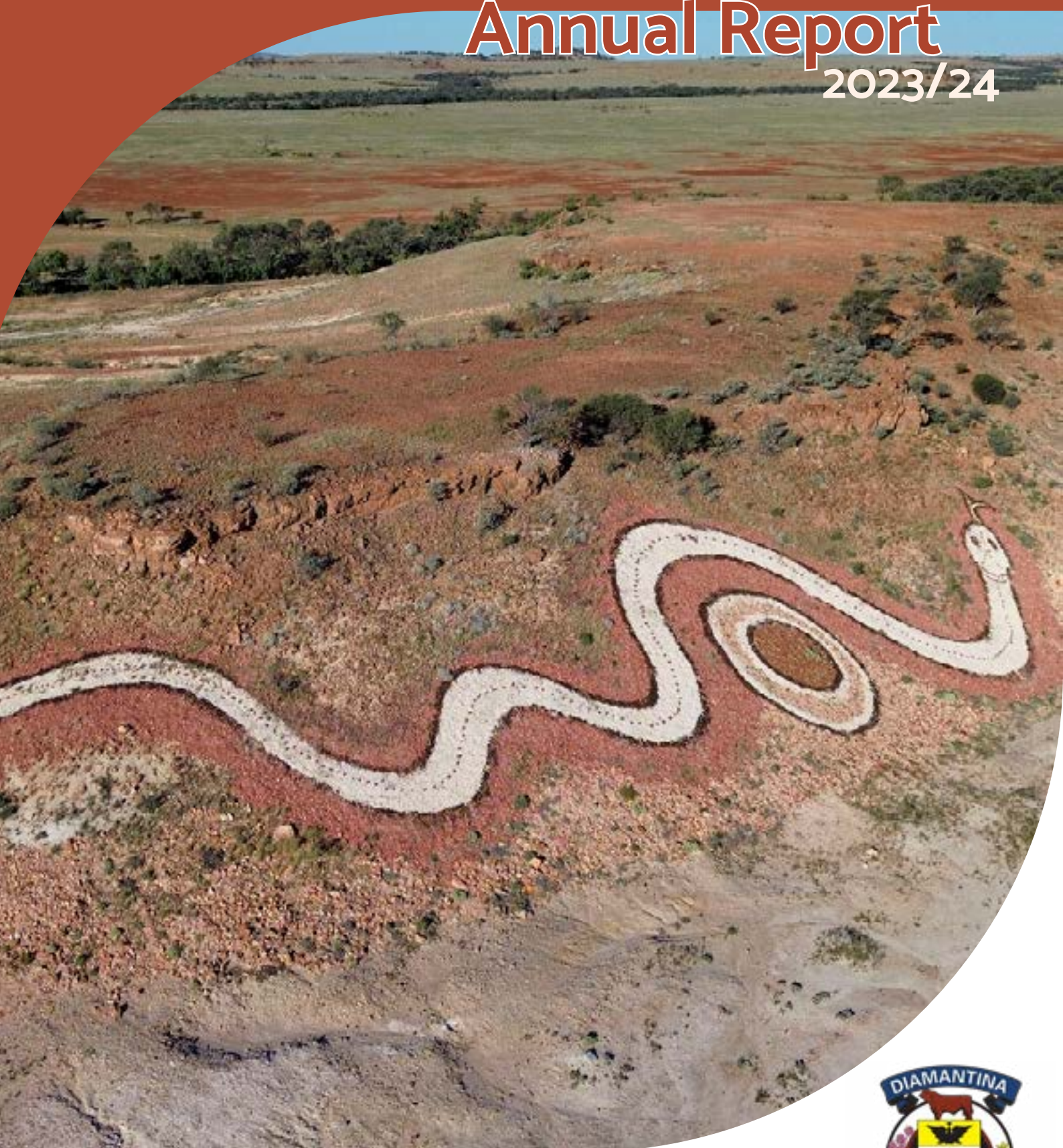


Diamantina Shire Council

# Annual Report

2023/24



[www.diamantina.qld.gov.au](http://www.diamantina.qld.gov.au)







## Acknowledgement of Country

Diamantina Shire Council acknowledges the Wangkamahdla, Pitta Pitta, Mithaka, and Wangkangurru/Yarluyandi, Karuwali and Maiawali People as the Traditional Owners of this land. We pay our respects to their cultures, their ancestors and their Elders, past, present and all future generations.



### CONTACT US

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## About this report

Diamantina Shire Council is pleased to present the region's Annual Report for 2023/2024.

This report is compiled to meet our obligations under the Local Government Act 2009 (the Act); the Queensland Local Government Regulation 2012 (the Regulation), and the Public Ethics Act 1994 and to detail Diamantina Shire Council's performance over the past financial year.

The Annual Report 2023/2024 demonstrates Council's commitment to reporting to the community in an open, accurate and transparent manner and identifies progress with the Corporate Plan 2022/27.

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# Message from the Mayor

I welcome readers to my first Annual Report as Mayor of Diamantina Shire Council.

During the 2023/24 period, there was a Quadrennial Local Government election. I take this opportunity to thank my colleagues who I served with over this time period, and I welcome the newly elected team.



Outgoing Elected Member Team	Incoming Elected Member Team
Cr Rob Dare (Mayor)	Cr Francis Murray (Mayor)
Cr Francis Murray (Deputy Mayor)	Cr Damien Watson (Deputy Mayor)
Cr Kerry Morton	Cr Damian Clarke
Cr Sharon Pursell	Cr Rob Dare
Cr Don Rowlands	Cr Kerry Morton

Well-attended community barbecues were held in Birdsville and Bedourie to provide an opportunity for community members to connect with the councillors and Executive Leadership Team.

**I'm excited for the future of the Diamantina Shire and I believe our future depends on our road infrastructure.**

Our road network supports our pastoral industry, tourism and private enterprise, Council's communities as well as our livability. Plant hire for road construction is what makes Council economically viable, especially because we have such a low-rate base.

In addition to the typical services provided by Council we have been focused on a heavy change agenda, which includes an overhaul of all aspects of Council's financial management.

Other notable achievements include the following:

- ▶ Cuttaburra Crossing on the Bedourie-Birdsville Road and our advocacy efforts to seek support for the bitumen sealing of this missing link.
- ▶ Support for Community Organisations.
- ▶ Birdsville Water project.
- ▶ Town Entry Statement Signage upgrade at Birdsville.
- ▶ 3 new houses constructed at Birdsville.
- ▶ Lease of the Birdsville Lodge accommodation facility to private enterprise.
- ▶ Establishment of an Audit and Risk Committee.
- ▶ Erection of shade shelter at Pelican Point, Birdsville.
- ▶ Plan development for a new Gymnasium and re-modelling of the Multi-Purpose Sports Complex, Birdsville.
- ▶ Completion of concept designs for the Bedourie Administration Centre Building and Council Depot at Bedourie Industrial Estate.
- ▶ Planning works for the upgrade of the Birdsville Town Hall.

I'm proud that Council has been able to secure two Country University Centre's for Diamantina Shire and I'm excited for the opportunities this represents and the future role these facilities will play in attracting and retaining families and students to our beautiful Shire.

I thank and acknowledge the effort of all staff for their achievements, and I welcome new CEO Julianne Meier who commenced October 2024.

Julianne comes to the Shire with thirteen years' experience in Local Government and has lived in rural areas most of her life. I'm looking forward to Julianne bringing stability and consistency to the Executive Leadership Team.

Cr Francis Murray  
Mayor

# Message from the CEO

**This year has been a significant one for Diamantina Shire Council, on many fronts.**

The impact of Cyclone Kirrily lead to major flooding of the Diamantina and Georgina River systems and saw the activation of the Local Disaster Management Group from February 3, 2024, for an extended period. In fact, Bedourie received 112.8 millimetres of rainfall to 9 am on 5 February, 2024. This represents greater than half the annual average rainfall and this fell in approximately a four-hour period during the Sunday afternoon of February 4, 2024!

I thank and acknowledge the contributions by the Chair (Mayor Cr Rob Dare) and Deputy Chair (Deputy Mayor Cr Francis Murray), the core members and other contributors to regular meetings while the largely welcomed natural disaster played out.

Overall, Council's performance was not as strong as anticipated, due to the delayed payment of the financial assistance grant. Council maintains adequate cash for future expenditure commitments including essential asset upgrades and renewal activity for key asset classes, and planning for future expenditure commitments including essential asset upgrade and renewal activity for key asset classes.

Despite its financial performance, the governance, oversight, reconciliation and management of key processes were insufficient and following the identification of significant financial risks, this led to the creation and implementation of a Financial Turnaround Strategy.

The Strategy developed key improvement actions in all areas:

- ▶ 2024/2025 Budget Review planning
- ▶ Plant
- ▶ Assets
- ▶ Stores and Procurement
- ▶ Financial Statements 2023/2024
- ▶ Software, Documentation and Oversight
- ▶ Sundry Projects

External support was engaged to assist the organisation with the mammoth task ahead and at the time of writing I can affirm the massive commitment of all involved to lift the calibre of financial accounting and reporting. Extensive staff turnover occurred during this heady period and where possible, vacancies were filled with either permanent or temporary staff to maintain momentum in achieving the change agenda.



Council has entered into a two-year contract for external support to lead the thorough implementation of the strategy and to allow time for the organisation to replace its skillsets and mature its corporate knowledge to ensure strong financial governance processes, performance and financial sustainability.

Mechanisms to minimise risk moving forward, include the creation of an Audit and Risk Committee which will provide additional oversight support along with the independent monthly reports which will be presented to Council's Ordinary Meetings.

While staff turnover presented challenges, Council was able to secure the support of a strong Executive Leadership Team to ensure progress on a large change agenda to improve Council operations and to grow the region. I thank the Team and its members (present and former) for the contributions they have made to assist the necessary transformation.

From an external support perspective, I acknowledge the major contributions of Heather Weir, Henry Wallace and Stuart Bourne.

The 2023/24 period was one of significant activity and strong performance by Council. Some highlights include:

- ▶ Sale of multiple lots of vacant land at Birdsville and Bedourie, creating development opportunities for residences and businesses
- ▶ Advancement of the Birdsville Water upgrade project which includes new cooling pond new bore infrastructure
- ▶ Securing increased water supply allocations for Birdsville and Bedourie
- ▶ Adoption of a Ten-Year Capital Roadworks Program
- ▶ Establishment of a fresh Town Planning service arrangement
- ▶ Formalisation of a Plant Standing Committee

- ▶ Improvements to the road condition report communication tool
- ▶ Adoption of a 20 Year Plant Replacement Strategy and progress on key plant and machinery upgrades
- ▶ Employing a commercial mindset to the plant and machinery fleet of Council which recognises Councils unique circumstances and full cost of service provision
- ▶ Community thank-you barbecues to recognise the contributions of community volunteers and members of community organisations for the mammoth contributions made to ensure successful events

I thank all staff and contractors for their contributions and passion to provide excellent services, build and maintain key infrastructure and host amazing events for the community and visitors.

It's been a pleasure to once again work under the leadership of Mayor Rob Dare and similarly It's been excellent to work under the leadership of Mayor Francis Murray and the newly elected team of councillors for Diamantina Shire.

While this Annual Report spans the period 1 July 2023 to 30 June 2024 at the time of writing, new CEO Julianne Meier commenced 8 October 2024, and the appointment of a permanent CEO has greatly assisted bringing stability to the organisation.

I'm excited for the future and I look forward to seeing the Shire continue to prosper.

I commend this report to you.

Mr Scott Mason  
Interim Chief Executive Officer







## Our Shire

The Diamantina Shire is the second largest Local Government area in Queensland and at almost 95,000 km<sup>2</sup>, is larger than Tasmania and twice the size of Denmark.

Located in the far western corner of Queensland, the Shire borders the Northern Territory and South Australia. It is part of the “Channel Country”, an area of Western Queensland that is renowned for some of the best grazing land in Australia.

The Shire is home to the mighty Diamantina and Georgina Rivers and Eyre Creek.

To the west lies the arid Simpson Desert, the world’s largest area of parallel sand dunes, attracting thousands of four-wheel-driving travellers each year intent on conquering the 1200 sand dunes.

The Diamantina Shire is home to 14 beef-producing pastoral properties, some of which are still managed by descendants of the region’s early settlers. Many of these stations are certified to produce organic beef that is exported throughout the world. Along with beef production, tourism is the life blood of Diamantina Shire.

Attractions like the Simpson Desert’s majestic dunes, historic buildings, rare species of flora and fauna, uninterrupted horizons and bright night skies ensure that the Diamantina is a diverse and memorable travel destination for all visitors.

### KEY STATISTICS

Population	266
Land area	94,731 sq km
Median age	39
No of families	51
Private dwellings	217
Median weekly household income	\$1,792

Source: ABS 2021 census





# Our Towns

## BEDOURIE

The Shire's administration centre has a population of approximately 150 people, boasts many modern amenities including a community centre, health clinic, school, historic hotel, motel, roadhouse, caravan-park, unique desert golf course, flood lit tennis courts, and arguably the town's premier facility an aquatic centre with an artesian hot spa. The town has a great potable water supply from the great artesian basin.

Bedourie, meaning 'dust storm', was first established as a Cobb & Co coach stop and watering point for drovers on the north south stock route. The town's water, sourced directly from the great artesian basin, is celebrated as being Australia's best.

## BETOOTA

Originally a Cobb & Co rest stop, Betoota, all but disappeared after the last horse-drawn Cobb & Co coach service ran in 1924. However, a Polish immigrant bought the Betoota Hotel in 1953 and lived in and managed the hotel, until his retirement in 1997.

The hotel now has a new burst of life with new owners, purchasing it in 2018. The town continues to host the annual gymkhana and race meeting that attracts visitors from all over Australia.

## BIRDSVILLE

Birdsville has a population of approximately 110 and lies 12 kilometres north of the SA border. Pre-federation, the town was a tolling point for the drover's transporting cattle between the colonies. After federation, in 1901, tolls were abolished, and the town fell into decline.

However, in recent times, Birdsville has grown to meet the demands of the growing domestic tourism industry and is now home to a historic and charismatic hotel/motel, one of Australia's only licensed bakeries, two service stations, tourist park, budget accommodation, hardware store, steel fabricator and a number of tourism operators.

Birdsville hosts the iconic Birdsville Races and Big Red Bash each year.



# Vision 2042

"Diamantina, a friendly, growing and safe Shire of community-minded residents. Our outback community will have all-weather access by bitumen road, state of the art health, education and communication services. The infrastructure and transport services are developed to promote sustainable private commercial enterprise and significant levels of private housing ownership while preserving our unique environment."





# Values

## Mission

The Diamantina Shire Council's mission is to serve and advocate on behalf of the Shire community. We will provide residents and visitors with continually improving services and infrastructure that enhance the quality of life.

### INNOVATION AND CONTINUOUS IMPROVEMENT

Council and staff seek to overcome challenges and take advantage of opportunities through a commitment to innovation. Through innovative thinking and constant review of our practices and approach we are continually improving performance and service delivery.

### TEAMWORK

We recognise the importance of maintaining a creative and responsive work environment in which the community, councillors, management and staff work constructively together in the spirit of teamwork, trust and loyalty.

### ACCOUNTABILITY

Council has a responsibility to the residents and ratepayers of the Shire to be inclusive and responsive to their views and needs and to communicate effectively.

### QUALITY

Council is committed to ensuring quality output by providing the organisation with resources that facilitate excellence in performance, commitment and service delivery.

Diamantina Shire Council's number one priority is the safety and wellbeing of its staff and the community it serves and therefore safety is foremost in everything we do.

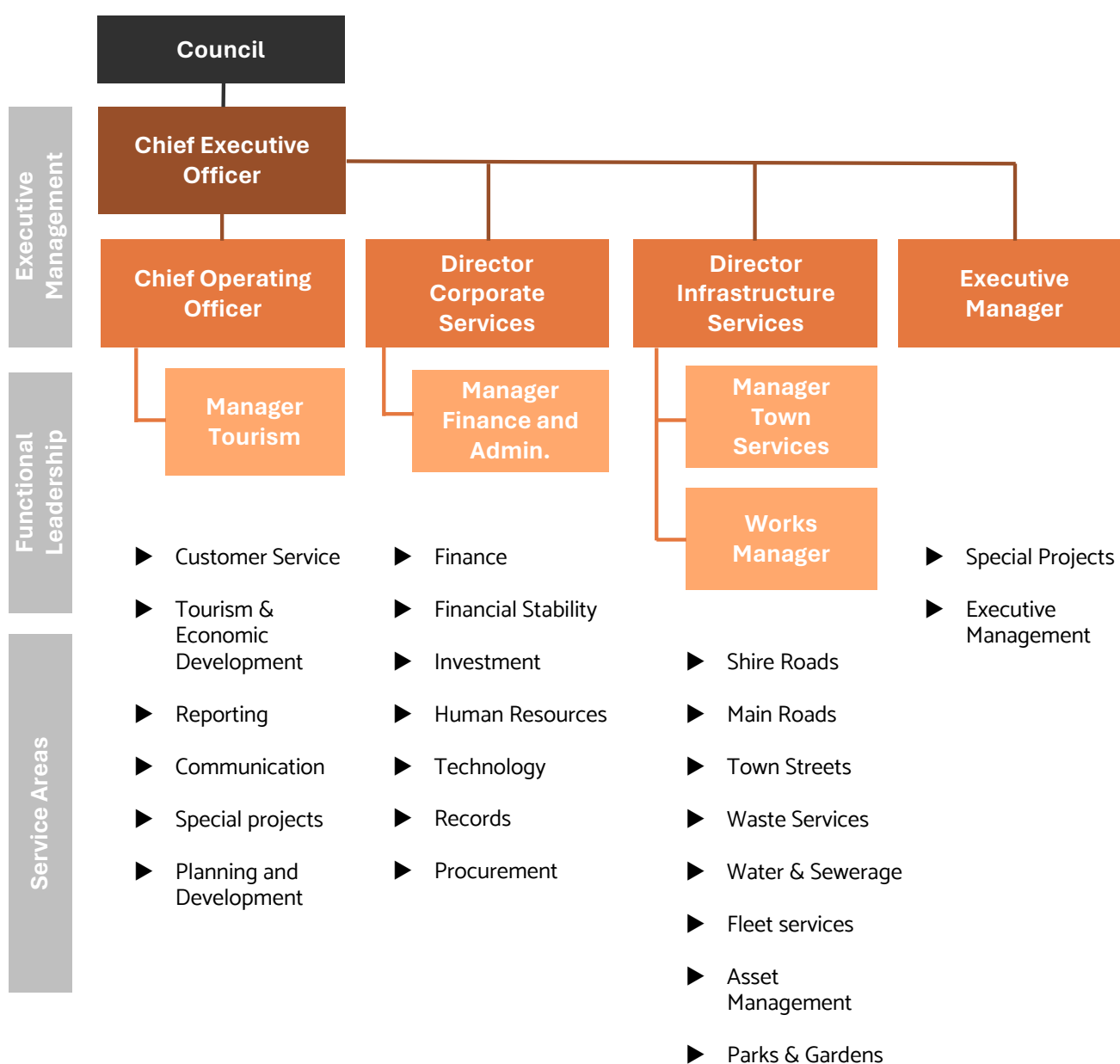
# Our Organisation and People

The function of Council's administration is to support and carry out the lawful decisions of the Council. Each of our staff members contribute to our constructive workplace culture by being supportive, taking on challenges, seizing opportunities and building great relationships.

Recruiting and retaining skilled staff continues to be a challenge but Council is actively funding and implementing ideas to reduce the cost of living and make working in the shire more attractive.

The current organisational structure provides for the management of Council's operations under an Executive team consisting of the Chief Executive Officer, Chief Operating Officer and three Directors leading four portfolio areas.

As at 30th June 2024, the Diamantina Shire Council employed 66.5 full time equivalent (FTE) roles inclusive of 2 trainees.

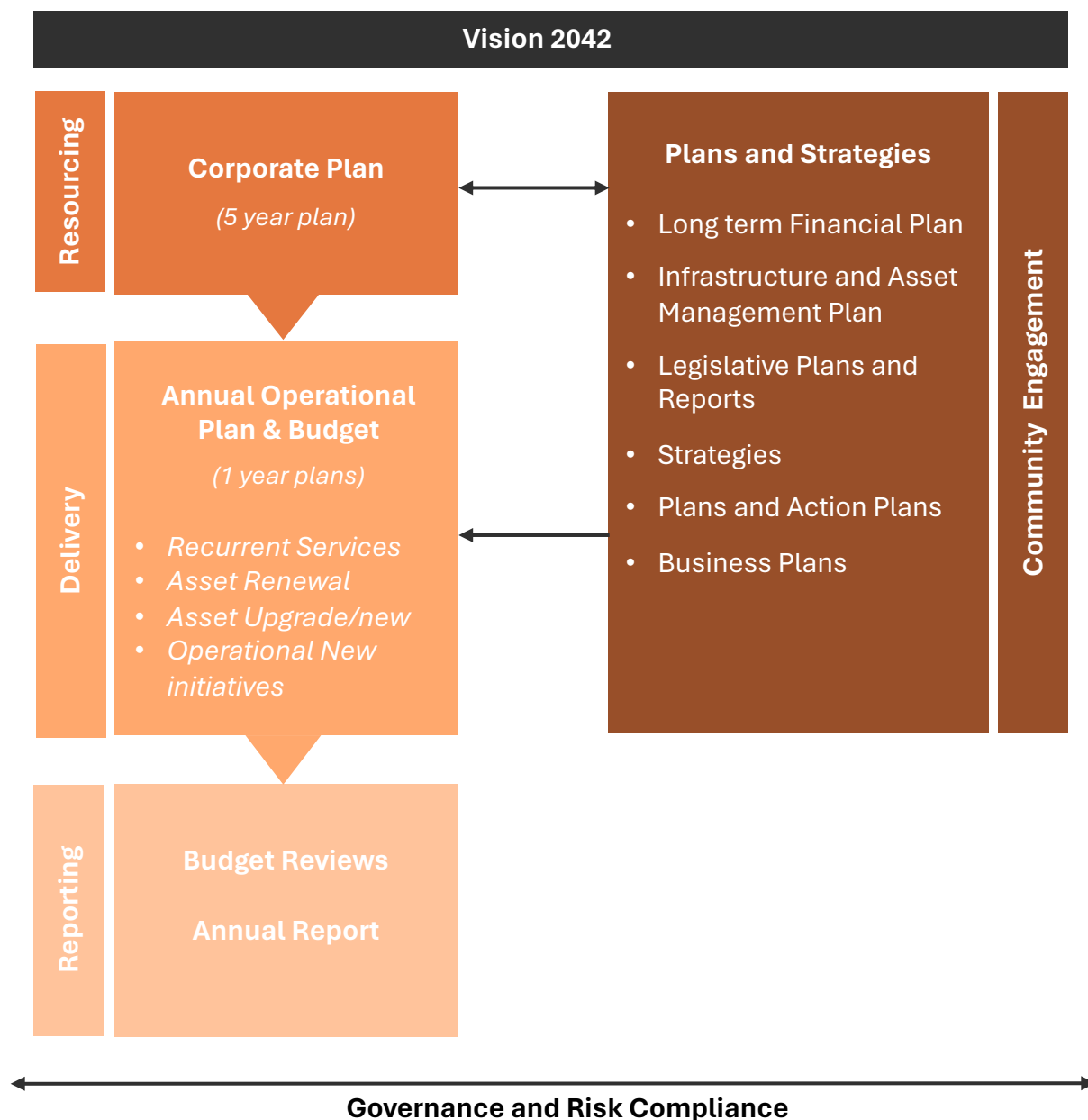




# Our Strategy

Council's Strategic Planning Framework is the overarching framework used to assist Council and the community to plan for the future. It is a continuous, systematic process, which includes how Council engages with the community to identify intended future outcomes and monitor and report on the progress of outcomes.

## Strategic Planning Framework





## Our Council

Diamantina Shire Council was established on 31 March 1903 after the previous Diamantina Divisional Board was abolished. It administers Local Government within the Shire, as required by the Local Government Act 2009.

Council provides a range of community services, is responsible for local planning and policy, fosters social and economic development, and maintains a significant road construction and maintenance business and tourism enterprises.

### ELECTED COUNCIL'S RESPONSIBILITIES

Diamantina Shire Council comprises of five elected Councillors including the Mayor. Elections are held every four years, the most recent being the Quadrennial Local Government election in 2024.

As defined in the Local Government Act 2009, our Councillors represent the interests of the community. They facilitate communication between the community and the Council and participate in the Shire's decision-making processes, translating the community's needs and aspirations into the future of our Shire to ensure that Diamantina is the best place to live, visit, work and do business.

The Mayor, Councillors, Local Government employees and any other person with a responsibility within Local Government must act in accordance with the principles outlined in the Local Government Act 2009 ensuring:

- ▶ Transparent and effective processes and decision making in the public interest
- ▶ Sustainable development and management of assets and infrastructure and effective service delivery
- ▶ Democratic representation, social inclusion and meaningful community engagement as well as good governance of and by Local Government
- ▶ Ethical and legal behaviour of Councillors and Local Government employees

### MEETINGS OF COUNCIL

Council's ordinary meetings are usually held on the third Monday of every month. Meetings commence at 9.00am and are held at the Council Administration Centre, Herbert Street, Bedourie, with two meetings held at the Wirrarri Visitor Information Centre in Birdsville.



# Your Councillors

## MAYOR FRANCIS MURRAY



Francis Murray was raised in Birdsville and Bedourie by his parents Wesley and Sandra Murray. Wesley was a son of Arthur and Flora Murray who moved to Birdsville from Finnis Springs Station, north of Marree, in the early 1950s working the cattle industry as drovers, fencers and yard builders.

Francis' brother, Wesley jnr, was the last child born in the Birdsville Clinic and a few years later Francis married Michelle Cain in the Bedourie Hall. Together they established their truck business working for the Diamantina Shire. Francis and Michelle have two children, Ryder and Jonti, and when Francis' parents passed away, they also raised Wesley jnr.

The family moved to South Australia when the children were young where Michelle was involved in regional arts while Francis maintained their business in locations such as South Australia's northern tracks, the Cooper Basin and APY Lands, the Northern Territory and Diamantina Shire.

Francis and Michelle now live in Birdsville from where they continue to run their business. Francis is proudly descended from the Arabana, Dieri, Barngarla and Scottish peoples of South Australia but, having lived and worked almost all of his life across the Diamantina Shire, he considers the Wangkangurru/Yarluyandi, Mithaka, Wangkamadla, Pitta Pitta, Maiawali and Karuwali countries home.

0438 999 267  
francis.murray@diamantina.qld.gov.au

## DEPUTY MAYOR DAMIEN WATSON



Born in Mackay, Damien was the only son of his parents. He grew up in Sarina, attending a local primary school before commuting to Mackay for high school. After completing year 12, he went on to complete his Diesel Fitter Trade with a local earth-moving business.

On completion of his trade, Damien moved to Bedourie, where he worked for the Diamantina Shire between 2000-2002. He then went and travelled around the country and overseas using his trade, however, was always drawn back to Western Queensland. Shortly after returning from Canada, Damien found himself starting his own business and moving to Charleville. Here, he met his now wife Laura and, in 2019, found himself back within the Diamantina contracting to local properties.

In 2021 Damien and Laura relocated to Birdsville permanently and have since welcomed their son Henry with a second child due early September. This is Damien's first term in Local Government, and he is dedicated to ensuring the sustainability of one of Queensland's largest shires whilst fostering an inclusive environment that welcomes and values diverse opinions as this is paramount to fostering community engagement and effective governance.

0429 627 215  
damien.watson@diamantina.qld.gov.au

# Your Councillors

## COUNCILLOR ROBBIE DARE



Born in 1955 in Charleville Queensland, Robbie is the oldest son of Bob and Marie Dare and has four siblings.

Robbie attended Windorah primary school until 1967 and then completed grade 10 at Nudgee College Brisbane in 1969.

His first job in 1969 was on the Don Burgess bridge on Whitula Creek west of Windorah. He worked with his father fixing windmills then on Macs roadworks west of Windorah.

He has worked for Diamantina Shire in a number of roles: as storeman in 1986, cost clerk in 1987, and then director of works from 1989 to 1997. Breeding thoroughbred horses and Angus cattle on his property near Toowoomba keeps Robbie busy.

Robbie served as Diamantina Shire Mayor from 2004 to 2012 and 2020 to 2024.

Robbie is married to wife Adele and has three children Ben, Jeff, and Jaime.

0427 461 297  
rob.dare@diamantina.qld.gov.au

## COUNCILLOR KERRY MORTON



Born on the 4th of September 1980, the day before Birdsville Races that year. Kerry is the eldest son to Geoff and Bev Morton with one younger brother and is the 5th generation in the district.

Kerry did school of the air through Mount Isa for his primary school, as well as travelling into Birdsville 1 day a week. After which he went to A.C.G.S (Churchie) in Brisbane for his secondary schooling, finishing with grade 12.

Kerry started work with AA.Co at Headingly Station near Mount Isa as a jackaroo. After 8 years of working for various beef grazing companies, he started contracting mustering while based at Roseberth. In 2022, Kerry started managing Roseberth station.

Kerry lives with his partner Prue and their children Emily and Cameron.

0488 544 506  
kerry.morton@diamantina.qld.gov.au

## COUNCILLOR DAMIAN CLARKE



Damian Clarke is formerly from Kyogle, Darling Downs and Warwick. Damian is the Station Manager at Kamaron Downs and with his wife Emma and children, enjoy living in Diamantina Shire and being involved in community events.

Damian and family are heavily involved in the small but mighty Bedourie Bull and Bronco Pit event organised by the dedicated Bedourie Gymkhana Club. This event draws crowds up of up 900 people to the shire and attracts visitors and riders from across Outback Queensland, including Mount Isa, and Charleville as well as visitors from New South Wales and South Australia including Marree.

The family are also heavily involved in the Bedourie Gymkhana Club and their dedication and work to this club, and support for others, is appreciated by many members of the community.

Damian grew up as a bull rider and has experienced many rodeo wins. He has been known to say, "No way am I scared in the arena." Damian demonstrates this demeanour in Council where he stands up for matters of concern to the community.

0472 866 267  
damian.clarke@diamantina.qld.gov.au





## Our Performance

# Community Financial Report

The purpose of the Community Financial Report is to give community members a plain English, easy to follow summary of Council's Financial Statements in accordance with Section 179 of Local Government Regulation 2012.

The Council's annual financial statements are part of the annual report and should be viewed for more detailed financial information.

Council's Financial Statements must be certified by both the Mayor and the Chief Executive Officer as "presenting fairly" as the Council's financial results for the year. They are also required to be adopted by Council ensuring both responsibility and ownership of the Financial Statements by management and elected representatives.

In addition, Council's Financial Statements are audited by the Queensland Audit Office. The auditor provides an audit report which gives an opinion on whether the Financial Statements are a true and fair representation of Council's financial performance and position.

This report focuses on:

1. Statement of Comprehensive Income
2. Statement of Financial Position
3. Statement of Changes in Equity
4. Statement of Cash Flows
5. Measures of Financial Sustainability

## 1. STATEMENT OF COMPREHENSIVE INCOME

The Statement of Comprehensive Income is often referred to as the Profit and Loss statement. This statement shows what Council has earned (revenue) and what costs Council has incurred (expenses) during the year.

The day-to-day operations of Council are considered recurrent revenue and expenses. Capital revenue and expenses relate mainly to Council renewing, upgrading, building or purchasing new community assets.

Council's result for the reporting period was:

REVENUE - WHAT WE EARNED		2023/24
Recurrent Revenue		\$20,265,196
Capital Revenue		\$3,424,779
<b>Total Revenue</b>		<b>\$23,689,975</b>
EXPENSES - WHAT WE SPENT		2023/24
Recurrent Expenses		\$29,926,464
Capital Expenses		\$3,702
<b>Total Expenses</b>		<b>\$29,930,166</b>
<b>NET RESULT</b>		<b>-\$6,240,191</b>

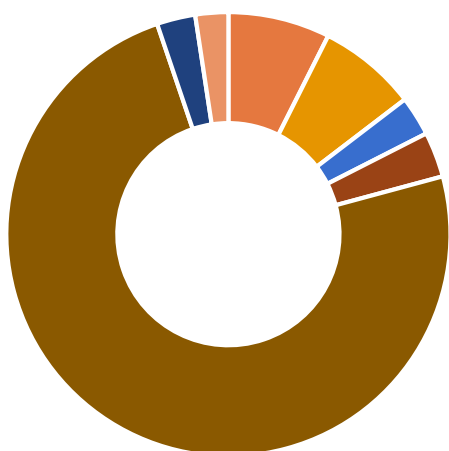
## RECURRENT REVENUE - WHAT WE EARNED

Own source revenue is revenue from Council's rates, levies, and charges and fees and charges. This year 14.6% of recurrent revenue was generated from Council's own source revenue. The continued support of grant funding provided to Council from the State and Federal Governments reduces the financial burden on ratepayers.

## RECURRENT EXPENSES - WHAT WE SPENT

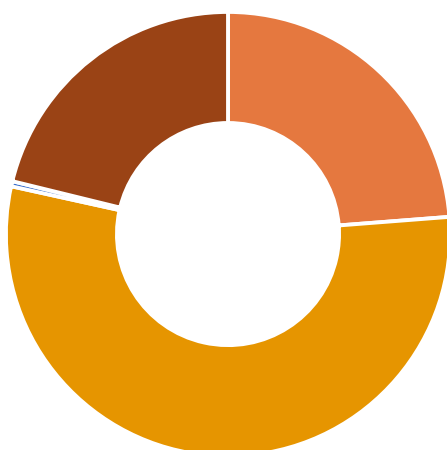
Recurrent expenses are expenses that result from Council's day to day operations of administering corporate functions, providing services, operating community facilities and maintaining community assets. Council reports on these expenses each month to ensure compliance with policies and adopted budget.

The depreciation expense reflects the reduction in the value of property, plant and equipment during an asset's useful life. Council officers review assets annually considering the value, condition and remaining useful life. This ensures the depreciation expense is reflective of the asset utilisation.



## WHERE DID THE MONEY COME FROM?

Rates, levies and charges	\$1,503,990
Fees and charges	\$1,458,438
Rental Income	\$585,452
Interest received	\$668,144
Sales revenue	\$14,995,219
Other income	\$568,169
Operating grants, subsidies	\$485,784



## WHERE WAS THE MONEY SPENT

Employee Costs	\$7,112,600
Material Services	\$16,366,058
Finance Costs	\$111,438
Depreciation	\$6,336,368

## 2. STATEMENT OF FINANCIAL POSITION

The Statement of Financial Position is often referred to as the Balance Sheet. The statement outlines what Council owns (Assets) and owes (Liabilities) at the end of the financial year. Council's net wealth is determined by deducting total liabilities from total assets; the larger the net equity the stronger the financial position.

### Councils Financial Position as at 30 June 2024:

WHAT WE OWN		\$201,083,826
Current Assets	\$19,089,752	
Non-Current Assets	\$181,994,074	
WHAT WE OWE		\$7,843,767
Current Liabilities	\$5,429,256	
Non-Current Liabilities	\$2,414,511	
TOTAL COMMUNITY EQUITY		\$193,240,059

## ASSETS - WHAT DO WE OWN

Council's assets are represented by cash and cash equivalents, receivables (money owing to Council), inventories, contract assets (grants not yet received for capital works undertaken), other assets, property, plant and equipment and intangible assets.

At 30 June 2024, Council's assets totalled \$201,083,826. Of Council's non-current assets \$181,994,074, the Road, Drainage and Bridge network amounts to 48.3%. In 2023/24 Council spent \$5,778,040 to renew, upgrade and build new assets for the community.

The table below shows how the money was spent in different asset classes.

### Capital Expenditure by Asset Class

ASSET CLASS	CAPEX
Land	\$27,700
Buildings	\$1,913,713
Plant & Equipment	\$2,344,247
Road Drainage & Bridge Network	\$1,160,101
Water Infrastructure	\$126,501
Sewerage Infrastructure	\$175,312
Other Structures	\$30,466
<b>TOTAL</b>	<b>\$5,778,040</b>

## LIABILITIES - WHAT DO WE OWE

Council's liabilities include accounts payable (money owed to suppliers), contract liabilities (grants received for works not yet undertaken), amounts owed to employees both now and in the future and revenue received in advance.

Council's debt as at June 30, 2024 totaled \$2,482,817 with principal repayments amounting to \$137,889 for the year.

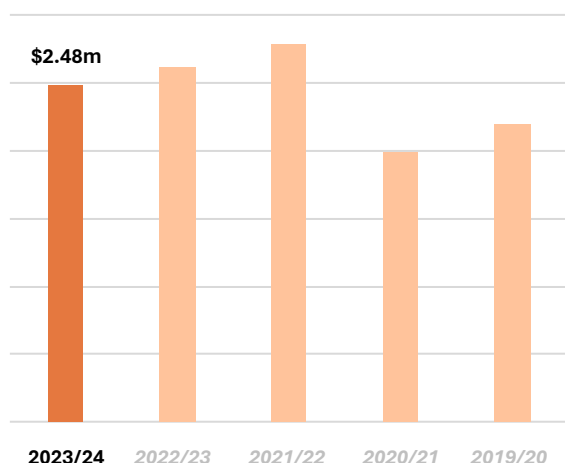
Council continues to manage its debt responsibly, electing only to borrow after taking into account the economic conditions of the period, with the view that the borrowing will provide a benefit to future generations. No new borrowings were made during the year.

## 3. STATEMENT OF CHANGES IN EQUITY

The Statement of Changes in Equity illustrates how the net worth of Council has changed as a result of activities undertaken during the period.

This statement summarises the movements in the asset revaluation surplus and retained surplus. The retained surplus increased to \$193,240,059 as at 30 June 2024.

This community equity consists of an asset revaluation reserve and retained surpluses.





## 4. STATEMENT OF CASH FLOWS

The Statement of Cash Flows shows how Council has spent and received cash through the year. This statement differs to the other financial statements as it excludes non-cash items such as depreciation and amortisation. The cash transactions are categorised into operating, investing or financing activities.

This means it groups Council's normal operations, investment in property, plant and equipment and repayment of borrowings. Cash available is used to invest and utilise for future outlays mostly for specific purposes such as future infrastructure. Some of Council's cash is subject to external restrictions.

In 2023/24 Council's cash and cash equivalents decreased to \$10,004,154 - as can be seen in the table below.

CASH AT BEGINNING	\$19,594,695
Outflow from Operating Activities	(\$5,102,074)
Outflow from Investing Activities	(\$4,350,577)
Outflow from Financing Activities	(\$137,890)
Cash at End of Period	\$10,004,154

## MEASURES OF FINANCIAL SUSTAINABILITY

Financial sustainability is achieved through Council's ability to maintain infrastructure and remain financially viable over the long term. The Local Government Regulation 2012 s178 requires Council to report on the measures of financial sustainability as described in the financial management (sustainability) guideline. Diamantina Shire Council is required to report on eight of the measures of financial sustainability this financial year.

The ratios help to demonstrate the relationship between key numbers in Council's financial statements and provide contextual information. These ratios are used to assess Council's current sustainability strategy over a long-term period.

## AUDITED RATIOS

### 1. Unrestricted Cash Expense Cover Ratio

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

RATIO	TARGET	ACTUAL 2024	5-YEAR AVERAGE	TARGET MET
Unrestricted Cash Expense Cover ratio	> 4 months	4.30	N/A	✓

Council is currently meeting the target which indicates council has sufficient cash to continue operating based on current monthly expenses.

### 2. Operating Surplus Ratio

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

RATIO	TARGET	ACTUAL 2024	5-YEAR AVERAGE	TARGET MET
Operating Surplus Ratio	N/A	-47.67	-15.1%	N/A

The Operating Surplus Ratio is a contextual ratio that shows Council has not achieved an operating surplus for the year, but rather a deficit (-47.67%) of \$6,240,191. It should be noted this ratio is calculated inclusive of depreciation, (an accounting assumption) which is a non-cash expense that reflects the loss in value of assets over their lifetime.

Council is largely reliant on grant funding to replace its infrastructure assets as needed. It should be noted Council achieved a small cash surplus after adding back depreciation, of \$96,177.

## 5. MEASURES OF FINANCIAL SUSTAINABILITY

### 3. Operating Cashflow

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

RATIO	TARGET	ACTUAL 2024	5-YEAR AVERAGE	TARGET MET
Operating Cash Ratio	> 0%	-15.9%	9.5%	✓

A positive operating cash ratio indicates that a council is generating surplus cash from its core operations, which suggests that council has the ability to self-fund its capital expenditure requirements.

A negative operating cash ratio is a significant indicator of financial sustainability challenges and potential future liquidity issues as, all other things being equal, a negative result means that a council's cash position is declining, and revenues are not offsetting the cost of core operational requirements.

Council is heavily reliant on grant funding to replace its assets as required. The negative 15.9% ratio indicates Council has used some cash reserves to fund its operations. The 5-year average indicates a positive 9.5% operating cash surplus.

### 4. Asset Sustainability Ratio

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

RATIO	TARGET	ACTUAL 2024	5-YEAR AVERAGE	TARGET MET
Asset Sustainability Ratio	> 90%	20.1%	16.4%	✗

Given Council's limited own source income, council is heavily reliant on grant funding for the renewal of its assets. The Road, Drainage and Bridge network amounts to 48.3% of Council's assets and because of the way Council expenses the restoration of flood damaged Shire roads, this ratio is distorted. The road network restoration is funded by Queensland Reconstruction Authority to the extent it is damaged by an event. Whilst the results appear concerning, Council is proactive in seeking grant funding to manage its infrastructure networks.

### 5. Asset Consumption Ratio

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

RATIO	TARGET	ACTUAL 2024	5-YEAR AVERAGE	TARGET MET
Asset Consumption Ratio	> 60%	65.3%	68.8%	✓

The minimum target is 60%, while Council's actual was 65.3% while the 5-year average of 68.8% indicates that a council's assets are being broadly consumed in line with their estimated useful lives.

### 6. Leverage Ratio

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

RATIO	TARGET	ACTUAL 2024	5-YEAR AVERAGE	TARGET MET
Leverage Ratio	0-3 times	-0.77	0.94	✗

For the 2023/2024 year the negative 0.77% indicates Council has not quite met this target, while the 5-year average is 0.94%. A lower leverage ratio is not itself a guarantee that further debt will be approved for a council, while councils with higher leverage ratios are not necessarily precluded from having additional borrowings approved due to other mitigating circumstances.

## UNAUDITED RATIOS

The below ratios are contextual, therefore there are no target requirements.

### 7. Council Controlled Revenue Ratio

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

RATIO	TARGET	ACTUAL 2024	5-YEAR AVERAGE	TARGET MET
Council Controlled Revenue Ratio	N/A	14.6%	-11.2%	N/A

Council's controlled revenue includes net rates, levies and charges, and fees and charges. A higher council-controlled revenue ratio indicates a stronger ability to generate operating revenue without relying on external sources. Councils with a high ratio generally have a healthy rate base and are better able to respond to unexpected financial obligations such as natural disaster recovery.

A lower council-controlled revenue ratio indicates that a council has limited capacity to influence its operating revenue and that it is more reliant on external (and usually less reliable) sources of income such as operational grant funding, sales and recoverable works contracts, and rental income.

### 8. Population Growth Ratio

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

RATIO	TARGET	ACTUAL 2024	5-YEAR AVERAGE	TARGET MET
Population Growth Rate	N/A	0.0%	0.3%	N/A

The population has remained stable throughout the period.

## SUMMARY

Council's financial position is stable, provided that external funding, particularly for roadworks, continues. This funding underpins the viability of essential programs, allowing us to meet the needs of our diverse communities. However, with growing compliance requirements and a trend of decreasing subsidies and grants.

Council must take a strategic approach to prioritising its initiatives. Careful financial management and forward planning will be critical to maintaining long-term sustainability and ensuring the organisation can continue delivering key services well into the future.



# Compliance Reporting - Local Government Act 2009

## S 41 – BENEFICIAL ENTERPRISES

Provides that the Annual Report must contain a list of all the beneficial enterprises that the local government conducted during the year. Diamantina operates the Birdsville Caravan Park.

## S 45 – BUSINESS ACTIVITIES

s 45(a) of the Local Government Act 2009 provides that the Annual Report must contain a list of all the business activities that the local government conducted during the financial year. The Business Activities conducted during 2023/24:

- Accommodation
- Building Certification
- Water and Sewer
- Waste

S 45(b) of the Local Government Act 2009 provides that the Annual Report must identify the business activities that are significant activities.

The Birdsville Caravan Park (Accommodation) is an activity that satisfied the statutory threshold for classification as a significant business activity.

S 45(c) of the Local Government Act 2009 provides that the Annual Report must state whether or not the competitive neutrality principle was applied to the significant business activities, and if the principle was not applied, the reason why it was not applied.

The competitive neutrality principle was not applied for the 2023/24 Financial years as:

1. The Birdsville Caravan Park is the only caravan park in the Birdsville area and in peak periods all other potential commercial accommodation providers are at maximum occupancy.
2. Council provides the facility to enhance the business opportunities for tourism and other business operators in Birdsville.
3. Council sees no benefit to the community in the application of the code of competitive conduct to this business only.

S 45(d) of the Local Government Act provides that the Annual Report must state whether any significant business activities were not conducted in the preceding financial year.

The business activities listed above were also conducted by Council in the previous financial year (2022/23), and no new business activities commenced in 2023/24.

Diamantina did not conduct any new significant business activities in 2023/24.

## S 201 – REMUNERATION PAYABLE TO SENIOR CONTRACT EMPLOYEES

s 201(1)(a) of the Local Government Act 2009 provides that the Annual Report must state the total of all remuneration packages that are payable to the senior management of the local government. The senior management, of a local government, consists of the Chief Executive Officer and all senior executive employees. The remuneration packages include base salary, superannuation and allowances.

Total of all Remuneration Packages Payable \$ 636,521

S 201(1)(b) of the Local Government Act 2009 provides that the Annual Report must state the number of employees in senior management who are being paid each band of remuneration.

Band	No. of senior management
\$100,000 to \$200,000	0
\$200,001 to \$300,000	5
\$300,001 to \$400,000	0

# Compliance Reporting - Local Government Regulation 2012

## S 183 – FINANCIAL STATEMENTS

The general-purpose financial statements, current years financial sustainability statement, long term financial statement and the Auditor General's audit report is shown on page 30.

## S 184 – COMMUNITY FINANCIAL REPORT

The Community Financial Report for the period is shown on page 31.

## S 184 – PARTICULAR RESOLUTIONS

S 185(a) of the Local Government Regulation 2012 provides that the Annual Report must contain a copy of the resolutions made during the financial year under s 250(1) of the Local Government Regulation (adoption of an expense reimbursement policy).

There were three resolutions during the financial year -15 March 2024, 31 May 2024 and 17 June 2024. Copies of these resolutions is shown on page 28 to 29.

S 185(b) of the Local Government Regulation 2012 provides that the Annual Report must contain a copy of the resolutions made during the financial year under s 206(c) of the Local Government Regulation 2012 (Threshold for non-current physical assets to be treated as an expense).

There were no particular resolutions made during the 2023/24 financial year.

## S 186 – COUNCILLORS

The Annual report must contain particulars of Councillors such as remuneration, superannuation, expenses, facilities provided, meeting attendance and orders made during the financial year.

### S 186(A) – COUNCILLOR REMUNERATION

The amount of remuneration paid to Local Government Councillors is determined by the Local Government Remuneration Commission (The Commission). The Commission has determined that Diamantina is a Category 1 Council, and the following annual remuneration amounts applied during the period 01 July 2023 to 30 June 2024:

Mayor	Deputy Mayor	Councillors
\$114,801	\$66,231	\$57,400

The total remuneration paid to each Councillor and the total superannuation paid on behalf of each Councillor during the financial year is as follows:

Name	Remuneration	Superannuation
Francis Murray	\$80,264	\$8,616
Damian Watson	\$20,018	\$1,762
Rob Dare	\$88,068	\$10,706
Kerry Morton	\$55,981	\$6,185
Damian Clarke	\$14,042	\$1,367
Sharon Pursell *	\$38,400	\$4,856
Don Rowlands *	\$40,884	\$4,948
Total	\$337,658	\$38,443

### S 186(B) – COUNCILLORS EXPENSES

The Reimbursement of Councillor Expenses Policy was last adopted by Council 17 June 2024. The Policy provides for the reimbursement of reasonable reimbursement of Councillor expenses which are suitable to be incurred by Councillors when discharging their duties and responsibilities as Councillors and the provision of facilities necessary to undertake their roles. Councillors are entitled to use the following facilities:

- Residential accommodation for the Mayor
- Council issued phone for the Mayor
- Council Admin Centre - Office space and meeting rooms
- Secretarial Support
- Stationary
- Safety Kit
- Uniforms
- Laptop Computer and Internet Access

### S 186(C) – COUNCILLOR MEETING ATTENDANCE

As required, the table below details the number of Local Government Meetings each Councillor attended during the 2023/24 Financial year.

Councillor	Ordinary & Special Meetings Held	Ordinary Meetings attended	Special Meetings Attended	Total Meetings Attended
Cr Francis Murray	18	12	6	18
Cr Damian Watson	6	3	3	6
Cr Rob Dare	18	11	6	17
Cr Kerry Morton	18	10	6	16
Cr Damian Clarke	6	3	2	5
Cr Sharon Pursell *	12	6	2	8
Cr Don Rowlands *	12	9	3	12

## S 186(1)(D)(E)(F) – COUNCILLOR CONDUCT

The Local Government Act 2009 sets out the roles, responsibilities and obligations of Councillors. Complaints about the conduct of Councillors are to be made, or referred, to the Independent Assessor for investigation. In accordance with s 186(1)(d) to (f) of the Local Government Regulation 2012 Councillor conduct complaints, referrals, decisions, orders and recommendations during the financial year are shown in the tables below:

Subsection of the Local Government Act 2009	Description	Number
150I(2)	Orders made about unsuitable meeting conduct	Nil
150IA(2)(b)	Orders made about unsuitable meeting conduct of chairperson	Nil
150AH(1)	Orders made for inappropriate conduct	4
150AR(1)	Decision, orders and recommendations made for misconduct	Nil
s 150I(2), 150IA(2)(b), 150AH(1) or 150AR(1)	The name of each Councillor for whom a decision, order or recommendation was made	Cr Kerry Morton
<p>A description of the unsuitable meeting conduct, inappropriate conduct or misconduct engaged in by each Councillor:</p> <p>It was alleged Councillor Morton attended a council worksite on the Birdsville Development Road and in the vicinity of three council workers made a derogatory remark; and further, that the councillor attended the worksite without appropriate personal protection equipment, without notification, and no site induction or visitor register in breach of Diamantina Shire Elected Councillor Induction Policy.</p>		
<p>A summary of the decision, order or recommendation made for each Councillor:</p> <p>Having found that Councillor Morton had engaged in inappropriate conduct, the Council made the following orders pursuant to section 150AG(1)(b) of the Act:</p> <ul style="list-style-type: none"> <li>a) that the councillor makes a public admission that the councillor has engaged in inappropriate conduct;</li> <li>b) an order reprimanding the councillor for the conduct;</li> <li>c) an order that if the councillor engages in the same type of conduct again, it will be treated as misconduct;</li> <li>d) order that the councillor reimburse the local government for all of the costs arising from the Councillor Conduct Tribunal investigation.</li> </ul>		
150P(2)(a)	Complaints referred to the Assessor by a local government, a Councillor or the Chief Executive Officer of the local government	4
150P(3)	Matters referred to the Crime and Corruption Commission by the local government	Nil
150R(2)	Notices given by a local government official to the Assessor about a Councillors conduct	4
150S(2)(a)	Notices of misconduct given to the Assessor by the local government	Nil
150AF(3)(a)	Occasions information was given to the Assessor for a preliminary assessment under division 3A	1
Chapter 5A, part 3, division 5	Occasions the local government asked another entity to investigate the suspected conduct of a Councillor	1
Chapter 5A, part 3, division 6	Applications heard by the conduct tribunal about whether a Councillor engaged in misconduct or a conduct breach	1
150AC(1)	The total number of referral notices given to the local government	1
150AEA	For suspected conduct breaches the subject of a referral notice mentioned in s 186(1)(g) <ul style="list-style-type: none"> <li>• the total number of suspected conduct breaches;</li> <li>• the total number of suspected breaches for which an investigation was not started or was discontinued under section 150AEA of the LGA</li> </ul>	1 Nil
150AG(1)	The number of decisions about a conduct breach made by the local government	1
150AG(1)	The number of matters about a conduct breach not decided by the end of the financial year	1
150AG(1)	The average time taken by the local government in making a decision about a conduct breach	4 hrs



## S 187 – ADMINISTRATIVE ACTION COMPLAINTS

Council respects the right of individuals to lodge a complaint and is committed to managing complaints responsibly, efficiently, effectively, fairly and economically. Under the Local Government Act 2009, issues that are within the scope of Administrative Action Complaints about the Council include:

- A decision, or a failure to make a decision, including a failure to provide a written statement of reasons for a decision
- An act, or a failure to act
- The formulation of a proposal or intention, or
- The making of a recommendation

Diamantina Shire Council is committed to providing a level of service which does not attract complaints but recognises the rights of the community to provide positive and negative feedback on its services.

When a complaint is submitted in any formal form, Council is committed to managing all complaints quickly and efficiently. How the Complaints Management Process is implemented: Diamantina Shire Council has adopted a policy and procedure for the management of administrative action complaints. Complaints are managed through a five-stage process comprising:

- Stage 1 – Receive Complaint
- Stage 2 – Record complaint and forward to relevant manager for investigation
- Stage 3 – Manager investigation
- Step 4 – Internal Review
- Step 5 – External Review

Administrative Action Complaints	Number
The number of Administrative Action Complaints made to the local government	Nil
The number of Administrative Action Complaints resolved by the local government under the complaints management process	Nil
The number of Administrative Action Complaints not resolved by the local government under the complaints management process	Nil
The number of Administrative Action Complaints not resolved by the local government under the complaints management process that were made in a previous financial year	Nil

## S 188 OVERSEAS TRAVEL

The Annual Report must contain information about any overseas travel made by a Councillor or Local Government employee in an official capacity. There was no overseas travel made by a Councillor or Local Government employee in an official capacity during the 2023/24 financial year.

## S 189(1) GRANTS TO COMMUNITY ORGANISATIONS

The Annual Report must contain a summary of the local government's expenditure for the financial year on grants to community organisations.

Diamantina Shire Council incurred expenditure, in the form of cash, hall hire, labour and machinery hire, on grants to community organisations during the 2023/24 financial year.

Organisation	Purpose	Contribution
Bedourie Amateur Race Club	Community Drought Funding	\$7,000
Bedourie Camel Bash	In Kind Support	\$28,821
Beetoota Race Club	In Kind Support	\$40,793
Beetoota Social Club	Community Drought Funding	\$7,000
Big Red Bash	In Kind Support	\$240,980
Birdsville Bronco Branding, Rodeo and Campdraft	Drought Funding	\$5,732
Birdsville Dunes Golf Club	Insurance Premiums	\$1,093
Birdsville Races	In Kind Support	\$243,047
Channel Country Ladies Day	In Kind Support	\$21,467
Channel Country Rugby League Nines	Drought Funding	\$2,114
Desert Rivers Development Board	Insurance Premiums	\$1,048
Sporting Shooters Association of Australia – Bedourie Branch Inc	Community Drought Funding	\$7,000

## S 189(2) – COUNCILLOR DISCRETIONARY FUNDS

Councillors are not provided with discretionary funds to allocate.

## **S 190(1)(D) ACTION TAKEN FOR, AND EXPENDITURE ON, A SERVICE, FACILITY OR ACTIVITY**

s 190(1)(d) of the Local Government Regulation 2012 requires Council to report details of any action taken in relation to, and expenditure on, a service, facility, or activity:

- Supplied by another local government under an agreement for conducting a joint government activity; and
- For which the local government levied special rates or charges for the financial year.

Council had no details to report for the 2023/24 financial year under this section.

## **S 190(1)(E) INVITATION TO CHANGE TENDERS**

190(1)(e) of the Local Government Regulation 2012 requires that the local government's Annual Report include the number of invitations to change tenders under s 228(7) of the LGR during the financial year.

There were no invitations to change tender made during the 2023/24 financial year.

## **S 190(1)(F) REGISTERS KEPT BY COUNCIL**

Diamantina Shire Council keeps and maintain various registers. In accordance with disclosure requirements under section 190(1)(f) of Local Government Regulation 2012, these are listed below:

- Assets Register
- Register of Roads
- Register of Land Records
- Register of Delegations by Council
- Register of Delegations by Chief Executive Officer
- Register of Interests for Employees and Councillors
- Register of Local and Subordinate Local Laws
- Register of Cost Recovery Fees
- Register of Complaints against Councillors

## **S 190(1)(G) SUMMARY CONCESSIONS FOR RATES AND CHARGES**

Diamantina Shire Council, under section 190(1)(g) of Local Government Regulation 2012, requires that the Annual Report include a summary of all concessions for rates and charges granted by the local government.

**Current Concessions**  
Pensioner Remission

**Current Special Charges**  
Environmental Levy separate charge

## **S 190(1)(H) INTERNAL AUDIT FUNCTION**

As required by the Local Government Act 2009 and the Local Government Regulation 2012, the Internal Audit function to be undertaken is to:

- Prepare an Internal Audit Plan
- Carry out an internal audit
- Prepare a progress report for the internal audit
- Assess compliance with the internal audit plan

Walsh Accounting was appointed as Council's Internal Auditor to provide internal audit services for Council. For the 2023/24 Financial year an Internal Audit review was conducted on Plant and Equipment, Payroll and Human Resources.

## **S 190(1)(I) AND (J) COMPETITIVE NEUTRALITY COMPLAINTS**

Section 190(1)(i) of the LGR requires that the local government's Annual Report include a summary of investigation notices given in the financial year under s 49 of the LGR for competitive neutrality complaints and the local government's responses in the financial year on the Queensland Competition Authority (QCA) recommendations on any competitive neutrality complaints under s 52(3) of the LGR.

During the 2023/24 financial year Council was not in receipt of any investigation notices under s 49 of the Local Government Regulation 2012. Council was not in receipt of any QCA recommendations on any competitive neutrality complaints under s 52(3) of the Local Government Regulation 2012.

## **PUBLIC SECTOR ETHICS ACT 1994**

The Public Sector Ethics Act 1994 requires that the Annual Report of each public sector entity, including a local government, must include an implementation statement giving details of the action taken during the reporting period to comply with the following sections:

### **Section 15 (Preparation of codes of conduct)**

Council has a Code of Conduct for employees which incorporates the ethics, principles and obligations under the Public Sector Ethics Act 1994. A copy of the Code of Conduct is available on Council's website.

### **Section 21 (Education and training)**

Compulsory Code of Conduct training continues to be rolled out with all new employees during the financial year.

### **Section 22 (Procedures and practices of public sector entities)**

Council is committed to ensuring a workplace free of discrimination and harassment. Council has two policies in place including:

- Workplace Health and Safety General Policy – supported by a robust framework of procedures, practices, audits, reporting and review mechanisms
- Anti Discrimination and Equal Employment Opportunity Policy

## COPIES OF PARTICULAR RESOLUTIONS ORDINARY COUNCIL MEETING – 15 MARCH 2024

### 11.1.16 Late Report – Expense Reimbursement – Councillors Policy

<b>MOTION:</b>	<b>Moved: Cr Dare</b>	<b>Seconded: Cr Murray</b>
That Diamantina Shire Council amend its Expense Reimbursement – Councillors Policy in accordance with the following		
<ul style="list-style-type: none"> <li>• Inclusion of accommodation – Unit 1, Corner Nappa and Eyre Streets, Bedourie for the use of Mayor incumbent, Cr Francis Murray, who resides at Birdsville in order that he can discharge his responsibilities effectively</li> <li>• Increasing the professional development allowance from \$1,000 for four years to \$5,000 for four years to support the undertaking of discretionary training should councillors wish to do so</li> <li>• Increasing the claimable amount for General Aviation aircraft from \$300 per hour to \$400 per hour, which is reflective of contemporary operating costs</li> <li>• Provision for deviation from the policy with CEO approval, in circumstances where it may be necessary</li> <li>• Provision of breakfast, lunch and dinner for attendance at Council Meetings, noting the considerable distances councillors may need to travel</li> <li>• Increasing the telecommunications allowance to a more reflective rate for all councillors – from \$50 to \$100 per month</li> <li>• In the event that the Mayor elects to not be provided with a mobile telephone, the Mayor is eligible for a \$150 per month allowance to offset the mobile data plan costs</li> <li>• Provision of a portable Safety Kit comprised of personal protective equipment not limited to, but including safety boots, safety vest, protective eye wear, hearing protection and sun protection in order to safely discharge councillor responsibilities, which will include site and field inspections</li> <li>• Support for reasonable spousal travel and accommodation costs in Australia</li> <li>• The ability for councillors to stay the night in accommodation pre and post meeting commitments where travel is involved in order to manage fatigue and or minimise night driving</li> </ul>		
Minute No: 2024.03.15-OM-14		Carried: 5/0

## COPIES OF PARTICULAR RESOLUTIONS ORDINARY COUNCIL MEETING – 31 MAY 2024

### Policy Review

#### RESOLUTION 2024.05.31-OM-24

Moved: Cr. Watson

Seconded: Cr. Morton

That Council adopt:

- Policy No. 7 – “Complaints about the Chief Executive Officer” subject to amendments to section 4.2.
- Policy No. 11 – “Proposed Draft Expense Reimbursement – Councillors Policy” subject to amendments to 3.2.1.4; 3.2.1.7; 3.4; 3.5.1; 3.2.7; and placed on correct template.
- Policy No. 29 – “Related Parties Disclosure” subject to amendments to update version control
- Policy No. 30 – “Acceptable Request Guidelines and Staff Interaction” subject to amendments to 3.6; 3.11; update version control
- Policy No. 42 – “Councillor Complaint Investigation” subject to amendments to update version control
- Policy No. 46 – “Council Meetings Best Practice Standing Orders” subject to amendments to include Missing Appendix.



## COPIES OF PARTICULAR RESOLUTIONS

### ORDINARY COUNCIL MEETING – 17 JUNE 2024

#### 7. CONFIRMATION OF MINUTES

##### 7.1 MINUTES OF THE ORDINARY MEETING HELD ON 31 MAY 2024

###### RESOLUTION 2024.06.17-OM-01

Moved: Cr Morton

Seconded: Cr Watson

That the Minutes of the Ordinary Meeting held on 31 May 2024 be confirmed subject to amendments:

- With reference to resolution number 2024.05.31-OM-18, that the reference to 1 Herbert Street, Bedourie be replaced with 2 Eyre Street, Bedourie.
- With reference to resolution number 2024.05.31-OM-24, that the following resolution be inserted which accurately reflects the policy review decision of Council.

That Council adopt:

- Policy No 7 – "Complaints about the Chief Executive Officer Policy" subject to amendments to section 4.2
- Policy No. 30 – "Councillors Acceptable Request Guideline and Staff Interaction Policy" subject to amendments to section 3.6 and the inclusion of an Appendix detailing relevant staff, their contact details and areas of responsibilities
- Policy No. 11 – "Expense Reimbursement – Councillors Policy" subject to amendments to sections 3.2.1.7, 3.4 and 3.5.1
- Policy No. 29 – "Related Parties Disclosure Policy" as presented
- Policy No. 42 – "Councillor Complaints Investigation Policy" as presented
- Policy No. 46 – "Council Meetings Best Practice Standing Orders" subject to inclusion of Appendix A
- Policy No. 67 – "Social Media Policy" as presented
- Policy No. 68 – "Media Relations Policy" as presented
- Policy No. 70 – "Contact with Lobbyists Policy" as presented

CARRIED 5/0



# Financial Statements

Financial Statements are formal records of an organisation's financial performance and activities. They provide a comprehensive overview of our current financial position.

As a local government agency, we are committed to transparent reporting on our financial performance throughout the year against the delivery of our Corporate Plan Goals and operational deliverables.

FINANCIAL REPORT

For the Year Ended 30 June 2024

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Independent Audit Report (Current Year Financial Sustainability Statement)

Unaudited Long Term Financial Sustainability Statement & Certificate of Accuracy



# DIAMANTINA SHIRE COUNCIL

## Statement of Comprehensive Income

For the Year Ended 30 June 2024

		30 June 2024	30 June 2023
	Note	\$	\$ (restated)*
<b>INCOME</b>			
<b>Revenue</b>			
<b>Recurrent Revenue</b>			
Rates, levies and charges	3(a)	1,503,990	1,350,436
Fees and charges	3(c)	1,458,438	1,186,753
Rental income		585,452	517,696
Interest received	3(b)	668,144	453,289
Sales revenue	3(d)	14,995,219	12,693,893
Other income		568,169	529,113
Operating grants, subsidies and contributions	4(a)	485,784	8,820,990
<b>Total Recurrent Revenue</b>		<u>20,265,196</u>	<u>25,552,172</u>
<b>Capital Revenue</b>			
Capital grants, subsidies and contributions	4(b)	3,420,286	1,012,987
<b>Total Capital Revenue</b>		<u>3,420,286</u>	<u>1,012,987</u>
<b>Capital income</b>			
Gain / (Loss) on disposal of non-current assets	7	4,493	279,785
<b>TOTAL INCOME</b>		<u>23,689,975</u>	<u>26,844,944</u>
<b>EXPENSES</b>			
<b>Recurrent Expenses</b>			
Employee benefits	5	(7,112,600)	(6,287,979)
Materials and services	6	(16,366,058)	(15,503,462)
Finance costs		(111,438)	(117,715)
Depreciation	11	(6,336,368)	(6,355,349)
		<u>(29,926,464)</u>	<u>(28,264,504)</u>
<b>Capital Expenses</b>	7	<u>(3,702)</u>	<u>-</u>
<b>TOTAL EXPENSES</b>		<u>(29,930,166)</u>	<u>(28,264,504)</u>
<b>NET RESULT</b>		<u>(6,240,191)</u>	<u>(1,419,560)</u>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Items that will not be reclassified to net result</b>			
Increase in asset revaluation surplus	19	8,738,832	6,522,676
<b>Total Other Comprehensive Income for the Year</b>		<u>8,738,832</u>	<u>6,522,676</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>2,498,641</u>	<u>5,103,116</u>

(\*) In preparing the financial statements for the year ended 30 June 2024, Council identified and corrected an error relating to a previous period. Refer to Note 27 for details of the error and corrections made.

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

**DIAMANTINA SHIRE COUNCIL**  
**Statement of Financial Position**

As at 30 June 2024

		30 June 2024	30 June 2023
	Note	\$	\$ \$ (restated)*
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	8	10,004,154	19,594,695
Receivables	9	4,449,782	468,016
Other Assets	10	184,632	-
Contract assets	4 (d)	2,495,936	1,254,153
Inventories	11	1,293,748	1,505,289
Non current assets held for sale	12	661,500	-
<b>Total Current Assets</b>		<b>19,089,752</b>	<b>22,822,154</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	13	181,994,074	174,784,945
<b>Total Non-Current Assets</b>		<b>181,994,074</b>	<b>174,784,945</b>
<b>TOTAL ASSETS</b>		<b>201,083,826</b>	<b>197,607,098</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	14	3,010,816	1,770,192
Contract liabilities	4 (d)	1,594,868	1,682,546
Provisions	15	584,476	640,149
Other Liabilities	16	92,952	-
Borrowings	17	146,144	141,565
<b>Total Current Liabilities</b>		<b>5,429,256</b>	<b>4,234,452</b>
<b>Non-Current Liabilities</b>			
Provisions	15	77,839	152,088
Borrowings	17	2,336,672	2,479,141
<b>Total Non-Current Liabilities</b>		<b>2,414,511</b>	<b>2,631,230</b>
<b>TOTAL LIABILITIES</b>		<b>7,843,767</b>	<b>6,865,682</b>
<b>NET COMMUNITY ASSETS</b>		<b>193,240,059</b>	<b>190,741,417</b>
<b>COMMUNITY EQUITY</b>			
Asset revaluation surplus	19	111,071,891	102,333,059
Retained surplus		82,168,168	88,408,359
<b>TOTAL COMMUNITY EQUITY</b>		<b>193,240,059</b>	<b>190,741,417</b>

(\*) In preparing the financial statements for the year ended 30 June 2024, Council identified and corrected an error relating to a previous period. Refer to Note 27 for details of the error and corrections made.

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

## DIAMANTINA SHIRE COUNCIL

### Statement of Changes in Equity

For the Year Ended 30 June 2024

		Asset Revaluation Surplus \$	Retained Surplus \$	Total Equity \$
	Note			
<b>Balance at 1 July 2023 (restated)</b>		102,333,059	88,408,359	190,741,417
<b>Net result for the year</b>		-	(6,240,191)	(6,240,191)
Other comprehensive income for year				
Increase/(decrease) in asset revaluation surplus	19	8,738,832	-	8,738,832
<b>Total comprehensive income for year</b>		8,738,832	(6,240,191)	2,498,641
<b>Balance as at 30 June 2024</b>		111,071,891	82,168,168	193,240,059
<b>Balance at 1 July 2022</b>		95,810,383	89,827,919	185,638,302
<b>Net result for the year (restated)*</b>		-	(1,419,560)	(2,205,500)
Other comprehensive income for year				
Increase/(decrease) in asset revaluation surplus		6,522,676	-	6,522,676
<b>Total comprehensive income for year</b>		6,522,676	(1,419,560)	5,103,116
<b>Balance as at 30 June 2023 (restated)*</b>		102,333,059	88,408,359	190,741,417

(\*) In preparing the financial statements for the year ended 30 June 2024, Council identified and corrected an error relating to a previous period. Refer to Note 27 for details of the error and corrections made.

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

## Statement of Cash Flows

For the Year Ended 30 June 2024

	Note	30 June 2024 \$	30 June 2023 \$
<b>Cash flows from operating activities :</b>			
Receipts from customers		11,659,933	14,230,706
Payments to suppliers and employees		(24,650,298)	(21,798,875)
		(12,990,364)	(7,568,169)
Interest received	3(b)	668,144	453,289
Rental income		585,452	517,696
Non capital grants and contributions		6,746,132	12,022,675
Borrowing costs		(111,438)	(117,715)
<b>Net cash inflow/(out flow) from operating activities</b>	24	<u>(5,102,074)</u>	<u>5,307,777</u>
<b>Cash flows from investing activities:</b>			
Payments for property, plant and equipment	13	(5,778,040)	(3,046,750)
Proceeds from sale of property, plant and equipment	7	147,916	1,255,599
Capital grants, subsidies, contributions and donations		1,279,547	251,253
<b>Net cash inflow/(outflow) from investing activities</b>		<u>(4,350,577)</u>	<u>(1,539,898)</u>
<b>Cash flows from financing activities:</b>			
Repayment of borrowings	17	(137,890)	(164,598)
<b>Net cash inflow/(out flow) from financing activities</b>		<u>(137,890)</u>	<u>(164,598)</u>
<b>Net increase/(decrease) in cash and cash equivalents held</b>		<u>(9,590,541)</u>	<u>3,603,281</u>
Cash and cash equivalents at beginning of financial year		19,594,695	15,991,414
<b>Cash and cash equivalents at end of financial year</b>	8	<u><u>10,004,154</u></u>	<u><u>19,594,695</u></u>

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



## Notes to the Financial Statements

For the Year Ended 30 June 2024

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### 1 Information about these financial statements

#### 1.A Basis of preparation

These general purpose financial statements are for the period 1 July 2023 to 30 June 2024 and have been prepared in compliance with the requirements of the *Local Government Act 2009*, the *Local Government Regulation 2012*, Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements issued by the Australian Accounting Standards Board (AASB).

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

These financial statements have been prepared under the historical cost convention, except for the following:

- certain classes of property, plant and equipment which are measured at fair value;
- assets held for sale which are measured at fair value less cost of disposal.

#### 1.B Constitution

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

#### 1.C New and revised Accounting Standards

Council adopted all standards which became mandatorily effective for annual reporting periods beginning 1 July 2023, none of the standards had a material impact on the reported position, performance and cashflows. The adoption of the revisions to AASB 101 *Presentation of Financial Statements* resulted in disclosure of material accounting policy information only rather than significant accounting policies. This means that accounting policy information is disclosed only if it relates to material transactions, other events and conditions and:

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

#### 1.D Standards that are not yet effective

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

#### 1.E Estimates and Judgements

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

Revenue recognition - Note 3 and Note 4

Valuation of property, plant and equipment - Note 13

Impairment of property, plant and equipment - Note 13

Depreciation - Note 13

Contingent Liabilities - Note 21

Financial Instruments - Note 26

#### 1.F Rounding and Comparatives

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

Comparative information is prepared on the same basis as prior year.

#### 1.G Taxation

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

## Notes to the Financial Statements

For the Year Ended 30 June 2024

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### 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 & Corporate Services**

The objective of corporate governance is for Council to be open, accountable, transparent and deliver value for money community outcomes.

This function includes strategic and operational planning, risk management, finance, legal and administrative support. The Mayor, Councillors and Chief Executive Officer are included in corporate governance.

##### **Community Services**

The goal of community services is to ensure Diamantina Shire Council is a healthy, vibrant, contemporary and connected community. Community services provides well managed and maintained community facilities, and ensures the effective delivery of cultural, health, welfare, environmental and recreational services.

This function includes:

Libraries

Entertainment venues

Public health services including vaccination clinics

Tourism

##### **Water Works**

The goal of this program is to support a healthy, safe community through sustainable water services. This function includes all activities relating to water including flood and waterways management.

##### **Sewerage Works**

The goal of this program is to support a healthy, safe community through sustainable sewerage services. This function includes all activities relating to sewerage.

##### **Roads and Related Works**

The objective of the Roads and Related Works program is to ensure the community is serviced by a high quality and effective road network. The function provides and maintains transport infrastructure, including the maintenance and provision of the drainage network. It includes road construction, depots, plant operation and associated maintenance.

##### **Environment, Health and Planning**

This function facilitates the shires growth and prosperity through well planned and quality development. The objective of planning and development is to ensure the Diamantina Shire is well designed, efficient and facilitates growth yet also preserves the character and natural environment of the Shire. This function includes activities and services related to towns, neighbourhood and regional planning, and management of development approval processes. It includes health and building, animal control, cemeteries, public conveniences, aerodromes, parks and gardens, reserves, stock routes, refuse collections and disposal, caravan parks, television facilities, radio, and street lighting.

DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements

For the Year Ended 30 June 2024

2 Analysis of Results by Function (continued)

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

Year Ended 30 June 2024

Functions	Gross Program Income				Total Income	Gross Program Expenses		Total Expenses	Net Result From Recurrent Operations	Net Result	Assets
	Recurrent		Capital			Recurrent	Capital				
	Grants	Other	Grants	Other							
	2024	2024	2024	2024							
	\$	\$	\$	\$							
Governance & Corporate Services	322,789	1,919,700	223,723		2,466,212	(6,338,604)	(3,702)	(6,342,306)	(4,096,115)	(3,876,094)	19,089,754
Community Services	162,995	1,266,407		-	1,429,402	(3,012,143)	-	(3,012,143)	(1,582,741)	(1,582,741)	27,271,662
Water Works	-	185,349	-	-	185,349	(464,404)	-	(464,404)	(279,055)	(279,055)	6,173,035
Sewerage Works	-	64,755	-	-	64,755	(115,483)	-	(115,483)	(50,728)	(50,728)	4,050,538
Roads and Related Works	-	15,796,800	3,196,563	4,493	18,997,856	(17,290,149)	-	(17,290,149)	(1,493,349)	1,707,707	108,374,128
Environment, Health and Planning		546,401		-	546,401	(2,705,681)	-	(2,705,681)	(2,159,280)	(2,159,280)	36,124,709
Total Council	485,784	19,779,412	3,420,286	4,493	23,689,975	(29,926,464)	(3,702)	(29,930,166)	(9,661,268)	(6,240,191)	201,083,826

Year Ended 30 June 2023 (restated)\*

Functions	Gross Program Income				Total Income (restated)	Gross Program Expenses		Total Expenses	Net Result From Recurrent Operations	Net Result	Assets (restated)
	Recurrent		Capital			Recurrent	Capital				
	Grants	Other	Grants (restated)	Other							
	2023	2023	2023	2023							
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Governance	8,626,600	1,755,970	145,007	-	10,527,576	(4,634,867)	-	(4,634,867)	5,747,703	5,892,710	22,368,763
Community Services	194,390	1,293,219	(55,000)	-	1,432,610	(3,333,050)	-	(3,333,050)	(1,845,440)	(1,900,440)	25,533,629
Water Works	-	262,929	-	-	262,929	(435,522)	-	(435,522)	(172,593)	(172,593)	5,941,000
Sewerage Works	-	61,112	-	-	61,112	(156,009)	-	(156,009)	(94,897)	(94,897)	3,750,453
Roads and Related Works	-	12,417,044	830,478	279,785	13,527,308	(16,058,055)	-	(16,058,055)	(3,641,011)	(2,530,747)	105,123,289
Environment, Health and Planning	-	940,907	92,502	-	1,033,409	(3,647,001)	-	(3,647,001)	(2,706,095)	(2,613,593)	34,889,964
Total Council	8,820,990	16,731,181	1,012,987	279,785	26,844,944	(28,264,504)	-	(28,264,504)	(2,712,333)	(1,419,560)	197,607,098

# DIAMANTINA SHIRE COUNCIL

## Notes to the Financial Statements

For the Year Ended 30 June 2024

	30 June 2024	30 June 2023
	\$	\$
<b>3 Revenue</b>		
<b>(a) Rates, Levies and Charges</b>		
Rates, levies and charges are recognised as revenue at the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.		
General rates	1,426,295	1,156,413
Water	183,849	262,629
Sewerage	63,555	61,112
Garbage charges	37,457	36,018
Total rates and utility charge revenue	1,711,156	1,516,171
Less: discounts	(207,166)	(165,735)
Net rates, levies and charges	1,503,990	1,350,436
<b>(b) Interest Received</b>		
Interest from rates and charges	2,037	753
Interest earned from cash deposits	666,107	452,536
	668,144	453,289
<b>(c) Fees and Charges</b>		
Caravan park revenue	1,044,756	924,625
Private works	98,062	28,488
Other fees and charges	315,620	233,640
	1,458,438	1,186,753
Revenue arising from fees and charges are recognised at a point in time when the performance obligation is completed and the customer receives the benefit of the good/services being provided. The performance obligation relates to the specified services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases, the customer is required to pay on arrival, for example caravan parks.		
<b>(d) Sales Revenue</b>		
Main Roads road maintenance performance contracts	7,459,873	9,693,357
QRA contracts - Flood Damage	7,535,346	3,000,536
	14,995,219	12,693,893
Sale of goods revenue is recognised at a point in time when the customer has taken delivery of the goods. Revenue from services is recognised when the service is rendered.		
Revenue from contracts and recoverable works generally comprises a recoupment of material costs together with an hourly charge for use of equipment and employees. This revenue and the associated costs are recognised by reference to the stage of completion of the contract activity based on costs incurred at the reporting date. Where consideration is received for the service in advance it is included in other liabilities and is recognised as revenue in the period when the service is performed. The contract work carried out is not subject to retentions.		
<b>4 Grants, Subsidies and Contributions</b>		
<b>(a) Operating</b>		
State Government subsidies and grants - operating	256,998	908,296
Commonwealth Government subsidies and grants - operating	206,719	7,902,694
Other subsidies and grants - operating	22,067	10,000
Total recurrent revenue	485,784	8,820,990
<b>(b) Capital</b>		
State Government subsidies and grants - capital	469,910	182,509
Commonwealth Government subsidies and grants - capital	2,950,376	830,333
Other subsidies and grants - capital	-	145
Total capital revenue	3,420,286	1,012,987
<b>Total for Grants, Subsidies and Contributions</b>	<b>3,906,070</b>	<b>9,833,978</b>



# DIAMANTINA SHIRE COUNCIL

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 4 Grants, Subsidies and Contributions (continued)

#### Grant income under AASB 15

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

Performance obligations are varied based on the nature of each agreement. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

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

Where control is transferred over time, revenue is recognised using either costs or time incurred.

#### Grant income under AASB 1058

Where Council receives an asset for significantly below fair value, the asset is recognised at fair value, related liability (or equity items) are recorded and income then is recognised for any remaining asset value at the time that the asset is received.

#### Capital grants

Where council receive funding under an enforceable contract to acquire or construct a specified item of property, plant and equipment which will be under Council's control on completion, revenue is recognised as and when the obligation to construct or purchase is completed.

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

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

	2024 \$		2023 \$	
	Revenue recognised at a point in time	Revenue recognised over time	Revenue recognised at a point in time	Revenue recognised over time
Grants, Subsidies and Contributions	3,071,275	834,795	8,138,084	1,695,893

#### (d) Contract balances

	30 June 2024 \$	30 June 2023 \$
Contract assets	<u>2,495,936</u>	<u>1,254,153</u>
Contract liabilities		
Funds received upfront to construct Council controlled assets	301,376	29,340
Non-capital performance obligations not yet satisfied	<u>1,293,492</u>	<u>1,653,206</u>
	<u>1,594,868</u>	<u>1,682,546</u>

Revenue recognised that was included in the contract liability balance at the beginning of the year

Funds received upfront to construct Council controlled assets	-	10,775
Non capital performance obligations	1,653,206	-

#### Satisfaction of contract liabilities

The contract liabilities in relation to capital grants relate to funding received prior to the work being performed since revenue is recognised as Council constructs the assets. The contract liability in relation to non-capital funding relates to the flood damage restoration program which is currently in progress. Council expects to recognise the contract liability as income in the next 1 to 2 years.

#### Significant changes in contract liabilities

Significant movements in contract assets and contract liabilities that have occurred during the year relate to the timing of work (for example, timing of flood damage program) and the value of monies received in advance (for example, flood damage advance payments and initial milestones received for major capital projects).

# DIAMANTINA SHIRE COUNCIL

## Notes to the Financial Statements

For the Year Ended 30 June 2024

		30 June 2024	30 June 2023
		\$	\$
<b>5 Employee Benefits</b>			
Total staff wages and salaries		5,411,436	4,560,425
Councillors' remuneration		338,766	355,124
Annual, sick and long service leave entitlements		724,867	890,854
Superannuation	22	570,495	525,644
		<u>7,045,564</u>	<u>6,332,046</u>
Other employee related expenses		183,002	200,255
		<u>7,228,566</u>	<u>6,532,302</u>
Less: capitalised employee expenses		<u>(115,966)</u>	<u>(244,322)</u>
		<u>7,112,600</u>	<u>6,287,979</u>
Councillor remuneration represents salary, and other allowances paid in respect of carrying out of their duties.			
		<b>2024</b>	<b>2023</b>
		<b>Number</b>	<b>Number</b>
Total Council employees at the reporting date:			
Elected members		5	5
Administration staff		33	37
Depot and outdoors staff		34	39
Total full time equivalent employees		<u>72</u>	<u>81</u>
<b>6 Materials and Services</b>		<b>30 June 2024</b>	<b>30 June 2023</b>
		\$	\$
Audit of annual financial statements by the Auditor-General of Queensland		68,866	71,899
Other audit fees - Internal audit and other services		439,497	280,774
Communication and Information technology		219,951	145,224
Community Services		1,812,385	1,608,209
Donations Paid		196,185	181,794
Contract and Recoverable Works		4,416,548	4,765,038
Road Maintenance Services		929,382	869,762
Other Materials and Services		1,499,079	2,887,251
Fleet Services		3,326,733	2,409,063
Infrastructure Services		3,457,432	2,284,447
		<u>16,366,058</u>	<u>15,503,462</u>
Total audit fees quoted by the Queensland Audit Office relating to the 2023-24 financial statements are \$66,950 (2023: \$75,186)			
<b>7 Capital Income/(Expenses)</b>			
<b>Gain (loss) on the disposal of non-current assets</b>			
Proceeds from the sale or write down of non-current assets		127,918	1,255,599
Less: book value of non-current assets disposed of		<u>(123,425)</u>	<u>(975,814)</u>
		<u>4,493</u>	<u>279,785</u>
Proceeds from the sale of Council owned land		19,998	-
Less: carrying value of land held for sale		<u>(23,700)</u>	<u>-</u>
		<u>(3,702)</u>	<u>-</u>
Total capital income/(expenses)		<u>791</u>	<u>279,785</u>

# DIAMANTINA SHIRE COUNCIL

## Notes to the Financial Statements

For the Year Ended 30 June 2024

	30 June 2024	30 June 2023
	\$	\$
<b>8 Cash and Cash Equivalents</b>		
Cash at bank and on hand	1,868,363	7,820,411
Deposits at call	8,135,791	11,774,285
Balance per Statement of Cash Flows	10,004,154	19,594,695
Council is exposed to credit risk through its investments in QTC Cash Fund. The QTC Cash Fund is an asset management portfolio investing in a wide range of high credit rated counterparties. Deposits with QTC Cash Fund are capital guaranteed.		
Less: externally imposed restrictions	(i) 1,594,868	2,015,093
Unrestricted cash	8,409,286	17,579,602
Councils cash and cash equivalents are subject to a number of external restrictions that limit amounts available for discretionary or future use. These include:		
<b>(i) Externally imposed expenditure restrictions at reporting date relate to the following cash assets:</b>		
Unspent government grants and subsidies	1,594,868	2,015,093
Total restricted cash	1,594,868	2,015,093
<b>Trust funds held for outside parties</b>		
In accordance with the <i>Local Government Act 2009</i> and <i>Local Government Regulation 2012</i> , 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 on behalf of outside parties include those funds from the sale of land for arrears in rates, deposits for the contracted sale of land, security deposits lodged to guarantee performance and unclaimed monies (e.g. wages) paid into the trust account by the Council. The Council performs only a custodian role in respect of these monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements since Council has no control over the assets.		
Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities	144,028	30,341
	144,028	30,341
<b>9 Receivables</b>		
Settlement of receivables is required within 30 days after the invoice is issued.		
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.		
If an amount is recovered in a subsequent period it is recognised as revenue.		
As Council has the power under the <i>Local Government Act 2009</i> to sell an owner's property to recover outstanding rate debts, Council will only impair rate receivables when outstanding debt exceeds unimproved capital values.		
<b>Current</b>		
Rateable revenue and utility charges	71,466	13,643
Accrued Revenue *	3,414,350	44,132
Other debtors	976,286	410,241
Less loss allowance	(12,320)	-
	4,449,782	468,016
* At 30 June 2024 there were RMPC and DTMR claims totalling \$3,383,637 to be submitted. These claims have been raised as accrued revenue at year end. The balance of \$30,713 is accrued income on QTC investment.		
<b>10 Other Assets</b>		
<b>Current</b>		
Prepayments	184,632	-
	184,632	-
<b>11 Inventories</b>		
<b>Current</b>		
Inventories held for distribution:		
Stores and raw materials	1,293,748	1,505,289
Costs are assigned on the basis of weighted average cost.		
<b>12 Non Current Assets Held for sale</b>		
Internal transfer from land and improvements	661,500	-
	661,500	-
Council has decided to sell a number of industrial and residential land blocks. The fair value of the land was determined using the sales comparison approach. Sale prices of comparable land sites in close proximity are adjusted for differences in key attributes such as property size. The land is categorised as a level 2 valuation.		

# DIAMANTINA SHIRE COUNCIL

## Notes to the Financial Statements For the Year Ended 30 June 2024

### 13 Property, Plant and Equipment 30 June 2024

#### Basis of Measurement

#### Fair value category

#### Asset Values

Opening gross value as at 1 July 2023

Adjustment to opening balance

Adjusted opening balance

Additions at cost

Disposals

Transfer to non current assets held for sale

Revaluation adjustment to asset revaluation surplus

Transfers from WIP

Closing gross value as at 30 June 2024

Note	Land	Buildings	Plant and Equipment	Road, Drainage and Bridge Network	Water Infrastructure	Sewerage Infrastructure	Other Structures	WIP	Total
	Fair Value	Fair Value	Cost	Fair Value	Fair Value	Fair Value	Fair Value	Cost	
	Level 2	Level 3		Level 3	Level 3	Level 3	Level 3		
	\$	\$	\$	\$	\$	\$	\$	\$	\$
	3,305,561	63,043,156	20,303,866	122,964,438	9,883,070	5,341,088	32,706,340	2,134,856	259,682,378
		(654,197)	100		4		654,198	(112,390)	(112,285)
	3,305,561	62,388,959	20,303,966	122,964,438	9,883,074	5,341,088	33,360,538	2,022,466	259,570,093
	27,700	-	2,190,081	-	-	-	-	3,560,259	5,778,040
	(23,700)	-	(343,940)	-	-	-	-	-	(367,640)
	(664,400)	-	-	-	-	-	-	-	(664,400)
	-	3,886,832	-	6,728,155	507,990	274,532	2,078,361	-	13,473,870
	-	144,509	-	2,370,219	80,266	175,312	121,932	(2,892,238)	-
	2,645,161	66,420,300	22,150,107	132,060,812	10,471,330	5,790,932	35,560,831	2,690,487	277,789,963

#### Accumulated Depreciation and Impairment

Opening balance as at 1 July 2023

Adjustment to opening balance

Adjusted opening balance

Depreciation expense

Accumulated depreciation on disposals

Revaluation adjustment to asset revaluation surplus

Transfer between classes

Written down value 30 June 2024

-	24,757,853	8,012,390	39,421,772	3,942,070	1,590,636	7,172,711	-	84,897,433
	276,390	28,839	(95,326)	(7,482)	(11,149)	(143,707)		47,565
-	25,034,243	8,041,229	39,326,446	3,934,588	1,579,487	7,029,004	-	84,944,998
-	1,632,879	1,114,295	2,585,627	153,589	75,842	774,136	-	6,336,368
-	-	(220,515)	-	-	-	-	-	(220,515)
-	1,661,235	-	2,292,591	210,118	85,065	486,029	-	4,735,038
-	-	-	-	-	-	-	-	-
2,645,161	38,091,943	13,215,099	87,856,148	6,173,035	4,050,538	27,271,662	2,690,487	181,994,074

Range of estimated useful life in years

Not Depreciated	25-100 yrs	1 - 50 yrs	10 - infinite yrs	20-100 yrs	15-150 yrs	10-150 yrs
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#### Additions comprise:

Renewals

Other additions

Total additions

\$	\$	\$	\$	\$	\$	\$	\$
-	121,752	2,241,518	610,231	126,501	175,312	13,844	3,289,158
27,700	1,791,961	102,729	549,870			16,622	2,488,882
27,700	1,913,713	2,344,247	1,160,101	126,501	175,312	30,466	5,778,040

#### Adjustment to opening balances

A reconciliation has been performed between the ledger balances and the asset registers. This has resulted in net adjustments of \$105 to opening asset values and \$47,565 to accumulated depreciation.

These adjustments have been adjusted to general expenses in the Statement of Comprehensive Income.

A reconciliation has been performed of WIP accounts. This has resulted in net adjustments of \$112,390 to the relevant expense account in the Statement of Comprehensive Income.



# DIAMANTINA SHIRE COUNCIL

## Notes to the Financial Statements For the Year Ended 30 June 2023

### 13 Property, Plant and Equipment 30 June 2023

#### Basis of Measurement

#### Fair value category

#### Asset Values

Opening gross value as at 1 July 2022

Additions at cost

Disposals

Transfer from non current assets held for sale

Revaluation adjustment to asset revaluation surplus

Revaluation adjustment to P&L

Transfers from WIP

Other transfers and adjustments

Closing gross value as at 30 June 2023

Note	Land	Buildings	Plant and Equipment	Road, Drainage and Bridge Network	Water Infrastructure	Sewerage Infrastructure	Other Structures	WIP	Total
	Fair Value	Fair Value	Cost	Fair Value	Fair Value	Fair Value	Fair Value	Cost	
	Level 2	Level 3		Level 3	Level 3	Level 3	Level 3		
	\$	\$	\$	\$	\$	\$	\$	\$	\$
	2,895,436	62,006,591	22,287,354	113,895,242	9,316,620	5,034,962	32,419,561	1,168,843	249,024,609
	-	-	482,758	-	-	-	-	2,563,992	3,046,750
7	-	-	(2,466,245)	-	-	-	-	-	(2,466,245)
	410,125	-	-	-	-	-	-	-	410,125
	-	-	-	8,781,323	566,451	306,126	-	-	9,653,900
	-	-	-	-	-	-	-	-	-
	-	1,036,565	-	287,873	-	-	286,779	(1,611,217)	0
	-	-	-	-	-	-	-	13,238	13,238
	3,305,561	63,043,156	20,303,866	122,964,438	9,883,070	5,341,088	32,706,340	2,134,856	259,682,376

#### Accumulated Depreciation and Impairment

Opening balance as at 1 July 2022

Depreciation expense

Accumulated depreciation on disposals

Revaluation adjustment to asset revaluation surplus

Transfer between classes

Accumulated depreciation as at 30 June 2023

	-	23,321,584	8,170,179	34,170,474	3,564,188	1,428,974	6,245,894	-	76,901,293
	-	1,436,269	1,332,644	2,437,115	151,370	71,133	926,817	-	6,355,349
7	-	-	(1,490,432)	-	-	-	-	-	(1,490,432)
	-	-	-	2,814,183	226,512	90,529	-	-	3,131,224
	-	-	-	-	-	-	-	-	-
	-	24,757,853	8,012,390	39,421,772	3,942,070	1,590,636	7,172,711	-	84,897,431
	-	-	-	-	-	-	-	-	-
	3,305,561	38,285,302	12,291,475	83,542,666	5,941,000	3,750,452	25,533,629	2,134,856	174,784,945

Written down value 30 June 2023

Range of estimated useful life in years

Not Depreciated	25-100 yrs	1 - 50 yrs	10 - infinite yrs	20-100 yrs	15-150 yrs	10-150 yrs
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#### Additions comprise:

Renewals

Other additions

Total additions

\$	\$	\$	\$	\$	\$	\$	\$	\$
-	1,860	-	-	-	-	89,555	-	91,415
74,827	202,759	502,976	2,106,631	1,047	-	67,095	-	2,955,335
74,827	204,619	502,976	2,106,631	1,047	-	156,650	-	3,046,750

13 Property, Plant and Equipment (continued)

(a) Recognition

The asset capitalisation threshold for Council is:

Land	All
Plant and equipment	\$5,000
Infrastructure assets (road, stormwater, bridge, water, sewerage)	\$10,000
Buildings & other structures	\$10,000

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.

(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 (as shown in the table above) less, where applicable, any accumulated depreciation and accumulated impairment loss.

(c) Depreciation

Land is not depreciated as it has an unlimited useful life.

Depreciation, where applicable, is calculated on a straight-line basis. Management believe that the straight-line basis appropriately reflects the pattern of consumption of all Council assets

(d) Valuation

Council considers the carrying amount of its property, plant and equipment on an annual basis compared to fair value and makes adjustment where these are materially different. Every 5 years, council performs a full comprehensive revaluation by engaging an external professionally qualified valuer.

In the intervening years, Council undertakes:

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

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.

Fair values are classified into three levels as follows:

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

There were no transfers between levels during the year.

(ii) Valuation techniques used to derive fair values

Asset class and fair value hierarchy	Valuation approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates	Index applied
Land (level 2)	Market	30 June 2021	AssetVal	The following factors have influenced the fair value of Council's land assets: - Current zoning - Sale prices per square metre (database of recent sales) of comparable properties, adjusted for differences in key attributes such as property size	No indexation has been applied to this class in 2024 (2023 Nil)
Buildings and other structures (level 3)	Current replacement cost	30 June 2021	AssetVal	Building and other infrastructure assets are considered of a specialist nature and did not meet the criteria for a Market approach, and Fair Value was measured on the basis of a Cost Approach (Level 3). Each asset has been disaggregated into significant components which exhibit different useful lives. For example, structure, roof, fit-out and services. Useful lives are based on typical asset lifecycles based on past experience and industry benchmarks. The most significant input into this valuation approach is unit rates for construction as at the comprehensive revaluation date (drawn from industry standard cost guides, costs from recent Council projects). Asset dimensions, construction materials and standards drive the resulting calculation of replacement cost which is then adjusted for differences in key attributes such as asset condition, physical and economic obsolescence. The remaining useful life has been determined with regard to physical deterioration, and functional and economic obsolescence, and management and the valuer's expectation of remaining service potential of the asset.	Construction and other relevant costs indices have increased by 20.23% since the date of the last comprehensive revaluation. Accordingly, Council applied indexation of 14% to this class in 2022. As the residual indexation was below 5% in FY23, no indexation was recorded. The residual indexation to 30 June 2024 of 6.23% has been applied.
Road, drainage and bridge network (level 3)	Current replacement cost	30 June 2021	AssetVal	Road assets are differentiated by physical characteristics (i.e. Road, Culverts, Floodway's, Footpaths, Kerb & Channel). Road segments are then componentised into formation, pavement and seal (where applicable). Useful lives are based on typical asset lifecycles based on past experience and industry benchmarks. The most significant input into this valuation approach is unit rates for construction as at the comprehensive revaluation date (drawn from industry standard cost guides, costs from recent Council projects). Asset dimensions, construction materials and standards drive the resulting calculation of replacement cost which is then adjusted for differences in key attributes such as asset condition, physical and economic obsolescence. The remaining useful life has been determined with regard to physical deterioration, and functional and economic obsolescence, and management and the valuer's expectation of remaining service potential of the asset. Where site inspections are not possible the remaining useful life was calculated on an age basis after taking into consideration current and planned maintenance records.	Construction and other relevant costs indices have increased by 19.18% since the date of the last comprehensive revaluation. Accordingly, Council applied indexation of 6% to this class in 2022 and 7.71% in 2023. The residual indexation to 30 June 2024 of 5.47% has been applied.
Water infrastructure (level 3)	Current replacement cost	30 June 2021	AssetVal	Each asset has been disaggregated into significant components which exhibit different useful lives. For example pipework, structures, pumps and electrical components. Useful lives are based on typical asset lifecycles based on past experience and industry benchmarks. The most significant input into this valuation approach is unit rates for construction as at the comprehensive revaluation date (drawn from industry standard cost guides, costs from recent Council projects). Asset dimensions, construction materials and standards drive the resulting calculation of replacement cost which is then adjusted for differences in key attributes such as asset condition, physical and economic obsolescence. The remaining useful life has been determined with regard to physical deterioration, and functional and economic obsolescence, and management and the valuer's expectation of remaining service potential of the asset. Where site inspections are not possible the remaining useful life was calculated on an age basis after taking into consideration current and planned maintenance records.	Construction and other relevant costs indices have increased by 18.22% since the date of the last comprehensive revaluation. Accordingly, Council applied indexation of 7% to this class in 2022 and 6.08% in 2023. The residual indexation to 30 June 2024 of 5.14% has been applied.
Sewerage infrastructure (level 3)	Current replacement cost	30 June 2021	AssetVal	Each asset has been disaggregated into significant components which exhibit different useful lives. For example pipework, structures, pumps and electrical components. Useful lives are based on typical asset lifecycles based on past experience and industry benchmarks. The most significant input into this valuation approach is unit rates for construction as at the comprehensive revaluation date (drawn from industry standard cost guides, costs from recent Council projects). Asset dimensions, construction materials and standards drive the resulting calculation of replacement cost which is then adjusted for differences in key attributes such as asset condition, physical and economic obsolescence. The remaining useful life has been determined with regard to physical deterioration, and functional and economic obsolescence, and management and the valuer's expectation of remaining service potential of the asset. Where site inspections are not possible the remaining useful life was calculated on an age basis after taking into consideration current and planned maintenance records.	Construction and other relevant costs indices have increased by 18.22% since the date of the last comprehensive revaluation. Accordingly, Council applied indexation of 7% to this class in 2022 and 6.08% in 2023. The residual indexation to 30 June 2024 of 5.14% has been applied.

30 June 2024	30 June 2023
\$	\$

#### 14 Trade and Other Payables

Creditors are recognised upon receipt of the goods or services ordered as the amount owed. Amounts owing are unsecured and are generally settled on 30 day terms.

##### Current

Creditors	2,452,103	1,591,107
Prepaid rates	2,608	7,130
Accrued wages and salaries	122,303	70,141
Other creditors and accruals	433,802	101,814
	<u>3,010,816</u>	<u>1,770,192</u>

#### 15 Provisions

##### Long Service Leave

The provision for long service leave represents the present value of the estimate future cash outflows to be made in respect of the services provided by employees up to the reporting date. The liability is calculated using current pay rates and projected future increase 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 employments 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 provision is discounted using the Commonwealth Bond yield rates.

##### Current

Annual leave	360,811	360,280
Long service leave - current	133,150	112,561
Sick leave	90,515	167,308
	<u>584,476</u>	<u>640,149</u>

##### Non-Current

Long service leave - non-current	<u>77,839</u>	<u>152,088</u>
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#### 16 Other Liabilities

Bursary Funds	<u>92,952</u>	<u>-</u>
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#### 17 Borrowings

Interest is expensed as accrued. No interest has been capitalised during the current or comparative reporting period. Expected final repayment dates vary between 15 June 2036 to 15 June 2042.

In accordance with the *Local Government Regulation 2012* Council adopts an annual debt policy that sets out Council's planned borrowings for the next ten years. Council's current policy is to only borrow for capital projects and for a term no longer than the expected life of the asset. Council also aims to comply with the Queensland Treasury Corporation's borrowing guidelines and ensure that sustainability indicators remain within acceptable levels at all times.

##### Current

Loans Queensland Treasury Corporation - current	<u>146,144</u>	<u>141,565</u>
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##### Non-Current

Loans Queensland Treasury Corporation - non-current	<u>2,336,672</u>	<u>2,479,141</u>
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##### Queensland Treasury Corporation

Opening balance	2,620,706	2,785,304
Principal repayments	(137,889)	(164,598)
Book value at period end	<u>2,482,817</u>	<u>2,620,706</u>

The QTC loan market value at the reporting date was \$2,264,629 (2023: \$2,423,174). This represents the value of the debt if the Council repaid it at that date. As it is the intention of the Council to hold the debt for its term, no provision is required to be made in these accounts.

Unsecured borrowings are provided by the Queensland Treasury Corporation. The Council does not have a bank overdraft facility.



# DIAMANTINA SHIRE COUNCIL

## Notes to the Financial Statements

For the Year Ended 30 June 2024

30 June 2024	30 June 2023
\$	\$

### 18 Leases

#### Council as a lessee

##### Exceptions to lease accounting

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

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

Council has elected to measure the right of use asset arising from the concessionary leases at cost which is based on the associated lease liability at initial recognition.

#### Council as a lessor

Council derives rental income from houses leased to staff and members of the community. These houses are classified as property, plant and equipment in Note 12 as the assets are not held predominately for rental or capital growth purposes, rather to provide essential accommodation to Council staff and members of the community.

Property income	585,452	517,696
Direct operating expenses from property that generated rental income	567,358	602,780

Due to the high occupancy rates and minimal variability in rental amounts, the property income disclosed above approximates the expected minimum rent receipts in a 12 month cycle.

### 19 Asset Revaluation Surplus

The asset revaluation surplus comprises revaluation movements on property, plant and equipment.

#### Movements in the asset revaluation surplus were as follows:

	Balance 1 July 2023	Increases / (Decreases)	Balance 30 June 2024
The closing balance of the asset revaluation surplus is comprised of the following asset classes:			
Buildings	18,186,073	2,225,597	20,411,670
Other Structures	10,681,495	1,592,332	12,273,827
Road, drainage and bridge network	68,377,682	4,433,564	72,811,246
Water	2,989,847	297,872	3,287,719
Sewerage	2,097,961	189,467	2,287,428
	<u>102,333,059</u>	<u>8,738,832</u>	<u>111,071,891</u>

### 20 Commitments For Expenditure

#### Capital commitments

Contractual commitments at end of financial year but not recognised in the financial statements are as follows. Contractual commitments are expected to be settled within 12 months.

Building construction	543,041	-
Plant acquisitions	<u>302,854</u>	<u>206,143</u>
	<u>845,895</u>	<u>206,143</u>

### 21 Contingent Liabilities

Details and estimates of maximum amounts of contingencies and agreements are as follows:

#### Local Government Mutual

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

As at 30 June 2024 the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

	30 June 2024	30 June 2023
	\$	\$

Local Government Workcare:

The Diamantina Shire 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 \$258,042.

Department of Housing and Public Works

Diamantina Shire Council has a Capital Funding Agreement with the Department of Housing for 12 properties in Bedourie and Birdsville. Under the Agreement, Council acquires a portion of equity in each property each year. Council then has the option of either paying out the contingent liability amount or pooling equity on a particular property to acquire full ownership. At 30 June 2024, the contingent liability amounted to \$1,481,940 (2023 \$1,531,338).

## 22 Superannuation

Council makes employer superannuation contributions to Brighter Super. Brighter Super is a Multiemployer Plan as defined in Australian Accounting Standard AASB 119 *Employee Benefits*. The scheme has a number of elements including defined benefits funds and an accumulated benefits fund. Council does not have any employees who are members of the defined benefits fund and so it is not exposed to the obligations, assets or costs associated with these funds. Council has employees who are members of the accumulated benefits fund.

The amount of superannuation contributions paid by Diamantina Shire Council to the superannuation scheme in this period for the benefit of employees was:

5	570,495	525,644
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## 23 Transactions with Related Parties

Council did not have any subsidiaries, transactions with associates or transactions with joint ventures.

### (a) Transactions with key management personnel (KMP)

KMP include the Mayor, Councillors, Council's Chief Executive Officer, Director of Corporate Services, Director of Community and Economic Development and Director of Infrastructure Services.

Short-term employee benefits (*)	759,097	1,042,759
Post-employment benefits	14,133	78,962
	<u>773,230</u>	<u>1,121,721</u>

(\*) During the financial year, Council also paid amounts totalling \$502,115 to Peak Services & LGSG for Executive staff engaged in acting roles. (2023 \$438,962).

### (b) Transactions with related parties

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

(i) All close family members of key management personnel were employed through an arm's length process. They are paid in accordance with the Award for the job they perform. The council employs 72 staff of which 4 are close family members of key management personnel. (2023 81 staff of which 4 were close family members of key management personal)

Employee expenses for close family member of key management personnel	226,786	117,669
Purchases of materials and services from other related parties	228,062	678,773
	<u>454,848</u>	<u>796,442</u>

(ii) The Council purchased the following material and services from entities that are controlled by members of key management personnel. All purchases were at arm's length and were in the normal course of council operations:

#### Details of materials and services purchased

Transport services	-	494,549
Supplies and materials	228,062	184,224
	<u>228,062</u>	<u>678,773</u>

### (c) Outstanding balances

There were no material balances outstanding at the end of the reporting period in relation to transactions with related parties. (2023 \$41,913)

**DIAMANTINA SHIRE COUNCIL****Notes to the Financial Statements**

For the Year Ended 30 June 2024

	30 June 2024	30 June 2023
	\$	\$
<b>24 Reconciliation of Net Result for the Year to Net Cash Inflow (Outflow) From Operating Activities</b>		
Net result	(6,240,191)	(1,419,560)
Non-cash items:		
Depreciation	6,336,368	6,355,349
Write off WIP to Profit & Loss	112,390	(13,240)
Investing and development activities (non-cash) :		
Net loss/(gain) on disposal of plant and equipment	(791)	(279,785)
Capital grants and contributions	(1,229,186)	(583,800)
	<u>5,218,781</u>	<u>5,478,523</u>
Changes in operating assets and liabilities :		
(Increase) / decrease in receivables	(3,981,766)	266,974
(Increase) / decrease in inventory	211,541	(96,719)
(Increase) / decrease in contract assets	(1,241,783)	(666,397)
(Increase) / decrease in other assets	(184,632)	-
Increase / (decrease) in payables	1,240,624	456,416
Increase / (decrease) in contract liabilities	(87,678)	1,642,431
Increase / (decrease) in other liabilities	92,952	
Increase / (decrease) in provisions	(129,923)	(353,891)
	<u>(4,080,664)</u>	<u>1,248,814</u>
<b>Net cash inflow from operating activities</b>	<u><u>(5,102,074)</u></u>	<u><u>5,307,777</u></u>

**25 Events after the Reporting Period**

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

Notes to the Financial Statements

For the Year Ended 30 June 2024

26 Financial Instruments

Diamantina Shire Council's activities expose it to a variety of financial risks including interest rate risk, credit risk, and liquidity risk.

Exposure to financial risks is managed in accordance with Council approved policies on financial risk management. These policies focus on managing the volatility of financial markets and seek to minimise potential adverse effects on the financial performance of the Council.

The Council minimised its exposure to financial risk in the following ways:

- Investments in financial assets are only made where those assets are with a bank or other financial institution in Australia.
- The Council does not invest in derivatives or other high risk investments.
- When the Council borrows, it borrows from the Queensland Treasury Corporation (QTC) unless another financial institution can offer a more beneficial rate, taking into account any risk. Borrowing by the Council is constrained by the provisions of the *Statutory Bodies Financial Arrangements Act 1982*.

Diamantina Shire Council measures risk exposure using a variety of methods as follows:

**Credit Risk**

Credit risk exposure refers to the situation where the Council may incur financial loss as a result of another party to a financial instrument failing to discharge their obligations.

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

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

The Council is exposed to credit risk through its investments with the QTC and deposits held with banks or other financial institutions. The QTC Cash Fund is an asset management portfolio that invests with a wide variety of high credit rating counterparties. Deposits are capital guaranteed. Other investments are held with highly rated and regulated banks and whilst not capital guaranteed, the likelihood of a credit failure is remote.

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the gross carrying amount of those assets inclusive of any provisions for impairment.

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

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

**Liquidity Risk**

Liquidity risk refers to the situation where the Council may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Council is exposed to liquidity risk through its trading in the normal course of business and borrowings from the QTC for capital works.

The Council manages its exposure to liquidity risk by maintaining sufficient undrawn facilities, both short and long term, to cater for unexpected volatility in cash flow. These facilities are disclosed in the borrowings Note 14. There are no additional facilities or lines of credit available.

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

	0 to 1 year	1 to 5 years	Over 5 years	Total Contractual Cash Flows	Carrying Amount
	\$	\$	\$	\$	\$
<b>2024</b>					
Trade and Other Payables	2,452,103	-	-	2,452,103	2,452,103
Loans QTC	230,822	823,288	2,307,245	3,361,354	2,482,817
	2,682,925	823,288	2,307,245	5,813,457	4,934,920
<b>2023</b>					
Trade and Other Payables	1,591,107	-	-	1,591,107	1,591,107
Loans QTC	230,822	823,288	2,307,245	3,361,354	2,620,706
	1,821,929	823,288	2,307,245	4,952,461	4,211,813

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

**Interest rate risk**

The Council is exposed to interest rate risk through its borrowings from the QTC and investments held with financial institutions.

The risk in borrowing is effectively managed by borrowing from financial institutions which provide access to a mix of floating and fixed funding sources such that the desired interest rate risk exposure can be constructed. Interest rate risk in other areas is minimal.

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



# DIAMANTINA SHIRE COUNCIL

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 27 Correction of prior period error

In preparing financial statements for the year ended 30 June 2024, Council identified an error in the calculation of contract assets previously reported for the year ended 30 June 2023. The error was as a result of information which was available at the time of preparing the financial statements for the year ended 30 June 2023 not being utilised. The additional information indicated Council had understated the balance of contract assets. To correct this error, Council has adjusted the 2022/23 comparative figures in the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and applicable notes to the financial statements.

Adjustments impacting the financial statement line items for the 2022/23 comparative year are presented below:

	Actual 2023	Adjustment 2023	Restated Actual 2023 \$
<b>Statement of Comprehensive Income (Extract)</b>			
<b>Revenue</b>			
Capital grants, subsidies and contributions	227,047	785,940	1,012,987
<b>Total revenue</b>	26,059,004	785,940	26,844,944
<b>Net result</b>	(2,205,500)	785,940	(1,419,560)
<b>Total comprehensive income</b>	4,317,176	785,940	5,103,116
<b>Statement of Financial Position (Extract)</b>			
<b>Current Assets</b>			
Contract assets	800,760	453,393	1,254,153
<b>Total assets</b>	197,153,705	453,393	197,607,098
<b>Current Liabilities</b>			
Contract Liabilities	2,015,093	(332,547)	1,682,546
<b>Total Liabilities</b>	7,198,229	(332,547)	6,865,682
<b>Net community assets</b>	189,955,477	785,940	190,741,417
<b>Community equity</b>			
Retained surplus	87,622,419	785,940	88,408,359
<b>Total community equity</b>	189,955,477	785,940	190,741,417
<b>Statement of Changes in Equity (Extract)</b>			
Total comprehensive income for the year	(2,205,500)	785,940	(1,419,560)
Balance of retained surplus	87,622,419	785,940	88,408,359
<b>Total equity</b>	189,955,477	785,940	190,741,417

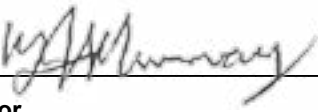
MANAGEMENT CERTIFICATE

For the Year Ended 30 June 2024

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

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

- (i) the prescribed requirements of the *Local Government Act 2009* and *Local Government 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 21, present a true and fair view, in accordance with the Australian Accounting Standards, of the Council's transactions for the financial year and financial position at the end of the year.

  
\_\_\_\_\_  
Mayor  
Cr. Francis Murray

Date: 05 / 03 / 2025

  
\_\_\_\_\_  
Chief Executive Officer  
Julianne Meier

Date: 05 / 03 / 2025

DIAMANTINA SHIRE COUNCIL

Current Year Financial Sustainability Statement

For the Year Ended 30 June 2024

Measures of Financial Sustainability	Measure	Target Tier 7	Actual Current Year	5 Year Average	Council Narrative
Audited Ratios					
Liquidity	Unrestricted Cash Expense Cover Ratio	Greater than 4 months	4.30	NA	The unrestricted cash expense cover ratio is an indicator of the unconstrained liquidity available to a council to meet ongoing and emergent financial demands, which is a key component to solvency. It represents the number of months a council can continue operating based on current monthly expenses.
Operating Performance	Operating Surplus Ratio	NA	-47.7%	-15.1%	The operating surplus ratio is an indicator of the extent to which operating revenues generated cover operational expenses. Any operating surplus would be available for capital funding or other purposes
	Operating Cash Ratio	Greater than 0%	-15.9%	9.5%	The operating cash ratio is a measure of a council's ability to cover its core operational expenses and generate a cash surplus excluding depreciation, amortisation, and finance costs.
Asset Management	Asset Sustainability Ratio	Greater than 90%	20.1%	16.4%	The asset sustainability ratio approximates the extent to which the infrastructure assets managed by a council are being replaced as they reach the end of their useful lives.
	Asset Consumption Ratio	Greater than 60%	65.3%	68.8%	The asset consumption ratio approximates the extent to which council's infrastructure assets have been consumed compared to what it would cost to build a new asset with the same benefit to the community.
Debt Servicing Capacity	Leverage Ratio	0-3 times	-0.77	0.94	The leverage ratio is an indicator of a council's ability to repay its existing debt. It measures the relative size of the council's debt to its operating performance.

Note 1 - Basis of preparation

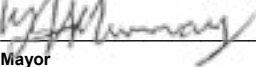
The current year financial sustainability statement is prepared in accordance with the requirements of the Local Government Regulation 2012 and the Financial Management (Sustainability) Guideline 2024. The amounts used to calculate the 6 reported measures are prepared on an accrual basis and are drawn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


CERTIFICATE OF ACCURACY

For the current year financial sustainability statement prepared as at 30 June 2024

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

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

  
\_\_\_\_\_  
Mayor  
Cr. Francis Murray  
Date: 05 / 03 / 2025

  
\_\_\_\_\_  
Chief Executive Officer  
Julianne Meier  
Date: 05 / 03 / 2025

DIAMANTINA SHIRE COUNCIL

Current Year Financial Sustainability Statement - Contextual Ratios - Unaudited

For the Year Ended 30 June 2024

Contextual Ratios - Unaudited	Measure	Target Tier 7	Actual Current Year	5 Year Average	Council Narrative
Financial Capacity	Council Controlled Revenue Ratio	NA	14.6%	11.2%	Council-controlled revenue is an indicator of a council's financial flexibility, ability to influence its operating income, and capacity to respond to unexpected financial shocks.
	Population Growth Ratio	NA	0.0%	0.3%	Population growth is a key driver of a council's operating income, service needs, and infrastructure requirements into the future.

Note 1 - Basis of preparation

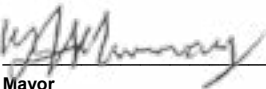
The current year financial sustainability statement - contextual ratios is prepared in accordance with the requirements of the Local Government Regulation 2012 and the Financial Management (Sustainability) Guideline 2024. The amounts used to calculate the 2 reported measures are prepared on an accruals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

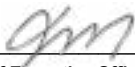
CERTIFICATE OF ACCURACY

For the current year financial sustainability statement - contextual ratios prepared as at 30 June 2024

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

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

  
\_\_\_\_\_  
Mayor  
Cr. Francis Murray

  
\_\_\_\_\_  
Chief Executive Officer  
Julianne Meier

Date: 05 / 03 / 2025

Date: 05 / 03 / 2025

# DIAMANTINA SHIRE COUNCIL

Unaudited Long Term Financial Sustainability Statement  
Prepared as at 30 June 2024

				Projected for the years ended								
Measures of Financial Sustainability	Measure	Target Tier 7	Actual 30/06/2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028	30 June 2029	30 June 2030	30 June 2031	30 June 2032	30 June 2033
Financial Capacity	Council-Controlled Revenue Ratio	NA	14.6%	13.6%	16.6%	13.7%	14.0%	15.8%	14.6%	12.8%	15.3%	20.6%
	Population Growth Ratio	NA	0.0%	-0.4%	-0.4%	-0.9%	-0.9%	-0.9%	-0.9%	-1.0%	-1.0%	-1.0%
Operating Performance	Operating Surplus Ratio	NA	-47.7%	1.2%	-15.4%	-3.3%	31.6%	18.2%	28.8%	44.3%	24.9%	-16.0%
	Operating Cash Ratio	Greater than 0%	-15.9%	28.4%	16.3%	23.2%	57.8%	46.7%	55.4%	66.9%	51.3%	19.9%
Liquidity	Unrestricted Cash Expense Over Ratio	Greater than 4 months	4.30	N/A for long-term sustainability statement								
Asset Management	Asset Sustainability Ratio	Greater than 90%	20.1%	113.0%	81.0%	71.0%	60.0%	62.0%	64.0%	67.0%	66.0%	63.0%
	Asset Consumption Ratio	Greater than 60%	65.3%	63.0%	65.0%	64.0%	62.0%	63.0%	62.0%	61.0%	62.0%	61.0%
Debt Servicing Capacity	Leverage Ratio	0-3 times	-0.77	0.81	1.68	0.86	0.31	0.40	0.28	0.19	0.26	0.84

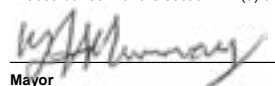
## Diamantina Shire Council's Financial Management Strategy

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

## CERTIFICATE OF ACCURACY For the long-term financial sustainability statement prepared as at 30 June 2024

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

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

  
Mayor  
Cr. Francis Murray

Date: 05 / 03 / 2025

  
Chief Executive Officer  
Julianne Meier

Date: 05 / 03 / 2025



## INDEPENDENT AUDITOR'S REPORT

To the councillors of Diamantina Shire Council

### Report on the Current-Year Financial Sustainability Statement

#### Opinion

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

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

#### Basis of opinion

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

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

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

#### Emphasis of matter – basis of accounting

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

#### Other information

The councillors are responsible for the other information.

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

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

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

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

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

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

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

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

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

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

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

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

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



Michael Claydon  
as delegate of the Auditor-General

11 April 2025

Queensland Audit Office  
Brisbane

## INDEPENDENT AUDITOR'S REPORT

To the councillors of Diamantina Shire Council

### Report on the audit of the financial report

#### Opinion

I have audited the financial report of Diamantina Shire Council.

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

In my opinion, the financial report:

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

#### Basis for opinion

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

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

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

#### Other information

The councillors are responsible for the other information.

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

At the date of this auditor's report, the available other information in Diamantina Shire Council's annual report for the year ended 30 June 2024 was the current year financial sustainability statement, current year financial sustainability statement – contextual ratios – unaudited 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 formed a separate opinion on the current year financial sustainability statement.

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

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

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

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

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

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

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

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

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

This description forms part of my auditor's report.

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

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

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



### **Prescribed requirements scope**

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



Michael Claydon  
as delegate of the Auditor-General

11 April 2025

Queensland Audit Office  
Brisbane



