of professional governance are: financial responsibility and sustainability; confident and stable leadership; a valued workforce; community representation; appropriate planning decisions; and exceptional service delivery.

Activities of this function include: providing administrative, financial and information technology support to the whole organisation; managing planning and development within the council area; and maintaining the roles of the Mayor, Councillors, Chief Executive Officer and senior management.

Economy

The objectives of strong local economy are: assisting the agricultural sector to grow sustainably; encourage the development of new tourism opportunities; managing mining development whilst balancing the social needs of the community; provide employment opportunities in the region; and encourage business investment.

Activities of this function include: providing support and encouragement to business and tourism activities within the Council Area; providing pest and weed control for agriculture; responding to mining development issues; and seeking new investment opportunities and funding for the region.

Infrastructure

The objectives of quality infrastructure are: to construct and maintain roads and streets; provide airports for each community; provide safe, reliable and high quality water for each community; maintain and upgrade sewerage schemes; and maintain all plant and equipment to a high standard.

Activities of this function include: road and street construction and maintenance; airports and the provision of services for regulated passenger transport; maintaining and upgrading water and sewerage infrastructure; and maintenance of plant.

Environment

The objectives of environment and heritage protection are: to minimise the impact of pests and weeds on the environment; prepare for and respond to natural disasters; preserve and promote the heritage of local people, structures and communities; provide efficient waste management services; and provide animal management to minimise nuisances.

Activities of this function include: providing refuse collection and disposal services; plant and animal pest control; SES services; and heritage protection registers.

Community

The objectives of vibrant communities are: to maintain and enhance the streetscapes; encourage creativity by supporting arts and culture; provide services to improve the health and wellbeing of the community; provide parks and gardens; provide sport and recreation facilities; support community organisations through donations; provide high quality funeral services; and provide facilities for young people.

Activities of this function include: the provision of libraries, art galleries, museums, sporting ovals, showgrounds, tennis courts and community halls; the provision of health services including in home care, meals on wheels, respite care; the provision of community housing; funeral services and cemeteries; and maintaining the streetscapes of each community.

Barcaldine Regional Council
Notes to the financial statements
For the year ended 30 June 2017

2 Analysis of results by function

(b) Income and expenses defined between recurring and capital are attributed to the following functions:

Year ended 30 June 2017

Functions	Gross program income				Total income	Gross program expenses		Total expenses	Net results from recurrent operations	Net results	Assets
	Recurring		Capital			Recurring	Capital				
	Grants	Other	Grants	Other							
	\$	\$	\$	\$							
Governance	7,888,871	4,537,852	-	-	12,426,723	(4,408,459)	-	(4,408,459)	8,018,264	8,018,264	34,185,700
Economy	105,299	499,560	-	-	604,859	(1,770,533)	-	(1,770,533)	(1,165,674)	(1,165,674)	10,432,684
Infrastructure	2,715,675	9,898,742	8,448,600	-	21,063,017	(16,878,246)	(361,143)	(17,239,389)	(4,263,829)	3,823,628	259,181,738
Environment	23,888	513,609	36,710	-	574,207	(627,864)	-	(627,864)	(90,367)	(53,657)	345,078
Community	1,391,085	274,399	1,715,146	-	3,380,630	(6,562,872)	-	(6,562,872)	(4,897,388)	(3,182,242)	79,154,846
Total	12,124,818	15,724,162	10,200,456	-	38,049,436	(30,247,974)	(361,143)	(30,609,117)	(2,398,994)	7,440,319	383,300,046

Year ended 30 June 2016

Functions	Gross program income				Total income	Gross program expenses		Total expenses	Net results from recurrent operations	Net results	Assets
	Recurring		Capital			Recurring	Capital				
	Grants	Other	Grants	Other							
	\$	\$	\$	\$							
Governance	5,133,555	4,637,277	-	-	9,770,832	(3,997,697)	-	(3,997,697)	5,773,135	5,773,135	33,180,921
Economy	54,319	518,938	-	-	573,257	(2,171,476)	-	(2,171,476)	(1,598,219)	(1,598,219)	12,104,056
Infrastructure	1,862,166	9,511,018	8,198,025	-	19,571,209	(13,724,902)	(1,319,829)	(15,044,731)	(2,351,718)	4,526,478	257,710,132
Environment	23,686	474,541	-	-	498,227	(657,531)	-	(657,531)	(159,304)	(159,304)	612,963
Community	1,427,212	263,873	1,134,093	-	2,825,178	(5,618,011)	-	(5,618,011)	(3,926,926)	(2,792,833)	67,066,965
Total	8,500,938	15,405,647	9,332,118	-	33,238,703	(26,169,617)	(1,319,829)	(27,489,446)	(2,263,032)	5,749,257	370,675,037

Barcaldine Regional Council
Notes to the financial statements
For the year ended 30 June 2017

	2017	2016
Note	\$	\$
3 Revenue analysis		
(a) Rates, levies and charges		
General rates	4,095,991	4,025,831
Separate rates	5,904	5,947
Water charges	1,418,053	1,436,758
Sewerage charges	880,329	860,185
Waste charges	480,644	470,095
Total rates and utility charge revenue	6,880,921	6,798,816
Less: Council discount	(590,922)	(595,476)
Less: Pensioner discount	(74,153)	(74,185)
	<u>6,215,846</u>	<u>6,129,155</u>

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

(b) Fees and charges		
Administration	31,107	56,385
Airport	116,313	114,617
Animals	80,641	82,118
Bank, Post Office & RTC commissions	190,177	181,559
Community facilities	127,865	114,283
Environmental health	7,998	6,056
Funeral services	64,470	52,761
Planning & development	57,149	46,345
Rural services	61,407	88,606
Waste management	37,390	17,928
Water and sewerage	15,888	62,610
Other fees and charges	-	10,004
	<u>790,405</u>	<u>833,272</u>

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

(c) Recoverable works income		
Recoverable contract roadworks	7,563,666	6,758,203
Private works	80,900	389,640
Other recoveries	46,127	-
	<u>7,690,693</u>	<u>7,147,843</u>

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

The amount recognised as revenue for contract revenue during the financial year is the amount receivable in respect of invoices issued during the period. The contract work carried out is not subject to retentions.

Barcaldine Regional Council
Notes to the financial statements
For the year ended 30 June 2017

	Note	2017 \$	2016 \$
(d) Recurrent grants, subsidies, contributions and donations			
General purpose grants and subsidies		10,371,654	6,749,804
Specific purpose grants and subsidies		1,689,358	1,666,159
Contributions		63,806	84,975
		<u>12,124,818</u>	<u>8,500,938</u>

During the year, Council received \$3,532,975 Federal Assistance Grant funding in advance. This is recognised within General purpose grants and subsidies for the year.

Grants, subsidies and contributions that are non-reciprocal in nature are recognised as revenue in the year in which Council obtains control over them. Where grants are received that are reciprocal in nature, revenue is recognised as the various performance obligations under the funding agreement are fulfilled.

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

Developers pay infrastructure charges for trunk infrastructure in accordance with Council's planning scheme policies. These cash contributions are recognised as income when received.

4 Capital revenue

(a) Capital grants, subsidies, contributions and donations

Flood mitigation	9,241	145,881
Community infrastructure	1,880,808	1,689,811
Transport infrastructure	2,239,688	6,993,927
Contributions	75,000	52,659
	<u>4,204,737</u>	<u>8,882,278</u>

(b) Capital flood damage recoveries

NDRRA payments for flood damage to Council infrastructure	5,995,719	449,840
	<u>5,995,719</u>	<u>449,840</u>

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

Non-reciprocal grants for expenditure on infrastructure	<u>690,000</u>	<u>-</u>
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Contributions recognised as income during a previous reporting period that were obtained in respect of the current reporting period:

Non-reciprocal grants for expenditure on infrastructure	<u>-</u>	<u>4,590,624</u>
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5 Capital expenses

Book value of property, plant and equipment disposed of	1,356,999	2,029,965
Less: Proceeds from the sale of property, plant and equipment	(995,856)	(710,136)
Loss on disposal	<u>361,143</u>	<u>1,319,829</u>

Barcaldine Regional Council
Notes to the financial statements
For the year ended 30 June 2017

	2017	2016
Note	\$	\$
6 Employee costs		
Total staff wages and salaries	9,809,142	9,772,503
Councillors' remuneration	437,859	432,825
Superannuation	1,004,679	1,009,117
Other employee related expenses	462,578	282,775
	<u>11,714,258</u>	<u>11,497,220</u>
Less: Capitalised employee costs	(1,551,221)	(2,514,809)
	<u>10,163,037</u>	<u>8,982,411</u>

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

Total Full Time Equivalent Council employees at the reporting date:	<u>Number</u>	<u>Number</u>
Elected members	7	7
Administration staff	19	22
Community and commercial services	15	15
Depot and outdoors staff	116	118
Total full time equivalent employees	<u>157</u>	<u>162</u>

7 Materials and services		
Administration	1,202,423	997,910
Airports	68,250	67,503
Audit fees	62,124	69,300
Commercial services	198,852	226,834
Community care services	459,767	288,973
Community donations	237,117	298,183
Environmental management	200,248	208,336
Funerals and cemeteries	90,829	48,751
Housing	375,172	291,414
Libraries, museums and halls	296,057	172,780
Parks and gardens	325,758	320,645
Planning and development	163,356	138,896
Recoverable road contracts	4,005,052	2,883,652
Road maintenance	1,449,048	378,369
Rural services	356,043	451,090
Sport and recreation	792,679	508,962
Tourism, events and promotion	233,899	297,099
Waste services	112,716	109,145
Water and sewerage	646,563	743,105
Other	255,132	371,999
	<u>11,531,085</u>	<u>8,872,946</u>

Barcaldine Regional Council
Notes to the financial statements
For the year ended 30 June 2017

	Note	2017 \$	2016 \$
8 Cash and cash equivalents			
Cash at bank and on hand		1,720	1,720
Deposits at call		21,423,895	19,229,394
Term deposits		3,902,420	3,765,374
Balance per Statement of Cash Flows		<u>25,328,035</u>	<u>22,996,488</u>
Externally imposed expenditure restrictions at the reporting date:			
Unspent government grants and subsidies - recurrent		159,794	366,373
Unspent government grants and subsidies - capital		690,000	-
Total unspent restricted cash		<u>849,794</u>	<u>366,373</u>
Internally imposed expenditure restrictions at the reporting date:			
Alpha Infrastructure Reserve		904,028	904,028
Alpha Roadworks Reserve		2,709,934	2,709,934
Alpha Water Reserve		355,047	365,416
Alpha Aerodrome Reserve		317,000	317,000
Jericho Swimming Pool Reserve		-	526,447
Aramac Swimming Pool Reserve		363,409	400,000
Aramac Industrial Estate Reserve		232,423	232,423
Aramac Infrastructure Reserve		25,000	25,000
Aramac Childcare Reserve		82,363	82,363
Harry Redford Cattle Drive Reserve		68,248	68,248
Barcaldine Infrastructure Reserve		38,292	38,292
Barcaldine Swimming Pool Reserve		50,000	-
Muttaborra Infrastructure Reserve		-	61,500
Muttaborra Dinosaur Museum Reserve		-	200,000
Water Reserve		493,636	589,619
		<u>5,639,380</u>	<u>6,520,270</u>

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

Cash is held at Bank of Queensland and deposits at call are held at Bank of Queensland and Qld Treasury Corporation in normal term deposits and business cheque accounts. BOQ currently has a short term credit rating of A2 (Standard & Poor's).

Trust funds held for outside parties

In accordance with the *Local Government Act 2009* and the *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 security deposits lodged to guarantee performance and bonds for venue hire. The Council performs only a custodian role in respect of the monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements.

Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities	<u>181,741</u>	<u>142,098</u>
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Barcaldine Regional Council
Notes to the financial statements
For the year ended 30 June 2017

	Note	2017 \$	2016 \$
9 Receivables			
Current			
Rateable revenue and utility charges		624,191	740,796
Other debtors		2,709,435	2,024,493
Prepayments		166,947	157,976
Less impairment		(10,000)	(10,000)
		<u>3,490,573</u>	<u>2,913,265</u>

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

The collectability of receivables is assessed periodically and if there is objective evidence that Council will not be able to collect all amounts due, the carrying amount is reduced for impairment. The loss is recognised in finance costs. The amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated cash flows discounted at the effective interest rate.

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

Because Council is empowered under the provisions of the *Local Government Act 2009* to sell an owner's property to recover outstanding rate debts, Council does not impair any rate receivables.

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

Barcaldine Regional Council
Notes to the financial statements
For the year ended 30 June 2017

10 Property, plant and equipment

30 June 2017

Basis of measurement

Asset values

Opening balance as at 1 July 2016

Additions

Disposals

Revaluation adjustment to asset revaluation surplus

Transfers between classes

Closing gross value as at 30 June 2017

Note

	Land	Buildings and Structures	Plant and equipment	Road Infrastructure	Water Infrastructure	Sewerage Infrastructure	Work in progress	Total
	Fair Value	Fair Value	Cost	Fair Value	Fair Value	Fair Value	Cost	
	\$	\$	\$	\$	\$	\$	\$	\$
	11,532,773	89,277,906	21,336,768	223,767,524	27,564,341	22,702,179	10,550,538	406,732,029
	-	-	2,644,764	-	-	-	11,496,235	14,140,999
5(a)	(50,000)	(495,461)	(2,375,947)	-	-	-	-	(2,921,408)
15	-	1,471,762	-	4,109,134	483,154	395,017	-	6,459,067
	25,604	922,254	-	12,389,678	203,296	-	(13,540,832)	-
	11,508,377	91,176,461	21,605,585	240,266,336	28,250,791	23,097,196	8,505,941	424,410,687

Accumulated depreciation and impairment

Opening balance as at 1 July 2016

Depreciation provided in period

Depreciation on disposals

Revaluation adjustment to asset revaluation surplus

Accumulated depreciation as at 30 June 2017

5(a)

15

-	9,707,275	9,112,438	27,563,051	7,773,341	8,344,608	-	62,500,713
-	1,444,533	1,246,017	4,996,969	385,942	326,736	-	8,400,197
5(a)	(73,893)	(1,490,516)	-	-	-	-	(1,564,409)
15	-	190,359	-	566,544	141,970	150,881	1,049,754
	-	11,268,274	8,867,939	33,126,564	8,301,253	8,822,225	70,386,255

Total written down value as at 30 June 2017

Residual value

Range of estimated useful life in years

11,508,377	79,908,187	12,737,646	207,139,772	19,949,538	14,274,971	8,505,941	354,024,432
11,508,377	-	6,169,975	-	-	-	-	-
Not depreciated	20 - 150	2 - 20	8 - 300	20 - 200	20 - 200	Not depreciated	-

Additions comprise:

Renewals

Other additions

Total Additions

-	440,978	-	11,796,128	9,585	-	(2,017,517)	10,229,174
25,604	481,276	2,644,764	593,550	193,711	-	(27,080)	3,911,825
25,604	922,254	2,644,764	12,389,678	203,296	-	(2,044,597)	14,140,999

Barcaldine Regional Council
Notes to the Financial Statements
For the year ended 30 June 2017

10 Property, plant and equipment

30 June 2016

Basis of measurement

Asset values

Opening gross value as at 1 July 2015

Additions

Disposals

Revaluation adjustment to asset revaluation surplus

Transfers between classes

Closing gross value as at 30 June 2016

Note	Land	Buildings and Structures	Plant and equipment	Road Infrastructure	Water Infrastructure	Sewerage Infrastructure	Work in progress	Total
	Fair Value	Fair Value	Cost	Fair Value	Fair Value	Fair Value	Cost	
	\$	\$	\$	\$	\$	\$	\$	\$
	11,532,773	81,814,303	20,895,899	218,440,256	26,935,779	22,306,920	11,828,456	393,754,386
	-	-	2,385,778	-	-	-	16,015,260	18,401,038
5(a)	(25,505)	(1,280,024)	(1,931,191)	-	-	-	-	(3,236,720)
15	-	874,583	-	(3,780,576)	523,983	195,335	-	(2,186,675)
	25,505	7,869,044	(13,718)	9,107,844	104,579	199,924	(17,293,178)	-
	11,532,773	89,277,906	21,336,768	223,767,524	27,564,341	22,702,179	10,550,538	406,732,029

Accumulated depreciation and impairment

Opening balance as at 1 July 2015

Depreciation provided in period

Depreciation on disposals

Revaluation adjustment to asset revaluation surplus

Accumulated depreciation as at 30 June 2016

	-	9,480,333	9,037,068	28,363,775	7,618,156	8,345,922	-	62,845,254
	-	1,467,546	1,209,887	4,769,184	385,661	326,734	-	8,159,012
5(a)	-	(72,238)	(1,134,517)	-	-	-	-	(1,206,755)
15	-	(1,168,366)	-	(5,569,908)	(230,476)	(328,048)	-	(7,296,798)
	-	9,707,275	9,112,438	27,563,051	7,773,341	8,344,608	-	62,500,713

Total written down value as at 30 June 2016

Residual value

Range of estimated useful life in years

	11,532,773	79,570,631	12,224,330	196,204,473	19,791,000	14,357,571	10,550,538	344,231,316
	11,532,773	-	8,179,837	-	-	-	-	
	Not depreciated	20 - 150	2 - 20	8 - 300	20 - 200	20 - 200	Not depreciated	

Additions comprise:

Renewals

Other additions

Total Additions

	-	4,573,992	-	3,728,322	8,554	199,924	(1,261,828)	7,248,964
	25,505	3,281,334	2,385,778	5,379,522	96,025	-	(16,090)	11,152,074
	25,505	7,855,326	2,385,778	9,107,844	104,579	199,924	(1,277,918)	18,401,038

10 Property, plant and equipment

10 (a) Recognition

Items of property, plant and equipment with a total value of less than \$5,000 are treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised.

Replacement of a major component of an asset, in order to maintain its service potential, is treated as the acquisition of a new asset. However routine operating maintenance, repair costs and minor renewals to maintain the operational capacity and useful life of the non-current asset is expensed as incurred.

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

Land under roads

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

10 (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 the assets given as consideration plus costs incidental to the acquisition, including freight in, architect's fees and engineering design fees and all other establishment costs.

Direct labour and materials and an appropriate proportion of overheads incurred in the acquisition or construction of assets are also included in their cost.

Property, plant and equipment received in the form of contributions, are recognised as assets and revenues at fair value.

10 (c) Depreciation

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and commissioned ready for use, at which time they are reclassified from work in progress to the appropriate property, plant and equipment class.

Land is not depreciated as it has an unlimited useful life. Depreciation on other property, plant and equipment assets is calculated on a straight line basis so as to write-off the net cost or revalued amount of each depreciable asset, less its estimated residual value, progressively over its estimated useful life to the Council. Management believe that the straight-line basis appropriately reflects the pattern of consumption of all Council assets.

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

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

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

10 (d) Impairment

Property, plant and equipment 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.

Barcaldine Regional Council
Notes to the financial statements
For the year ended 30 June 2017

10 Property, plant and equipment (continued)

10 (e) Valuation

(i) Valuation processes

Council's valuation policies and procedures are set by the executive management team which comprises the Chief Executive Officer, Chief Operating Officer and District Managers. They are reviewed annually taking into consideration an analysis of movements in fair value and other relevant information.

Non-current physical assets measured at fair value are revalued, where required, so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This is achieved by engaging independent, professionally qualified valuers to determine the fair value for each class of property, plant and equipment assets at least once every 3 years. This process involves the valuer physically sighting a representative sample of Council assets across classes and making their own assessments of the condition of the assets at the date of inspection.

In the intervening years, Council uses internal engineers and asset managers to assess the condition and cost assumptions associated with all infrastructure assets, the results of which are considered in combination with an appropriate cost index for the region. Together these are used to form the basis of a management valuation for infrastructure asset classes in each of the intervening years. With respect to the valuation of the land and improvements and buildings asset classes in the intervening years, management engage independent, professionally qualified valuers to perform a "desktop" valuation. A desktop valuation involves management providing updated information to the valuer regarding additions, deletions and changes in assumptions such as useful life, residual value and condition rating. The valuer then determines suitable indices which are applied to each of these asset classes.

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

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

On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining useful life. Separately identified components of assets are measured on the same basis as the assets to which they relate.

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

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

There were no transfers between levels 1 and 2 during the year, nor between levels 2 and 3.

Council's policy is to recognise transfers in and out of the fair value hierarchy levels as at the end of the reporting period.

The following table shows assets as either level 2 or level 3 in accordance with AASB 13 *Fair Value Measurements*:

Asset Type	Level 2		Level 3		Total	
	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$
Land	11,508,377	11,532,773	-	-	11,508,377	11,532,773
Buildings	4,910,087	5,045,000	74,998,100	60,142,420	79,908,187	65,187,420
Road Infrastructure	-	-	207,139,772	196,204,473	207,139,772	196,204,473
Water Infrastructure	-	-	19,949,538	19,791,000	19,949,538	19,791,000
Sewerage Infrastructure	-	-	14,274,971	14,357,571	14,274,971	14,357,571
Total	16,418,464	16,577,773	316,362,381	290,495,464	332,780,845	307,073,237

10 Property, plant and equipment (continued)

(ii) Valuation techniques used to derive fair values

Land

The fair value of land was determined by independent valuer, APV Valuers & Asset Management, as at 30 June 2016. Council has determined that there was no material change in land values to 30 June 2017.

Level 2 valuation inputs were used to value land in freehold title as well as land used for special purposes, which is restricted in use under current zoning rules. Sales prices of comparable land sites in close proximity are adjusted for differences in key attributes such as property size.

Buildings and structures

The fair value of buildings and structures was determined by applying indexation to the values determined by independent valuer, APV Valuers & Asset Management, as at 30 June 2016.

Level 2 - This includes the bulk of non-specialised residential and commercial properties. The fair value has been derived from sales prices of comparable properties after adjusting for differences in key attributes such as property size. Council has determined that there was no material change in the market value of buildings to 30 June 2017.

Level 3 - This includes buildings of a specialised nature where there is no active market for the assets. The fair value has been derived on the basis of the estimated replacement cost of a new building having the same service potential.

Infrastructure

All Council infrastructure assets are recorded at fair value using the current replacement cost approach. This valuation comprises the asset's current replacement cost less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired economic benefits of the asset. Council first determined the gross cost of replacing the full service potential of the asset and then adjusted this amount to take account of the expired service potential of the asset.

Current replacement cost is measured by reference to the average cost at which the asset could be constructed in the normal course of business. For assets that could be stereotyped, a bill of quantities approach is used. A bill of quantities is an itemised list of materials, services and resources required to construct an asset which includes cost and quantity. Unit cost rates are calculated on a full cost of replacement basis with a new asset, including components that may not need to be replaced such as earthworks. Assets that are unique are individually valued based on a bill of quantities method.

Roads

The fair value of road infrastructure was derived by applying indexation to the values determined by independent valuer, APV Valuers & Asset Management, as at 30 June 2016.

All road infrastructure assets were valued using level 3 valuation inputs.

During the year there were a number of new projects completed where the actual cost was recorded and the impact of depreciation at year end was negligible. While these could be classified as valued at level 2 given the low proportion of the total portfolio that these represented and the likelihood that in future valuations they would most likely be valued at level 3 we have adopted a policy that all infrastructure assets are deemed to be valued at level 3.

The main level 3 inputs used are derived and evaluated as follows:

Asset Condition - The nature of road infrastructure is that there is a very large number of assets which comprise the network and as a result it is not physically possible to inspect every asset for the purposes of completing a valuation. As a consequence reliance is placed on the accuracy of data held in the asset management system and its associated internal controls. This includes regular planned inspections and updates to the system following maintenance activities and renewal treatments. Likewise, especially for stormwater infrastructure, a large portion of the portfolio is located underground and may only be inspected on an irregular basis.

Relationship between asset consumption rating scale and the level of consumed service potential - Under the cost approach the estimated cost to replace the asset is calculated and then adjusted to take account of an accumulated depreciation. In order to achieve this the valuer determines an asset consumption rating scale for each asset type based on the interrelationship between a range of factors. These factors and their relationship to the fair value require professional judgement and include asset condition, legal and commercial obsolescence and the determination of key depreciation related assumptions such as residual value, useful life and pattern of consumption of the future economic benefit.

The consumption rating scales were based initially on the past experience of the valuation firm and industry guides and were then updated to take into account the experience and understanding of Council's own engineers, asset management and finance staff. The results of the valuation were further evaluated by confirmation against Council's own understanding of the assets and the level of remaining service potential.

10 Property, plant and equipment (continued)

Water and Sewerage

The fair value of water and sewerage infrastructure was derived by applying indexation to the values determined by independent valuer, APV Valuers & Asset Management, as at 30 June 2016.

All water supply and sewerage network infrastructure assets were valued using level 3 valuation inputs.

The approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on square metres or similar capacity could be supported from market evidence (level 2) other inputs (such as estimates of residual value, useful life, pattern of consumption and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using level 3 valuation inputs.

During the year there were a number of new projects completed where the actual cost was recorded and the impact of depreciation at year end was negligible. While these could be classified as valued at level 2 given the low proportion of the total portfolio that these represented and the likelihood that in future valuations they would most likely be valued at level 3 we have adopted a policy that all water supply and sewerage network infrastructure assets are deemed to be valued at level 3.

The quantitative disclosures of the remaining service potential relating to each corresponding condition score for each of the patterns of consumption utilised in this valuation are as follows:

The main level 3 inputs used are derived and evaluated as follows:

Asset Condition - The nature of water supply and sewerage network infrastructure is that there is a very large number of assets which comprise the network and as a result it is not physically possible to inspect every asset for the purposes of completing a valuation. As a consequence reliance is placed on the accuracy of data held in the asset management system and its associated internal controls. This includes regular planned inspections and updates to the system following maintenance activities and renewal treatments. Likewise, especially for water supply and sewerage network infrastructure, a large portion of the portfolio is located underground and may only be inspected on an irregular basis.

Relationship between asset consumption rating scale and the level of consumed service potential - Under the cost approach the estimated cost to replace the asset is calculated and then adjusted to take account of accumulated depreciation. In order to achieve this the valuer determines an asset consumption rating scale for each asset type based on the interrelationship between a range of factors. These factors and their relationship to the fair value require professional judgement and include asset condition, legal and commercial obsolescence and the determination of key depreciation related assumptions such as residual value, useful life and pattern of consumption of the future economic benefit.

The consumption rating scales were based initially on the past experience of the valuation firm and industry guides and were then updated to take into account the experience and understanding of Council's own engineers, asset management and finance staff. The results of the valuation were further evaluated by confirmation against Council's own understanding of the assets and the level of remaining service potential.

Barcaldine Regional Council
Notes to the financial statements
For the year ended 30 June 2017

	2017 \$	2016 \$
11 Payables		
Current		
Creditors and accruals	1,427,534	1,269,176
Annual leave	1,174,892	1,209,922
Other entitlements	7,170	6,815
	<u>2,609,596</u>	<u>2,485,913</u>

Creditors are recognised when goods or services are received at the amount owed. Amounts owing are unsecured and are generally settled on 30 day terms.

A liability is recognised for employee benefits such as wages and salaries, annual leave and long service leave in respect of services provided by the employees up to the reporting date. 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 Council does not have an unconditional right to defer settlement of annual leave beyond twelve months after the reporting date, annual leave is classified as a current liability.

Council does not have an obligation to pay sick leave on termination to employees and therefore no liability has been recognised.

12 Borrowings

Current

Loans - Queensland Treasury Corporation	361,053	338,617
	<u>361,053</u>	<u>338,617</u>

Non-current

Loans - Queensland Treasury Corporation	2,393,346	2,755,497
	<u>2,393,346</u>	<u>2,755,497</u>

Loans - Queensland Treasury Corporation

Opening balance at beginning of financial year	3,094,114	3,507,352
Loans raised	-	-
Principal repayments	(339,715)	(413,238)
Book value at end of financial year	<u>2,754,399</u>	<u>3,094,114</u>

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

The market value of QTC borrowings as at 30 June 2017 is \$3,055,423. This represents the value of the debt if Council repaid it at that date.

The weighted average borrowing for QTC borrowings is 5.26% (ranging from 3.44% to 7.75%).

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

All borrowings are in \$A denominated amounts and carried at amortised cost, interest being expensed as it accrues. No interest has been capitalised during the current or comparative reporting period. Expected final repayment dates vary from 15 June 2020 to 15 June 2027. There have been no defaults or breaches of the loan agreement during the period.

Principal and interest repayments are made quarterly in arrears.

Barcaldine Regional Council
Notes to the financial statements
For the year ended 30 June 2017

	2017 \$	2016 \$
13 Provisions		
Current		
Provision for long service leave	1,323,078	1,246,460
	<u>1,323,078</u>	<u>1,246,460</u>
Non-current		
Provision for long service leave	338,994	424,205
	<u>338,994</u>	<u>424,205</u>

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 cash outflows to their present value.

14 Retained surplus

Movements in the retained surplus were as follows:

Retained surplus at beginning of financial year	164,700,790	158,951,533
Net result attributable to Council	7,440,319	5,749,257
Retained surplus at end of financial year	<u>172,141,109</u>	<u>164,700,790</u>

15 Asset revaluation surplus

Movements in the asset revaluation surplus were as follows:

Balance at beginning of financial year	198,723,555	193,613,432
Net adjustment to non-current assets at end of period to reflect a change in current fair value	5,409,315	5,110,123
Balance at end of financial year	<u>204,132,870</u>	<u>198,723,555</u>

Asset revaluation surplus analysis

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

Land	7,611,464	7,611,465
Buildings & Structures	38,238,369	36,065,117
Road Infrastructure	139,220,543	136,569,801
Water Infrastructure	8,668,021	8,326,835
Sewerage Infrastructure	10,394,473	10,150,337
	<u>204,132,870</u>	<u>198,723,555</u>

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

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

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

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

Barcaldine Regional Council
Notes to the financial statements
For the year ended 30 June 2017

16 Commitments for expenditure

Contractual commitments at end of financial year but not recognised in the financial statements are as follows:

	2017	2016
	\$	\$
Barcaldine Airport Lighting Upgrade (expires 16 September 2016)	-	87,808
Jericho Swimming Pool construction contract (expires 31 December 2016)	-	463,213
Barcaldine Swimming Pool tile replacement (expires 1 October 2016)	-	154,795
Aramac Swimming Pool construction contract (expires 12 February 2018)	1,768,976	-
Aramac Swimming Pool ablution block construction contract (expires 31 October 2017)	341,111	-
Barcaldine Sewer Relining contract (expires 27 November 2017)	597,379	-
The Globe airconditioning contract (expires 31 August 2017)	237,784	-
Muttaborrasaurus Interpretation Centre construction contract (expires 28 September 2017)	1,040,000	-
	<u>3,985,250</u>	<u>705,816</u>

17 Contingent liabilities

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

Local Government Mutual

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

As at 30 June 2016 the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

Local Government Workcare

Barcaldine Regional 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 \$167,925.

18 Superannuation

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

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

The scheme has three elements referred to as:

The City Defined Benefits Fund (CDBF) which covers former members of the City Super Defined Benefits Fund;

The Regional Defined Benefits Fund (Regional DBF) which covers defined benefit fund members working for regional local governments; and

The Accumulation Benefits Fund (ABF).

The ABF is a defined contribution scheme as defined in AASB119. Council has no liability to or interest in the ABF other than the payment of the statutory contributions as required by the *Local Government Act 2009*.

The Regional DBF is a defined benefit plan as defined in AASB119. The Council is not able to account for the Regional DBF as a defined benefit plan in accordance with AASB119 because the scheme is unable to account to the Council for its proportionate share of the defined benefit obligation, plan assets and costs. The funding policy adopted in respect of the Regional DBF is directed at ensuring that the benefits accruing to members and beneficiaries are fully funded as they fall due.

Barcaldine Regional Council
Notes to the financial statements
For the year ended 30 June 2017

18 Superannuation (continued)

To ensure the ongoing solvency of the Regional DBF, the scheme's trustee can vary the rate of contributions from relevant local government employers subject to advice from the scheme's actuary. As at the reporting date, no changes had been made to prescribed employer contributions which remain at 12% of employee assets and there are no known requirements to change the rate of contributions.

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

As at the reporting date, the assets of the scheme are sufficient to meet the vested benefits.

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

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

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

There are currently 72 entities contributing to the Regional DBF plan and any changes in contribution rates would apply equally to all 72 entities. The Council made less than 4% of the total contributions to the plan in the 2017 financial year.

The next actuarial investigation will be conducted as at 1 July 2018.

	Note	2017 \$	2016 \$
The amount of superannuation contributions paid by Council to the scheme in this period for the benefit of employees was:	6	1,004,679	1,009,117
19 Reconciliation of net operating surplus for the year to net cash inflow from operating activities			
Net result		7,440,319	5,749,257
Non-cash items:			
Depreciation and amortisation		8,400,197	8,159,012
		8,400,197	8,159,012
Investing and development activities:			
Net loss on disposal of non-current assets		361,143	1,319,829
Capital grants and contributions		(10,200,456)	(9,332,118)
		(9,839,313)	(8,012,289)
Changes in operating assets and liabilities:			
(Increase)/ decrease in receivables		(577,308)	(231,390)
(Increase)/decrease in inventory		76,962	(65,423)
Increase/(decrease) in payables		123,684	17,554
Increase/(decrease) in other provisions		(8,592)	73,913
		(385,254)	(205,346)
Net cash inflow from operating activities		5,615,949	5,690,634

20 Events after the reporting period

There were no material adjusting events after the balance date.

Barcaldine Regional Council
Notes to the financial statements
For the year ended 30 June 2017

21 Financial instruments

Barcaldine Regional Council has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market 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

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

The 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.

Barcaldine Regional 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 from customers.

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 Barcaldine Regional Council.

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

	Note	2017	2016
Financial assets		\$	\$
Cash and cash equivalents	8	25,328,035	22,996,488
Receivables - rates	9	624,191	740,796
Receivables - other	9	2,699,435	2,014,493
		<u>28,651,661</u>	<u>25,751,777</u>
Other credit exposures			
Guarantees	17	(167,925)	(167,925)
		<u>(167,925)</u>	<u>(167,925)</u>

Cash and Cash Equivalents

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

Other cash investments are held with Bank of Qld, which is rated A2 by Standard & Poor's, and whilst not capital guaranteed, the likelihood of a credit failure is assessed as remote.

Barcaldine Regional Council
Notes to the financial statements
For the year ended 30 June 2017

21 Financial instruments (continued)

Receivables

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

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.

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

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

2017	Not past due	Past due			Total
		30-60 days	61-90 days	> 90 days	
	\$	\$	\$	\$	\$
Receivables - Rates	27,940	359,993	-	236,258	624,191
Receivables - Other	2,646,288	953	-	62,194	2,709,435
Less: Impairment	-	-	-	(10,000)	(10,000)
Total	2,674,228	360,946	-	288,452	3,323,626

2016	Not past due	Past due			Total
		30-60 days	61-90 days	> 90 days	
	\$	\$	\$	\$	\$
Receivables - Rates	152,849	217,875	-	370,072	740,796
Receivables - Other	1,917,496	9,460	7,481	90,056	2,024,493
Less: Impairment	-	-	-	(10,000)	(10,000)
Total	2,070,345	227,335	7,481	450,128	2,755,289

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.

Barcaldine Regional Council is exposed to liquidity risk through its normal course of business and through its borrowings with QTC and other financial institutions.

The Council manages its exposure to liquidity risk by maintaining sufficient cash deposits, both short and long term, to cater for unexpected volatility in cash flows. Council does not have any undrawn facilities or lines of credit at the end of the reporting period:

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

	0 to 1 year	1 to 5 years	Over 5 years	Total contractual cash flows	Carrying amount
	\$	\$	\$	\$	\$
2017					
Payables	1,938,001	671,595	-	2,609,596	2,609,596
Loans - QTC	493,370	1,614,483	1,332,890	3,440,743	2,754,399
	2,431,371	2,286,078	1,332,890	6,050,339	5,363,995
2016					
Payables	2,134,893	351,020	-	2,485,913	2,485,913
Loans - QTC	493,370	1,793,981	1,646,762	3,934,113	3,094,114
	2,628,263	2,145,001	1,646,762	6,420,026	5,580,027

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.

Barcaldine Regional Council
Notes to the financial statements
For the year ended 30 June 2017

21 Financial instruments (continued)

Market Risk

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

Interest rate risk

Barcaldine Regional Council is exposed to interest rate risk through investments and borrowings with QTC and other financial institutions.

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 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.

2017	Net carrying amount	Effect on Net Result		Effect on Equity	
		1% increase	1% decrease	1% increase	1% decrease
	\$	\$	\$	\$	\$
QTC Cash Fund	20,333,735	203,337	(203,337)	203,337	(203,337)
Other Cash Funds	4,992,580	49,926	(49,926)	49,926	(49,926)
QTC Loans*	2,754,399	-	-	-	-
Net total		253,263	(253,263)	253,263	(253,263)

2016	Net carrying amount	Effect on Net Result		Effect on Equity	
		1% increase	1% decrease	1% increase	1% decrease
	\$	\$	\$	\$	\$
QTC Cash Fund	19,103,828	191,038	(191,038)	191,038	(191,038)
Other Cash Funds	3,890,940	38,909	(38,909)	38,909	(38,909)
QTC Loans*	3,094,114	-	-	-	-
Net total		229,947	(229,947)	229,947	(229,947)

*QTC Generic Debt Pool - the generic debt pool products approximate a fixed rate loan. There is a negligible impact on interest sensitivity from changes in interest rates for generic debt pool borrowings.

Barcaldine Regional Council
Notes to the financial statements
For the year ended 30 June 2017

22 Transactions with related parties

(a) Transactions with associates

Council is a shareholder in the Remote Area Planning and Development Board Ltd (RAPAD). Council pays an annual subscription to RAPAD and RAPAD provides grants funds to Council. There were no material transactions with RAPAD.

(b) Transactions with key management personnel (KMP)

KMP are those persons having the authority and responsibility for planning, directing and controlling the activities of Council. KMP include the Mayor, Councillors, Chief Executive Officer and the Executive Management Team. The compensation paid to KMP comprises:

	2017
	\$
Short-term employee benefits	1,391,658
Post-employment benefits	86,390
Long-term benefits	-
Termination benefits	7,395
Total	1,485,443

Detailed remuneration disclosures are provided in the annual report.

(c) Transactions with other related parties

Other related parties include the close family members of KMP and any entities controlled or jointly controlled by KMP or their close family members. Close family members include a spouse, child and dependant of a KMP or spouse.

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

	2017
	\$
Fees and charges charged to entities controlled by KMP	22,684

The fees and charges charged to entities controlled by key management personnel were in accordance with the schedule of fees and charges adopted by Council. There were no material transactions during the year.

	2017
	\$
Employee expenses for close family members of KMP	163,338

All close family members of key management personnel were employed through an arm's length process in accordance with Council's recruitment policies. They are paid in accordance with the relevant industrial award or a contract of employment. The Council employs 170 staff of which only 4 are close family members of key management personnel including:

The wife of the Chief Executive Officer, Mrs Howard, is employed as a librarian with Council. Mrs Howard has been a longstanding employee and is paid in accordance with Council's Certified Agreement.

Barcaldine Regional Council
Notes to the financial statements
For the year ended 30 June 2017

22 Transactions with related parties (continued)

	2017
	\$
Purchase of materials and services from entities controlled by KMP	2,459,957

Council purchased goods and services from entities that are controlled by members of key management personnel. Purchases included plumbing services, plant hire, rent of office buildings, consultancy services and purchase of general goods. All purchases were at arm's length and were in the normal course of Council operations including:

1. Council purchased engineering services from George Bourne & Associates to the value of \$1,528,949 for the 2016-17 year. During this time, Council Manager of Engineering Services, Jason Ricks, was a part owner of the business. All purchases were at arm's length, on normal trading terms and conditions and were in the normal course of Council's operations. As at 30 June 2017, Council owed \$180,652 to the business.
2. Council purchased contracting services from D Gray's Grader & Loader Hire to the value of \$349,220 for the 2016-17 year. During this time, Councillor Jenni Gray was a part owner of the business. All purchases were at arm's length, on normal trading terms and conditions and were in the normal course of Council's operations. As at 30 June 2017 there were no amounts owed by Council to the business.
3. Council purchased contracting services from Capricorn Plumbing and Building Supplies Pty Ltd and Capricorn Plumbing and Drainage Pty Ltd to the value of \$233,842 for the 2016-17 year. During this time, Councillor Garry Bettiens, owned and operated these businesses. All purchases were at arm's length, on normal trading terms and conditions and were in the normal course of Council's operations. As at 30 June 2017, Council owed \$154 to the business.
4. Council purchased goods from Aramac Cutprice Store to the value of \$144,747 for the 2016-17 year. During this time, Councillor Gary Peoples was a part owner of the business. All purchases were at arm's length, on normal trading terms and conditions and were in the normal course of Council's operations. As at 30 June 2017 there were no amounts owed by Council to the business.

(d) Outstanding balances

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

	2017
	\$
Entities controlled by KMP - owed by Council	180,806
Entities controlled by KMP - owing to Council	1,059

No expense has been recognised in the current year or prior year for bad or doubtful debts in respect of amounts owed by related parties.

(e) Loans and guarantees to/from related parties

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

(f) Commitments to/from other related parties

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

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

On a regular basis, ordinary citizen transactions occur between Council and its related parties. Some examples include:

- Payment of rates
- Use of Council swimming pools
- Dog registration
- Borrowing books from Council libraries

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.