

Tablelands Regional Council

Annual Report

2014-2015





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Introduction

This Annual Report is for the financial year 1 July 2014 to 30 June 2015. Council's 2014-2018 Corporate Plan provided the focus and direction for Council over the 12 month period to 30 June 2015. During the year, Councillors and Executive Managers, with input from the community and a review of the existing Community Plan, developed a comprehensive Corporate Plan for the period 2015-2019. This plan, adopted in May 2015, will have practical effect at the start of the new financial year (July 2015). The necessity to develop the 2015-2019 Corporate Plan as a result of the impact of de-amalgamation of the Mareeba Shire Council in January 2014, was foreseen and noted in Council's Annual Report for the 2013/14 Financial Year.

The Annual Report is one way in which Council connects with the community and demonstrates its commitment to achieving our vision for the Tablelands. The report describes the achievements of Council in providing services to the Tablelands communities and shows our progress in delivering the actions in our Corporate and Operational Plans. It is the culmination of regular reporting to the community and stakeholders and continues Council's efforts to be transparent and accountable.



Lake Barrine

About the Tablelands

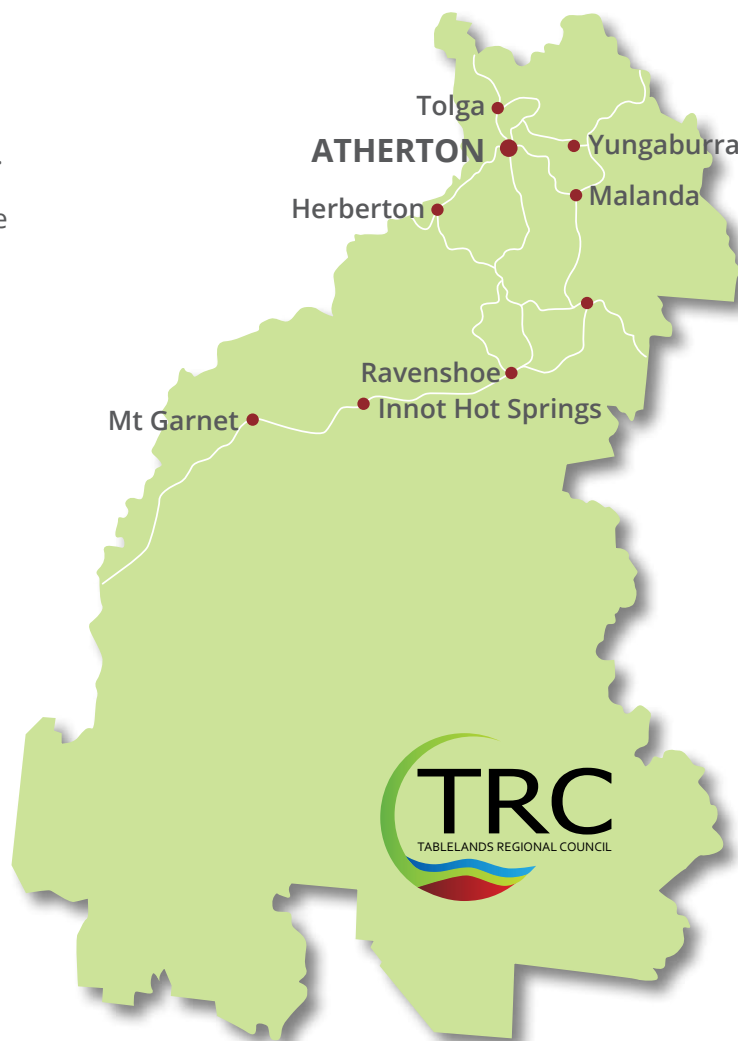
The Tablelands region is located in Far North Queensland, extending over 11,000 square kilometres. There are over 26,000 people in our local government area who call The Tablelands “home”. Located just an hour west from Cairns, with a network of unique villages, towns and smaller communities being serviced from the local government administrative hub of Atherton, it takes more than a day or even a holiday, to truly discover the hidden secrets of this region. Many people come for a holiday and return for a lifetime.

The Tablelands rise from 500-1200 metres above sea level, and it is this altitudinal variation which gives the region its cool tropical climate. There is a marked difference between seasons and between areas, from high rainfall mountains of the coastal ranges in the east, green dairy country to the south, and open savannah woodland to the west. The diversity in a small region is incredible which makes it a fascinating area to explore and in which to live.

From rolling hills and rushing waterfalls, to spectacular unspoilt natural scenery; from fascinating wildlife and gourmet food trails to wide outback skies, the Tablelands has a wide variety of attractions. Those keen on wildlife will find a particular emphasis on bird watching and unique marsupials like the tree kangaroo. The waterfall circuits with their stunning rainforest backdrops and the region’s natural wonders such as the Curtain Fig Tree, Lake Tinaroo, Mt Hypipamee Crater, Bromfield Swamp, and the twin crater lakes of Barrine and Eacham offer visitors and local residents a truly unique area.

Water supplied from Tinaroo Dam enables a range of fruit and vegetables to be grown to supply both domestic and overseas markets. The range of crops grown is truly amazing, including avocados, bananas, cashews, citrus, coffee, cow pea, custard apples, dolichos, flowers, fresh herbs, grapes, grass seed, legume seed, lettuce, longans, lychees, macadamia, maize, mangoes, mixed vegetables, navy beans, potatoes, passion fruit, paw paw, peaches, peanuts, pineapples, pumpkins, sorghum, sugar cane, sweet potatoes, ti tree, tomatoes, native trees, turf and watermelons. The cattle industry also plays a significant role in the region’s economy. Around Malanda and Millaa Millaa area, the dairy industry is significant. We have the only tropical dairy industry in Australia and one of a few globally. Other agriculture based industries include poultry, fruit wineries, aquaculture and forestry.

We are indeed a vibrant region with our natural, cultural and economically diverse foundations providing a secure future.





Our Vision

“A thriving region that embraces our natural, cultural and economic diversity.”

To achieve that vision, Council has:

- Given priority to the needs of the community who are the key stakeholders in terms of provision of services and facilities.
- Created and supported a variety of healthy, safe and vibrant lifestyle opportunities within the region.
- Strengthened business and employment opportunities by encouraging and supporting development of industry throughout the region.
- Continued to provide an open and transparent system of local governance to the community.

Our Values – The TRC Way

We do the right thing

- We always put safety and wellbeing first
- We always act ethically, with honesty and integrity
- We always look for sustainability and value for money

We think customer

- Our customers are at the heart of everything we do
- We are passionate about creating an excellent customer service
- We deliver consistently high service – internally and externally

We actively lead the way

- We lead by example
- We have the courage to think differently and learn from our mistakes
- We innovate and encourage new ideas and new ways to operate

We are determined to deliver

- We do what we say we are going to do
- We are responsive and accountable for what we do
- We are committed to excellence in everything we do

Together we make the difference

- We value teamwork and collaboration
- We work together to make a difference
- We value and respect our people

Mayor's Report

Rosa Lee Long

This Annual Report details our performance during the 2014/2015 financial year in meeting the strategic priorities outlined in our Corporate Plan 2014-2018 and our long-term financial planning. It highlights our successes and the challenges faced over the past 12 months to ensure we remain open and accountable to our communities.

Significant change for the Tablelands Regional Council seems never ending. There has been turmoil for our organisation, ratepayers and the community since the amalgamation of the four Shires in 2008. Following the de-amalgamation of Mareeba Shire in 2014, we have focussed on reviewing and reducing costs with \$4.5M already cut from our ongoing operational costs through numerous initiatives. This Council has had to make some very tough decisions to remain viable and we are now a more streamlined and efficient organisation providing essential services to our communities.

Ensuring our region can support growth without eroding our environmental, economic and social values, whilst still meeting our financial constraints, will be an ongoing challenge.

Throughout this financial year we have continued to tighten our spending whilst delivering fit-for-purpose infrastructure and quality services to meet the evolving needs of our diverse communities. We have dedicated time and resources to lay the foundation for our sustainable long-term future with the endorsement of our Corporate Plan 2015-2019 and making headway in improving our understanding of the current and future needs of our infrastructure through detailed asset management planning and a review of our services.

The finalisation of the draft TRC Planning Scheme is a significant achievement which is now with the Queensland Government for final approval. Having a single planning scheme in place will ensure a truly regional approach to future development.

We have organised, assisted and supported over 114 events and initiatives through our community grants program as well as secured funding assistance to deliver two Anzac Centenary projects in 2014-15. Our business and civic leaders are working together to create a strong, vital and sustainable local economy. We have good access to markets, improved digital capabilities through the NBN rollout within our region and a growing interest in Startups and emerging entrepreneurs. Council will continue to advocate and facilitate improved economic outcomes for this region.



The resilience of our communities has been tested this financial year with bushfires in Ravenshoe in November, a severe flooding event in Malanda in February, a threat from Severe Tropical Cyclone Nathan and the Ravenshoe café explosion in June. These events highlight the importance of being prepared and for ensuring adequate disaster management arrangements that focus on an all-hazards approach. The strength and courage displayed by our communities during these events has been commendable.

I would like to thank my fellow councillors and staff for their ongoing efforts to provide exceptional outcomes for the communities that we serve. Adapting to change, working collaboratively and seeking new and innovative ways to meet the needs of our community are now embedded values within Council. Together we are building vibrant communities, embracing our natural, cultural and economic diversity.

CEO Message

Ian Church

There is no doubt that 2014/15 has been a financially difficult year as Council and staff have continued to deal with the effects of de-amalgamation and other financial constraints. As CEO I am extremely proud of the responsiveness of the people within our Council who have embraced the challenges and focussed on the future opportunities.

With a new Corporate Plan developed and adopted by Councillors and Councils senior leaders with input from the community, we have a clear imperative to recover from the financial burdens and move towards a sustainable future for all our Tablelands communities.

Council has adopted a strong customer focus to deliver affordable and sustainable services and programs across our region. Our employees work in an environment of continual change and seek innovative ways to deliver services and reduce costs. Our friendly, skilled workforce and volunteers, operate out of 30 locations including:

- Customer Service Centres in Atherton, Herberton, Malanda and Ravenshoe
- Depots in Atherton, Herberton, Malanda, Tolga and Ravenshoe
- Galleries including Tableland Regional Gallery, Old Post Office Gallery and Foyer Art Gallery
- Libraries in Atherton, Herberton, Malanda, Millaa Millaa, Mt Garnet, Ravenshoe and Yungaburra
- Waste Transfer Stations in Atherton, Herberton, Innot Hot Springs, Malanda, Millaa Millaa, Mt Garnet, Ravenshoe and Yungaburra
- Visitor Information Centres in Atherton, Herberton, Malanda, Millaa Millaa, Mt Garnet, Ravenshoe and Yungaburra
- 5 water treatment sites
- 8 Waste Transfer Stations
- 9 licensed Landfill Sites
- 3 aerodromes
- 3 emergency services buildings
- 3 pounds
- 3 swimming pools
- 2 caravan parks
- and over 130 parks and open spaces

In addition to these front line operations, TRC also manages and maintains:

- 1,088km unsealed roads
- 765km sealed roads
- 90 bridges
- 68 aged housing units
- 67 public halls and community centres
- 67 toilet blocks
- 8 cemeteries
- 5 sewerage treatment plants



I acknowledge the resilience of the Ravenshoe community following the June café explosion, as well as those in our communities who have been recovering from the natural disasters and flooding we experienced during the year. The willingness of people throughout the Tablelands region to pull together in difficult times is extraordinary. It is a privilege to be a part of local government for the communities in our region.

I thank Councillors for their support over the past financial year and I look forward to the future with optimism.

Our Councillors

Mayor
Rosa Lee Long



Representative Allocations

- FNQ Regional Organisation of Councils
- FNQ Regional Planning Advisory Committee
- FNQ Regional Roads Group
- LAWMAC Committee
- Mareeba District Disaster Management Group
- Natural Resource Management Group
- Rail Trails Advisory Committee
- Regional Cultural Centre Advisory Committee
- Tablelands Fire Management Group
- Tablelands Health Action Group
- Tropical Tablelands Tourism Committee

Division 2 Councillor
Shaaron Linwood



Representative Allocations

- Atherton/Herberton School Chaplaincy Committee
- Audit Committee
- Building Safer Communities Regional Committee
- Committee of Carinya Home of the Aged
- Committee of Mount St Bernard College, Herberton
- Committee of Raise Ravenshoe
- Committee of the Afghanistan Avenue of Honour
- Committee of the Herbert River Catchment Group Inc.
- Herberton Business & Traders Association
- Herberton Museum Advisory Committee
- Herberton Sport & Recreation Committee
- Herberton Visitor Information Centre Committee
- LGAQ Committee of Main Roads and Local Government Roads Alliance
- Mareeba District Disaster Management Group
- Mt Garnet Progress Association
- Mt Garnet Rodeo Association
- Rail Trails Advisory Committee
- Ravenshoe Chamber of Commerce
- Ravenshoe Rail Committee
- Ravenshoe Visitor Information Centre Committee
- Regional Art Gallery Advisory Committee
- Regional Arts Development Fund (RADF)
- Southern Region Pest Management Advisory Committee
- Tableland Outdoor Recreation Association
- Tableland Transport Action Group
- Tablelands Fire Management Group
- Torimba Cultural and Festival Association Inc

Division 3 Deputy Mayor
Geoff Stocker



Representative Allocations

- Committee for Sustainable Malanda
- Committee of the Johnstone River Catchment Management Association
- Committee of the Malanda Sport & Recreation
- Eacham Sport & Recreation Steering Committee
- FNQ Pest Advisory Forum
- Local Traffic Advisory Committee
- Malanda Chamber of Commerce
- Malanda Show Society
- Millaa Millaa Chamber of Commerce
- Road Safety Management Committee
- Southern Region Pest Management Advisory Committee
- Tablelands Futures Corporation
- Terrain (FNQNRM) Committee
- TNQ Sustainable Regions Committee
- Tropical Tablelands Tourism Committee

Our Councillors

Division 4 Councillor
Rod Marti



Representative Allocations

- Committee of the Afghanistan Avenue of Honour
- Committee of the Bricma - Upper Zone Forum
- Committee of the Wet Tropics Water Resource Plan
- Reef Guardian Committee
- Tablelands Folk Festival Committee
- Tablelands Futures Corporation
- Tablelands Health Action Group
- Taste of the Tablelands Committee
- Terrain (FNQNRM) Committee
- Tropical Tablelands Tourism Committee
- Water Advisory Group

Division 5 Councillor
Peter Hodge



Representative Allocations

- Aged Care Reference Group
- Atherton Ambulance Committee
- Atherton Chamber of Commerce
- Atherton Chinatown Committee
- Atherton Maize Festival
- Atherton Tablelands Home Assist/Secure Committee
- Atherton Town Band Advisory Committee
- Audit Committee
- Community Hall (Atherton High School) Committee
- Loder Park Management Committee
- Principal Cycle Network Plan
- Rail Trails Advisory Committee
- Regional Art Gallery Advisory Committee
- Regional Arts Development Fund (RADF)
- Regional Cultural Centre Advisory Committee

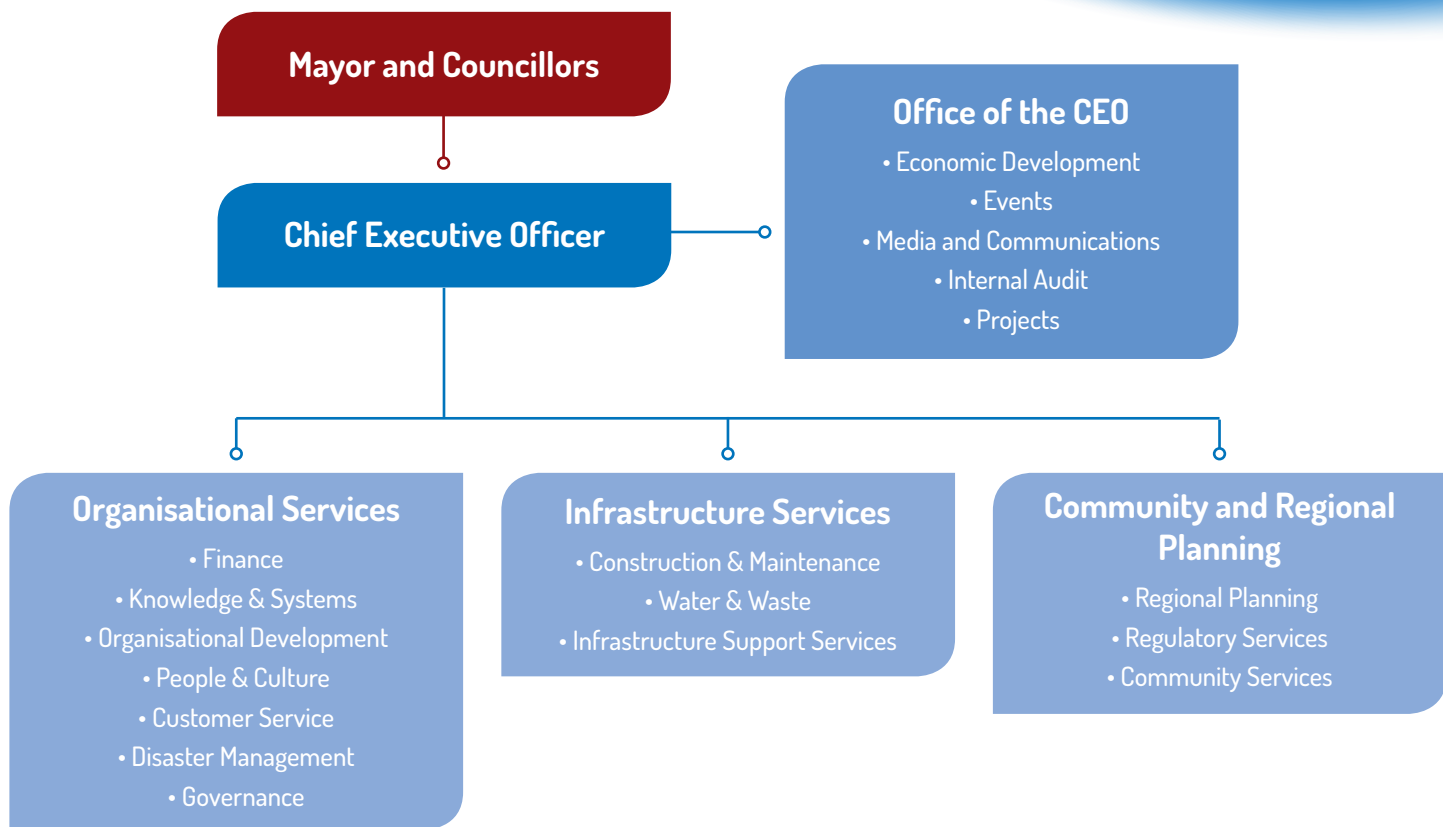
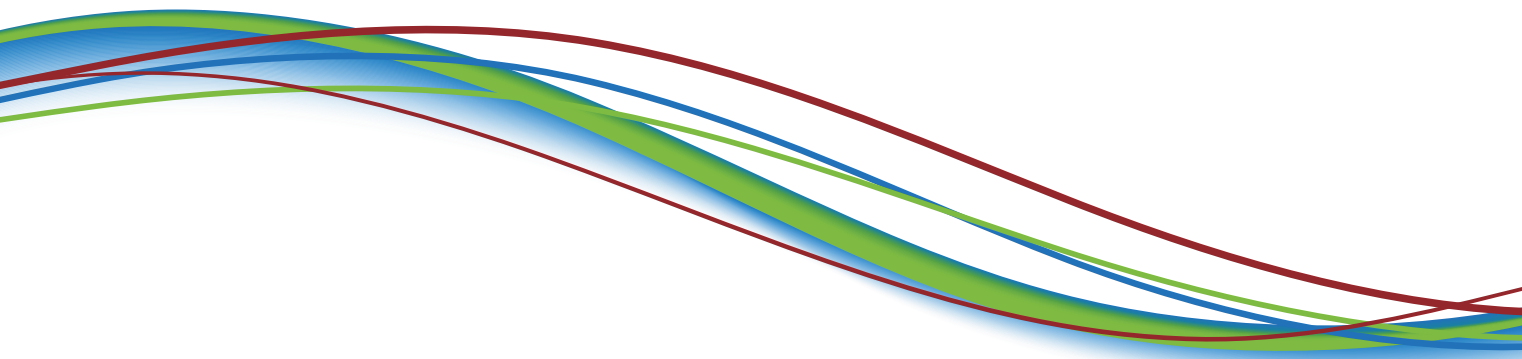
Division 6 Councillor
Marjorie Pagani



Representative Allocations

- Audit Committee
- Building Safer Communities Regional Committee
- Committee of Relay for Life
- Committee of the Tolga Historical Society
- Homelessness Community Advisory Group
- North Queensland Sports Foundation
- Rocky Creek War Memorial Park Advisory Committee
- Wellbeing Tablelands Healthy Community Committee





Our Executive Leadership Team



Chief Executive Officer
Ian Church



Deputy Chief Executive Officer and Organisational Services
Matthew Hyde



General Manager Infrastructure Services
Ross McKim



General Manager Community and Regional Planning
Dean Davidson

Our Employees

STAFF NUMBERS AS AT 30/6/2015

	Full Time Equivalent	Number
Permanent Full Time	228	228
Permanent Part Time	21.23	40
Apprentices	4	4
Casuals	0.2	20
Temporary Full Time	9	9
Temporary Part Time	0.4	1
Total Employees	262.8	302

RECRUITMENT OVER THE YEAR

Excluding internal, casual and temporary appointments	Number
Office of CEO	0
Organisational Services	7
Infrastructure Services	12
Community and Regional Planning	8
Total Recruitment	27

GENDER BALANCE (Number - All Employees)

	Male	Female
Office of CEO	3	3
Organisational Services	18	43
Infrastructure Services	131	14
Community and Regional Planning	29	60
Total	182	120

REMUNERATION PACKAGES - SENIOR CONTRACT EMPLOYEES

Reportable items under Section 201.1 of the Local Government Act (2009)

Remuneration Range	Number
\$100,000 - \$200,000	2
\$200,000 - \$300,000	2
Total	4

SEPARATIONS OVER THE YEAR

Number, excluding casual and temporary employees	Number
Office of CEO	3
Organisational Services	14
Infrastructure Services	46
Community and Regional Planning	20
Total Separations	83

Number of the above separations actioned under Council's Voluntary Redundancy (VR) Program	51
Net separations excluding VR program	32

EMPLOYEE TURNOVER %

	Percentage
Total excluding VR program	12.2%

Customer Service Team
Back (L-R): Alayne Stein, Katelyn Venn, Nicole Johns
Front: Justine Macleod, Kerrin Hansen



Community Financial Report

\$184 LGR

The objective of this report is to provide easy to understand representation of Tableland Regional Council's recent financial performance.

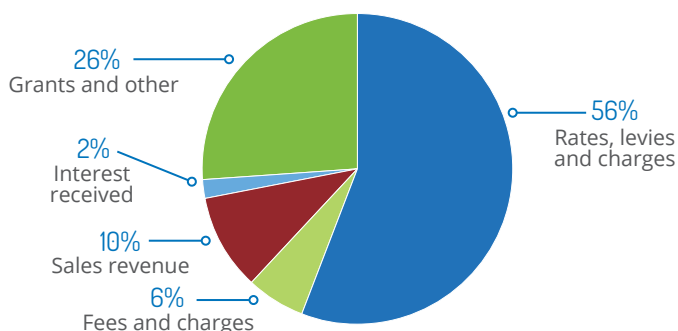
Statement of Comprehensive Income

The statement of comprehensive income (refer to Financial Report) provides information about revenues and expenses.

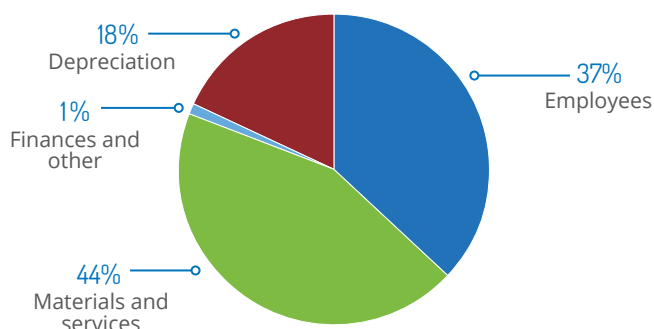
Revenue	Expenses
<i>Where did the money come from?</i>	<i>Where was the money spent?</i>
Recurrent revenue was more than Recurrent expenditure by \$1.889 million	Council returns the majority of revenues to the community in the form of services and community projects.

The timing of revenue and expenditure related to delivering the restoration works for assets damaged from natural disasters which is funded by both the Commonwealth (75%) and the Queensland (25%)

Recurrent Revenue \$58.492 million



Recurrent Expenditure \$56.602 million



Government has contributed \$2.990 million towards the operating surplus.

Total operating revenue for 2014/2015 financial year was \$58.492 million, this result was \$7.910 million higher than the previous financial year. Increased grants, subsidies and contributions were received contributing \$6.124 million of this movement from the prior year.

Rates, levies and charges continue to be the major source of income equating to \$32.582 million. Council endeavours to maximise its revenue from sources other than rates by actively pursuing grants and subsidies from State and Federal Government, seeking contributions from developers and exploring other revenue opportunities. Operating grants, subsidies and contributions totalled \$15.390 million in 2014/2015 and sales revenue totalled \$5.846 million. Council seeks to recover costs on fees and charges within legislative requirements.

Council's operating expenses for the 2014/2015 financial year totalled \$56.602 million, a decrease of \$6.850 million.

Council is actively working to reduce its operating expenditure and has a plan to move from an underlying operating deficit position when excluding the impact of Natural Disaster Relief and Recovery Arrangement (NDRRA) to an operating surplus forecast in 2017/2018.

Capital Revenue

Capital revenue from developer contributions and grants and subsidies of \$7.557 million has been received to fund assets that the community will own.

Capital Expenditure

There was a loss incurred from the disposal of assets and from an increase in estimates for the future restoration of our landfill sites of \$5.408 million. A book loss was recorded relating to the transfer of assets to Mareeba Shire Council of \$8.813 million. The majority of this value relates to the Minister for Infrastructure, Local Government and Planning decision advised on 8 April 2015 in regard to the cash split. The cash held for transfer to Mareeba Shire Council remains in dispute and legal action is in progress.

The net result shown in the Statement of Comprehensive Income for Tablelands Regional Council (net result from continuing operations) is a loss of \$4.775 million, inclusive of the loss of \$8.813 million resulting from the de-amalgamation process.

After Capital, Council's total comprehensive income for the year is \$3.294 million.

Statement of Financial Position

The statement of financial position shows what we own (our assets) and what we owe (our liabilities) and our net worth (community equity).

STATEMENT OF FINANCIAL POSITION

Assets - What Council Owns

30/06/15	\$'000
Cash Assets	\$18,202
Short-term Investments	\$11,000
Assets held to transfer to Mareeba Shire Council	\$7,466
Receivables	\$5,454
Inventories	\$1,096
Property Plant & Equipment	\$450,467
Total Assets	\$493,685

Less Liabilities - What Council Owes

Payables	\$14,384
Borrowings	\$7,162
Provisions	\$9,015
Total Liabilities	\$30,562

Net Community Worth*

*Net Community Worth is
Total Assets less Total Liabilities

\$463,123

The most significant component of our asset value is our investment of \$450,467 million in property, plant and equipment in our region.

Another major component of our assets is our cash and short term investment assets with a balance of \$29,202 million. Included in the cash balance is \$9.267 million cash that is restricted for specific purposes like projects for which grants, subsidies or developer contributions have been received.

The cash balance is based on the Minister for Infrastructure, Local Government and Planning decision advised on 8 April 2015.

At 30 June 2015 \$7.466 million in cash was held for transfer to Mareeba Shire Council. The cash held for transfer to Mareeba Shire Council remains in dispute and legal action is in progress.

Our liabilities include debt to fund infrastructure projects, amounts owed to suppliers, estimates to rehabilitate our landfill sites and amounts owing to our employees.

The Net Community Worth shown in the table above is the difference between assets and liabilities, and is the community equity or total wealth of the Council.

Statement of Changes in Equity

The statement of changes in equity (refer to Financial Report) summarises the changes in equity accounts or the movement in our net worth.

The Asset Revaluation Reserve increased to \$93.818 million from \$85.749 million and this represents the increase in values relating to our land, roads, bridge, buildings, water, sewerage and other infrastructure assets. This Asset Revaluation Reserve is a component of the \$463.123 million net worth.

The remaining component of the Community net worth is retained surplus (\$369.304 million) which decreased from the prior year by the net result from the Statement of Comprehensive Income (\$4.775 million) and this was primarily due to the loss incurred from transfer of assets to Mareeba Shire Council as a result of de-amalgamation.

Statement of Cash Flows

The statement of cash flows (refer to Financial Report) shows changes to cash balances and how they resulted.

There are three types of activities that have an impact on cash balances:

- Operating activities including receipts from customers and payments to suppliers, interest, operating grants and subsidies and interest on borrowings.
- Investing activities includes investments made in property, plant and equipment, movement in loans and advances, proceeds from sale of assets and contributions.
- Financing activities include the cash movement from borrowings proceeds received, less repayment commitments.

The overall cash decrease was \$13.297 million. There were less NDRRA works in progress at 30 June 2015 and therefore the value owed to suppliers reduced to \$14.384 million from \$21.242 million in the prior year and contributed to the reduction in cash balances.



Playground facilities, Ravenshoe Community Centre

Financial Sustainability Ratios

Financial ratios provide an indication of the financial health of the Council. There are three measures of financial sustainability specified in the *Local Government Regulation 2012*. These have been calculated for the 2014/2015 year and for the Council's adopted Long Term Financial Forecast.

OPERATING SURPLUS RATIO

Target Benchmark between 0% and 10%

Net result (excluding capital items) divided by total operating revenue (excluding capital items)

Actuals at 30 June 2015	30 June 2016	30 June 2017	30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025
3.2%	-1.4%	1.4%	4.7%	3.9%	5.1%	5.4%	5.4%	5.3%	4.8%	4.5%

Council's long term forecast shows the ratio moving back into the target range from 2016/2017. This is being achieved by addressing the challenges resulting from de-amalgamation and Council has endorsed a plan to return to operating surplus. This will be achieved by a combination of reductions in operating expenditure and increased revenue.

ASSET SUSTAINABILITY RATIO

Target Benchmark greater than 90%

Capital expenditure on the replacement of assets (renewals) divided by depreciation expense

Actuals at 30 June 2015	30 June 2016	30 June 2017	30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025
81.1%	113.6%	85.2%	109.0%	108.1%	98.2%	107.4%	107.1%	108.0%	97.7%	92.9%

This ratio is expressed as a percentage and indicates whether Council is renewing or replacing its existing assets at the same time that its overall stock of asset is wearing out.

The forward ratios are above the target in all years except 2016/2017 when it reduces to 85.2%. This demonstrates Council's commitment to the long term management of current infrastructure assets.

NET FINANCIAL LIABILITIES RATIO

Target Benchmark not greater than 60%

Total liabilities less current assets divided by total operating revenue (excluding capital items)

Actuals at 30 June 2015	30 June 2016	30 June 2017	30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025
-21.6%	-19.9%	-20.5%	-25.1%	-30.5%	-35.5%	-39.8%	-41.1%	-35.2%	-20.6%	-22.4%

This ratio is expressed as a percentage and indicates the extent to which Council's debts can be met by its operating income. A result less than 60% indicates that Council has the capacity to fund what it owes (liabilities) and has the capacity to increase its loan borrowings if required.

The forward ratios indicate that Council is able to fund its liabilities. Council has a relatively low debt level and has the capacity to borrow in the future if required.

Summary

Council is working to reduce its operating deficit and return to an operating surplus in 2016/17. Council is addressing the challenges resulting from the freezing of financial assistance grants and de-amalgamation. We continue to invest in current infrastructure assets and are committed to the long-term financial sustainability of operations, applying strategies such as our regular review of operational plans, budgets and costs.

Further details of the above items can be found in the audited Financial Statements and the detailed notes to the Financial Statements, found within this Annual Report.

Progress Report

S190.1a and b LGR

Corporate Plan

Council's Corporate Plan 2014-2018 provided the focus and direction for Council over the 12 month period to June 2015. Operational Plans for the 2014/2015 financial year were focussed on the delivery of the long-term strategies in the 2014-2018 Corporate Plan. During the year, Councillors and Executive Managers, with input from the community and a review of the existing Community Plan, developed a comprehensive new Corporate Plan for the period 2015-2019. This plan, adopted in May 2015, will have practical effect at the start of the new financial year (July 2015). The necessity to develop the 2015-2019 Corporate Plan as a result of the impact of de-amalgamation of the Mareeba Shire Council in January 2014, was foreseen and noted in Council's 2013-2014 Annual Report.

Council continued to make strong progress towards the delivery of its' long-term strategies in the following services, initiatives, projects and programs:

Vibrant and Healthy Communities

- 23 exhibitions held at the Council Art Galleries
- 7% increase in visitor numbers at Visitor Information Centres, notably Malanda reaching close to 29,000 visitors
- 10 arts projects funded through the Regional Arts Development Fund at a total cost of \$40,000
- Successful implementation of a leasing module to manage leases for the Council and Community – 86.5% of all leases have either been completed or are in progress
- Completed Prescribed Body Corporates consultation with Indigenous groups
- 5,303 attendees at 421 programs held at Tablelands Libraries (Early, Family, Adult Literacy Programs)
- 180 adults and children participated in the 'Adventures in Space' event at Atherton Library
- 274 library members attended 64 eLearning sessions
- 126,224 visits to Tablelands Libraries
- 14,850 visits to the library pages on Council's website
- 15,142 visits to the online library catalogue
- 5,617 internet bookings
- 21,518 reservations placed for library items

- 197,621 issues (including renewals) from the Tablelands Libraries
- 5,473 eResources available for download
- 759 eResource borrowers

Strong and Growing Economy

- Actively engaged with various industry groups and associations such as the Far North Queensland Regional Organisation of Councils technical groups and local business associations
- Delivered inaugural Startup Weekend Tablelands for entrepreneurs and innovators
- 109 development applications for the financial year (18.4% increase from previous year)
- Timely response to and recovery from Cyclone Nathan and Malanda Floods

Sustainable Environment

- Traffic Advisory Committee a success with many road safety audits completed
- Completion of financial sustainability review of waste services
- Commenced improved GPS based survey network
- Finalised draft Planning Scheme for submission to the Minister in July 2015
- 100% of planned annual fire burns achieved (with an additional 8 more properties than expected)
- Completed 10 Land Management Plans

A Well-Managed Region

- Established improved budget monitoring processes
- Improved relationships with the Department of Transport and Main Roads
- Water meter reading improvements increased efficiency of the program
- Improved Council reporting
- Implemented Internal Audit recommendations
- Developed and implemented Asset Management Strategy
- Commenced Risk Management processes
- Commenced Business Continuity planning
- Established procurement panels to improve procurement efficiencies

- Improved Project Management processes
- Achieved Quality Assurance, Environment and Safety third party certification for the Construction and Maintenance Team
- Secured multiple successes in external grant funding for major projects
- Replaced significant fleet items, including the streetsweeper, hook truck and three garbage trucks
- Workplace Health and Safety (WH&S) Lost time Injuries down from 14 to 10
- WH&S Days lost due to injury down from 656 to 225
- 87% completion of WH&S Monthly Action Plans by Combined Leadership Team (benchmark of 70%)
- Leadership Forums and Supervisory Development Program developed and implemented
- Upgrade Marks Lane B-Double route
- Malanda, Yungaburra and Herberton Landfill Remediation Projects
- Upgrade Malanda Water Supply bore
- Commenced Tinaroo Sewerage Treatment Plant upgrade
- Purchased Business Centre Core Expansion Area land in the current planning scheme
- Replaced air conditioning at the Atherton Library and Tableland Regional Art Gallery
- Construction of a toilet for people with disabilities close to the Avenue of Honour
- Extended Rail Trail through to Rocky Creek (Stage 3)
- Endorsed the Tinaburra Master Plan with improved opportunities to apply for funding to further develop the site

2014/15 Significant Projects

- 90% of the capital budget on infrastructure assets committed
- Replaced Vine Creek, Lawyer Creek and Dinnerbrook Road Bridges
- Replaced Limestone Creek Causeway
- Completed 2010 - 2013 Natural Disaster Relief and Recovery Arrangement Programs
- Commenced 2014 and 2015 Natural Disaster Relief and Recovery Arrangement Program
- Bitumen Reseal and Asphalt Overlay Program
- Transport Infrastructure Development Scheme and Roads to Recovery Programs
- Gravel Re-sheet Programs
- Fleet Replacement Program
- Completion of the Jack Street and Evans Street Drainage Projects
- Reef Rescue Program
- Kerb and Channel and Footpath Renewal Programs.
- Completing final stages of the Atherton Forest Mountain Bike park
- Renovated Malanda Customer Service Centre and Library
- Malanda Falls Caravan Park improvements
- Minor capital improvements across the region
 - Herberton Library carpet replacement
 - Ravenshoe Library pathway
 - Annual power pole inspections to ensure safety and compliance
 - Loder Park roof
 - Atherton Community Centre pathways
 - Ravenshoe Judo Clubhouse
 - Yungaburra toilets

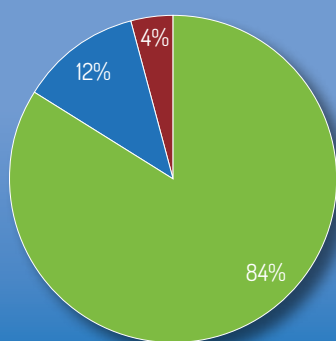
Details of Councils progress towards implementing the long-term strategies in the 2014-2018 Corporate Plan for the financial year from July 2014 to June 2015 are attached as Appendix 1.

Corporate Plan Priorities

● completed ● on track ● monitor

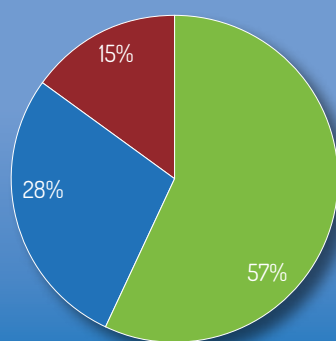
A Vibrant and Healthy Community

FOCUS: Health and Wellbeing, Quality of Living



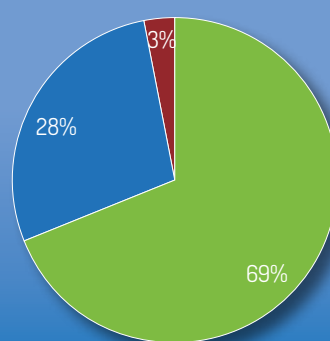
A Strong and Growing Economy

FOCUS: Economic Development, Connecting our Region



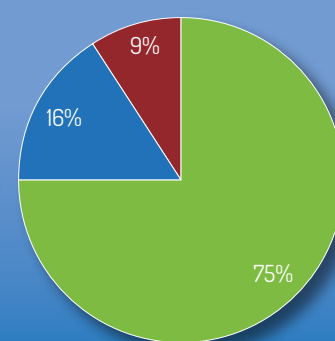
A Sustainable Environment

FOCUS: Responsible Environmental Management, Regional Infrastructure



A Well Managed Region

FOCUS: Accountable Leadership, Quality Management



Other Statutory Disclosures

Under Sections of the *Local Government Act (2009)* and *Local Government Regulation (2012)*.

Beneficial Enterprises (S41 LGA)

Council did not have any partnership arrangements, or conducted any business with beneficial enterprises under section 41 during the reporting period.

Conduct of Business Activities (S45 LGA)

Council did not conduct any significant business activities under section 45 during the reporting period.

Particular Resolutions (S185 LGR)

There were no particular resolutions under section 185 during the reporting period.

Councillors (S186 LGR)

COUNCILLOR REMUNERATION 2014/15

Total Remuneration, plus Superannuation Contributions during the Financial Year

Councillor	Remuneration	Superannuation	Total
Mayor Rosa Lee Long	\$117,958	\$14,156 (refer note below)	\$132,114
Deputy Mayor Geoff Stocker (Division 3)	\$73,724	\$6,820	\$80,544
Councillor Shaaron Linwood (Division 2)	\$62,665	\$7,521 (refer note below)	\$70,186
Councillor Rod Marti (Division 4)	\$62,665	\$5,797	\$68,462
Councillor Peter Hodge (Division 5)	\$62,665	\$5,797	\$68,462
Councillor Marjorie Pagani (Division 6)	\$62,665	\$5,797	\$68,462

Note: Mayor Lee Long and Councillor Linwood are entitled to a higher superannuation contribution to LG Super as they have elected to make additional personal contributions. All Councillors have the same entitlement to take up this option, if they so choose.

COUNCILLOR EXPENSES 2014/15

Telephone and Travel Expenses during the Financial Year

Councillor	Expenses
Mayor Rosa Lee Long	\$14,770.69
Deputy Mayor Geoff Stocker (Division 3)	\$13,208.95
Councillor Shaaron Linwood (Division 2)	\$6,997.04
Councillor Rod Marti (Division 4)	\$4,875.12
Councillor Peter Hodge (Division 5)	\$11,572.51
Councillor Marjorie Pagani (Division 6)	\$7,810.26

COUNCILLOR MEETING ATTENDANCE 2014/15

Number of local government meetings attended by each Councillor

Councillor	Number of Meetings
Total number of meetings held (full financial year)	24
Mayor Rosa Lee Long	24
Deputy Mayor Geoff Stocker (Division 3)	24
Councillor Shaaron Linwood (Division 2)	23
Councillor Rod Marti (Division 4)	24
Councillor Peter Hodge (Division 5)	24
Councillor Marjorie Pagani (Division 6)	22

Administrative Action Complaints

Council is committed to dealing fairly with administrative action complaints by processing customer complaints in a professional and cost effective way and analysing complaints to improve services to the community.

Systematic improvements to the complaint process were initiated early in 2012 following an audit by the Queensland Ombudsman. The recommendations made by the Ombudsman have been implemented.

Council's performance in resolving complaints appears to be satisfactory, given that most complaints are

resolved in less than 30 days. Systemic analysis of complaints has been combined with findings from internal audits to create a matrix of high risk issues and recurrent problems. Progress on completing improvements based on this matrix is monitored by the Internal Audit Committee as well as the Executive Leadership Team.

Average resolution time for administrative action complaints in 2014-2015 was 15 days which is half the service standard time of 30 days.

ADMINISTRATIVE ACTION COMPLAINTS 2014/15

Reportable items under Section 187 of the *Local Government Regulation 2012*

Reportable Item	Number
Number of administrative action complaints received	37
Number of administrative action complaints resolved	37
Number of administrative action complaints sustained	13
Number of administrative action complaints not sustained	24
Number of complaints still in progress/unresolved	0
Number of administrative action complaints that were made in the previous financial year (2013-2014)	90
Number of administrative action complaints that were made two years ago (2012-2013)	106

Other Reportable Items

There were no reportable items applicable to the following sections of the *Local Government Act 2009* or associated Regulations, dealing with complaints made concerning the misconduct of a Councillor.

- *Local Government Regulation 2012* Section 186 (d) (i) applies to reporting against Section 180(2) or (4) of the Act
- *Local Government Regulation 2012* Section 186 (d) (ii) applies to reporting against Section 181 of the Act
- *Local Government Regulation 2012* Section 186 (e) (i)(ii)(iii) applies to reporting the name of each Councillor for whom an order or recommendation

was made under section 180 of the Act or an order was made under section 181 of the Act

- *Local Government Regulation 2012* Section 186 (f) (ii) applies to reporting against Section 176C(3)(a) (i) of the Act
- *Local Government Regulation 2012* Section 186 (f) (iii) applies to reporting against Section 176C(3)(a) (ii) or (b) (i) of the Act
- *Local Government Regulation 2012* Section 186 (f) (iv) applies to reporting against Section 176C(4)(a) of the Act

- *Local Government Regulation 2012* Section 186 (f) (v), (vi), (vii), (viii) applying to the number of complaints to which Section 176C(6) of the Act

There were three reportable items under *Local Government Regulation 2012* Section 186 (f) (i) applying to reporting against Section 176C(2) of the *Local Government Act 2009*. This item refers to the number of complaints where the complaints assessor has decided that no further action needed to be taken in

relation to a complaint against a Councillor because the preliminary assessment was that the complaint was about a frivolous matter, was made vexatiously or was lacking in substance.

Overseas Travel (S188 LGR)

There were no Councillors or Council employees who travelled overseas in an official capacity during the 2014/15 Financial Year.

Grants to Community Organisations (S189 LGR)

GRANT PROGRAM 2014/15

Reportable items under Section 189 of the *Local Government Regulation 2012*

Grants	Amount
TRC Grants – Rates	\$10,701.00
Community Events	\$14,701.61
Community Organisations	\$14,875.99
Major Events	\$49,516.54
Rates Remission	\$21,772.00
School Events	\$4,170.00
School Bursaries	\$1,900.00
Sport Events	\$9,995.48
Youth Assistance	\$3,750.00
Regional Arts Development Fund	\$35,492.00
Total	\$166,874.62



Volunteer Lyn Goodes providing a Tablelands Food Safari for visitors to the Atherton Visitor Information Centre

Commercial Business Units (S190.1c LGR)

Council did not maintain any Commercial Business Units during the reporting period.

Action taken involving special arrangements (S190.1d LGR)

Council was not supplied with any services, facilities or activities by another local government under any agreements or joint activities and for which any special rates or charges were levied, during the financial year.

Changes to Tenders (S190.1e LGR)

Reportable items under the *Local Government Regulation 2012* Section 228(7).

There was one occasion during the 14/15 Financial Year where persons who submitted a tender were invited to change their tender to take account of a change in the tender specification prior to Council making a decision.

This was in relation to the following tender:

- T-TRC2015-18 Upgrade Atherton Waste Transfer Station – Roads, Stormwater and Leachate Systems.
- Tender closed Thursday 18 June 2015.
- Revised specifications issued to all Suppliers 31 July 2015, to close Tuesday 18 August 2015 (in the subsequent Financial Year reporting period).



Land-fill – Innot Hot Springs

Registers Maintained (S190.1f LGR)

Registers maintained by Council and open to the public:

- Register of Members Interests
- Register of Delegations by Council
- Register of Enterprises
- Register of Roads
- Register of General Charges and Regulatory Fees
- Register of Delegations by the Chief Executive Officer
- Register of Local Laws and Subordinate Local Laws
- Register of Electoral Gifts
- Register of Lands
- Register of Policies
- Cemetery Register
- Impounding Register

Internal Audit (S190.1h LGR)

The Internal Audit activities are performed by an appropriately qualified internal audit consultant on a wholly outsourced basis. For the year ended 30 June 2015, Council's outsourced internal audit consultant was Pacifica Chartered Accountants.

Internal Audit Progress Reports were presented to the Audit Committee in September 2014, December 2014, April 2015 and June 2015. Completed internal audit projects for the financial year included: forensic audit of targeted cash handling procedures; customer requests and complaint management and; financial analysis, evaluation and tender documentation templates.

The Internal Auditor and the Executive Leadership Team agreed on business rules for the implementation of improvements identified in the audit matrices. Significant progress was made by Council officers in implementing improvements required by the Internal Auditor and closing matrix items.

The Internal Audit Progress Report provided to the Audit Committee on 23 June 2015 presents an overview of the work performed by the Internal Auditor from July 2014 - June 2015 in accordance with s.207(3), *Local Government Regulation 2012*.



Council Construction Crews - looking out for each other



People and Culture Team (L-R): Steve Atkinson, Marisa Pearce, Caitlin Maisel, Donna Cifuentes, Roy Evans, Kim Nielsen

Equal Employment Opportunity (S190.1i LGR)

Council has a commitment to creating equal employment opportunities and eliminating unfair discrimination in the management of its workforce. During this financial year Council:

- Continued to promote and monitor equal employment opportunities through its recruitment policies and practices
- Promoted policies and processes to eliminate discrimination, bullying and harassment in the workforce
- Continued to implement strategies based on the 2014 Employee Opinion Survey results to improve the working lives of all employees
- Continued to provide and promote a free and confidential Employee Assistance Program to allow employees to access counselling and support services to assist in dealing with personal and organisational issues
- Improved consultation and communications with employees through regular internal communications, staff briefings, workplace visits and team meetings at all levels of the organisation
- Implemented compulsory supervisory development training to provide a non-discriminatory program for all supervisory staff to have equitable professional development opportunity
- Continued education and training to staff in respect of ethics, the Code of Conduct, discrimination, workplace harassment and bullying through targeted training of work groups and as part of the regular induction process for new staff

Competitive Neutrality Complaints (S 190.1 - j and k)

No investigation notices were given in the financial year under section 49 LGA for competitive neutrality complaints.

Public Sector Ethics

Reportable under the *Public Sector Ethics Act 1994*.

Council adopted a Code of Conduct in 2014 which reflects and incorporates the four public service ethics principles:

- integrity and impartiality
- promoting the public good
- commitment to the system of government
- accountability and transparency.

Education and training in relation to the ethics principles and the code of conduct has been provided progressively to Council staff during the year, both in targeted sessions and as part of the induction process for all new employees. In addition, toolbox talks have been developed for implementation to reinforce code of conduct principles on an annual basis.

As part of Council's governance processes, all policies, procedures and practices have regard to the ethics obligations of public officials and Council's Code of Conduct. All employees are encouraged to act in ways which give commitment to a high standard of ethics and which ensures the highest standards of public administration. The same principles have been applied by Council in the review and preparation of Corporate and Operational Plans, and compliance with the Code of Conduct is assessed through the performance management process.



Carole Leech a Volunteer at Yunguburra Visitor Information Centre

Financial Report

S 176 and S 177 LGR



Tablelands Regional Council Financial Statements for the year ended 30 June 2015

Tablelands Regional Council Financial Statements

For the year ended 30 June 2015

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Tablelands Regional Council
Statement of Comprehensive Income
For the year ended 30 June 2015

	2015	2014
Note	\$	\$
Continuing operations		
Income		
Revenue		
Recurrent revenue		
Rates, levies and charges	3 32,581,992	30,825,953
Fees and charges	2,302,941	1,626,781
Rental income	1,252,610	1,111,800
Interest received	1,008,879	1,316,607
Sales revenue	5,845,964	6,258,243
Sale of developed land	-	38,500
Other income	109,756	137,481
Grants, subsidies, contributions and donations	4(a) 15,389,917	9,266,283
	<u>58,492,059</u>	<u>50,581,648</u>
Capital revenue		
Grants, subsidies, contributions and donations	4(b) 7,557,258	16,464,494
Total revenue	<u>66,049,317</u>	<u>67,046,142</u>
Capital income	5 -	122,412
Total income from continuing operations	<u>66,049,317</u>	<u>67,168,554</u>
Expenses		
Recurrent expenses		
Employee benefits	6 (20,974,488)	(26,998,310)
Materials and services	7 (24,624,545)	(26,723,941)
Finance costs	8 (719,485)	(698,758)
Depreciation and amortisation	16 & 18 (10,284,323)	(9,032,483)
	<u>(56,602,841)</u>	<u>(63,453,492)</u>
Capital expenses		
Capital expenses	9 (5,408,379)	(988,963)
Loss on restructure of local government	28 (8,813,347)	(345,140,877)
Total expenses from continuing operations	<u>(70,824,567)</u>	<u>(409,583,332)</u>
Net result from continuing operations	<u>(4,775,250)</u>	<u>(342,414,778)</u>
Net result from discontinued operations	10 -	(5,880,352)
Net result	<u>(4,775,250)</u>	<u>(348,295,130)</u>
Other comprehensive income		
Items that will not be reclassified to net result		
Increase in asset revaluation surplus	22 8,069,166	19,340,712
Total other comprehensive income for the year	<u>8,069,166</u>	<u>19,340,712</u>
Total comprehensive income for the year	<u>3,293,916</u>	<u>(328,954,418)</u>

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

**Tablelands Regional Council
Statement of Financial Position
As at 30 June 2015**

		2015	2014
	Note	\$	\$
Current assets			
Cash and cash equivalents	11	18,201,633	34,380,288
Short term investments	12	11,000,000	4,000,000
Trade and other receivables	13	5,448,331	8,493,310
Inventories	14	1,095,740	1,333,268
Assets held for transfer	15	7,465,979	4,583,923
Total current assets		<u>43,211,683</u>	<u>52,790,789</u>
Non-current assets			
Trade and other receivables	13	6,500	8,750
Property, plant and equipment	16	449,171,561	440,377,742
Intangible assets	18	1,295,386	1,521,342
Total non-current assets		<u>450,473,447</u>	<u>441,907,834</u>
Total assets		<u>493,685,130</u>	<u>494,698,623</u>
Current liabilities			
Trade and other payables	19	14,383,687	21,241,959
Borrowings	20	783,599	429,728
Provisions	21	2,935,920	3,139,057
Total current liabilities		<u>18,103,206</u>	<u>24,810,744</u>
Non-current liabilities			
Borrowings	20	6,378,573	5,450,810
Provisions	21	6,080,263	4,607,897
Total non-current liabilities		<u>12,458,836</u>	<u>10,058,707</u>
Total liabilities		<u>30,562,042</u>	<u>34,869,451</u>
Net community assets		<u>463,123,088</u>	<u>459,829,172</u>
Community equity			
Asset revaluation surplus	22	93,818,644	85,749,478
Retained surplus		369,304,444	374,079,694
Total community equity		<u>463,123,088</u>	<u>459,829,172</u>

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

Tablelands Regional Council

**Statement of Changes in Equity
For the year ended 30 June 2015**

	Asset revaluation surplus	Retained surplus	Total
Note	22		
	\$	\$	\$
Balance as at 1 July 2014	85,749,478	374,079,694	459,829,172
Net result	-	(4,775,250)	(4,775,250)
Other comprehensive income for the year			
Increase in asset revaluation surplus	8,069,166	-	8,069,166
Total comprehensive income for the year	<u>8,069,166</u>	<u>(4,775,250)</u>	<u>3,293,916</u>
Balance as at 30 June 2015	<u>93,818,644</u>	<u>369,304,444</u>	<u>463,123,088</u>
Balance as at 1 July 2013	66,408,766	722,374,824	788,783,590
Net result	-	(348,295,130)	(348,295,130)
Other comprehensive income for the year			
Increase in asset revaluation surplus	19,340,712	-	19,340,712
Total comprehensive income for the year	<u>19,340,712</u>	<u>(348,295,130)</u>	<u>(328,954,418)</u>
Balance as at 30 June 2014	<u>85,749,478</u>	<u>374,079,694</u>	<u>459,829,172</u>

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

**Tablelands Regional Council
Statement of Cash Flows
For the year ended 30 June 2015**

	Note	2015 \$	2014 \$
Cash flows from operating activities			
Receipts from customers		53,340,528	69,104,745
Payments to suppliers and employees		(64,990,238)	(84,390,594)
		<u>(11,649,710)</u>	<u>(15,285,849)</u>
Interest received		1,008,879	1,864,154
Rental income		1,252,610	1,623,470
Non capital grants and contributions		15,389,917	12,354,784
Payments for development of land held for resale		-	(3,636)
Proceeds from sale of land held for resale		-	38,500
Borrowing costs		(417,610)	(446,881)
Net cash inflow from operating activities	29	<u>5,584,086</u>	<u>144,542</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(15,827,907)	(28,256,396)
Payments for intangible assets		(58,781)	(917,849)
Net movement in loans and advances		14,250	(12,750)
Proceeds from sale of plant and equipment		953,055	351,484
Grants, subsidies, contributions and donations		6,344,087	16,022,342
Net movement in short term investments		(7,000,000)	37,500,002
Transfer on restructure of local government		(4,587,023)	(14,000,000)
Net cash inflow (outflow) from investing activities		<u>(20,162,319)</u>	<u>10,686,834</u>
Cash flows from financing activities			
Proceeds from borrowings		1,710,000	2,808,355
Repayment of borrowings		(428,366)	(469,456)
Repayments made on finance leases		-	(32,500)
Net cash inflow from financing activities		<u>1,281,634</u>	<u>2,306,399</u>
Net increase (decrease) in cash and cash equivalents held		<u>(13,296,599)</u>	<u>13,137,774</u>
Cash and cash equivalents at the beginning of the financial year		38,964,211	25,826,437
Cash and cash equivalents at end of the financial year	11	<u>25,667,612</u>	<u>38,964,211</u>

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

**Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015**

1 Significant accounting policies

1.A Basis of preparation

These general purpose financial statements are for the period 1 July 2014 to 30 June 2015 and have been prepared in compliance with the requirements of the *Local Government Act 2009* and the *Local Government Regulation 2012*. Consequently, these financial statements have been prepared in accordance with all Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements issued by the Australian Accounting Standards Board.

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

Recurrent/capital classification

Revenue and expenditure are presented as "recurrent" or "capital" in the Statement of Comprehensive Income on the following basis:

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

The following transactions are classified as either "Capital income" or "Capital expenses" depending on whether they result in accounting gains or losses:

- disposal of non-current assets
- discount rate adjustments to restoration provisions

All other revenue and expenses have been classified as "recurrent".

1.B Statement of compliance

These general purpose financial statements comply with all accounting standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to Council's operations and effective for the current reporting period. Because the Council is a not-for-profit entity and the Australian Accounting Standards include requirements for not-for-profit entities which are inconsistent with International Financial Reporting Standards (IFRS), to the extent these inconsistencies are applied, these financial statements do not comply with IFRS. The main impacts are the offsetting of revaluation and impairment gains and losses within a class of assets, and the timing of the recognition of non-reciprocal grant revenue.

1.C Currency

The Council uses the Australian dollar as its functional currency and its presentation currency.

1.D Adoption of new and revised Accounting Standards

In the current year, Council adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current reporting period. The adoption of the new and revised Standards and Interpretations has not resulted in any material changes to Council's accounting policies.

Council has adopted *AASB 2015-7 Amendments to Australian Accounting Standards - Fair Value Disclosures of Not-For-Profit Sector Entities* early in this financial year.

At the date of authorisation of the financial statements, *AASB 9 Financial Instruments* is the only new accounting standard with a future application date that may have a material impact on Council's financial statements.

AASB 9, which replaces AASB 139 *Financial Instruments: Recognition and Measurement*, is effective for reporting periods beginning on or after 1 January 2018 and must be applied retrospectively. The main impact of AASB 9 is to change the requirements for the classification, measurement and disclosures associated with financial assets. Under the new requirements the four current categories of financial assets stipulated in AASB 139 will be replaced with two measurement categories: fair value and amortised cost and financial assets will only be able to be measured at amortised cost where very specific conditions are met.

Due to its recent release, Council is still reviewing the way that revenue is measured and recognised to identify whether *AASB 15 Revenue from Contracts with Customers* will have a material impact. To date no impact has been identified.

Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015

AASB 15 is effective from 1 January 2017 and will replace *AASB 118 Revenue*, *AASB 111 Construction Contracts* and a number of interpretations. It contains a comprehensive and robust framework for the recognition, measurement and disclosure of revenue from contracts with customers.

From 1 July 2016 *AASB 124 Related Party Disclosures* will apply to Council. This means that Council will disclose more information about related parties and transactions with those related parties. Council is currently preparing for this change by identifying related parties. Related parties will include the Mayor, Councillors and some Council staff. In addition the close family members of those people and any organisation that they control or are associated with will be classified as related parties.

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

1.E Critical accounting judgements and key sources of estimation uncertainty

In the application of Council's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and ongoing assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Judgements, estimates and assumptions that have a potential significant effect are outlined in the following financial statement notes:

Valuation and depreciation of property, plant and equipment - Note 1.M, Note 16 and Note 17
Impairment of property, plant and equipment - Note 1.O
Discontinued operations - de-amalgamation of Tablelands Regional Council - Note 10 and Note 28
Provisions - Note 1.T and Note 21
Contingent liabilities - Note 24.

1.F Revenue

Rates, levies, grants and other revenue are recognised as revenue on receipt of funds or earlier upon unconditional entitlement to the funds.

Rates and levies

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

Grants and subsidies

Grants, subsidies and contributions that are non-reciprocal in nature are recognised as revenue in the year in which Council obtains control over them.

Internal restrictions that have been placed on Council's cash and cash equivalents are disclosed in Note 11.

Non-cash contributions

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

Physical assets contributed to Council by developers in the form of road works, stormwater, water and wastewater infrastructure and park equipment are recognised as revenue when the development becomes "on maintenance" (i.e. the Council obtains control of the assets and becomes liable for any ongoing maintenance) and there is sufficient data in the form of drawings and plans to determine the approximate specifications and values of such assets. All non-cash contributions are recognised at the fair value of the contribution received on the date of acquisition.

Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015

Cash contributions

Developers also pay infrastructure charges for trunk infrastructure to construct assets such as roads and footpaths and to connect new property developments to water and sewerage networks in the local government area. Where agreements between Council and the developers relating to these contributions are determined to fall within the scope of AASB Interpretation 18 *Transfers of Assets from Customers* these contributions are recognised as revenue when the related service obligations are fulfilled.

Developers may also make cash contributions towards the cost of constructing existing and proposed infrastructure like water supply and sewerage headworks in accordance with Council's planning scheme policies. (Headworks include pumping stations, treatment works, mains and sewers). Cash contributions in relation to water supply and sewerage headworks are not within the scope of AASB Interpretation 18 because there is no performance obligation associated with these contributions. Consequently, these cash contributions are recognised as income when received.

Rental income

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

Interest

Interest received from term deposits is accrued over the term of the investment.

Sales revenue

Sale of goods is recognised when the significant risks and rewards of ownership are transferred to the buyer, generally when the customer has taken undisputed delivery of the goods.

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

Fees and charges

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

Other revenue

Other revenue is recognised as a receivable when it is probable that it will be received and the amount is known, otherwise the amount is recognised upon receipt.

1.G Financial assets and financial liabilities

Council recognises a financial asset or a financial liability in its Statement of Financial Position when, and only when, Council becomes a party to the contractual provisions of the instrument.

Council has categorised and measured the financial assets and financial liabilities held at balance date as follows:

Financial assets

Cash and cash equivalents (Note 1.H)

Receivables - measured at amortised cost (Note 1.I)

Term deposits (Note 1.L)

Financial liabilities

Payables - measured at amortised cost (Note 1.Q)

Borrowings - measured at amortised cost (Note 1.S)

Finance lease liabilities - measured at amortised cost (Note 1.P)

Financial assets and financial liabilities are presented separately from each other and offsetting has not been applied.

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

Council's Executive Leadership Team approves policies for overall risk management, as well as specifically for managing credit, liquidity and market risk.

**Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015**

1.H Cash and cash equivalents

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

1.I Receivables

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

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

All known bad debts were written-off at 30 June 2015. Subsequent recoveries of amounts previously written off in the same period are recognised as finance costs in the Statement of Comprehensive Income. If an amount is recovered in a subsequent period it is recognised as revenue.

Because Council is empowered under the provisions of the *Local Government Act 2009* to sell an owner's property to recover outstanding rate debts, Council will only recognise an impairment for outstanding rate debts when it is likely that the sale of property will not recover the debt.

The value for loans and advances to community organisations is disclosed in Note 13. Loans and advances are recognised in the same way as other receivables. Terms are usually a maximum of five years with no interest charged. Security is not normally obtained.

1.J Inventories

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

Land acquired by Council with the intention of reselling it (with or without further development) is classified as inventory. This land is valued at the lower of cost or net realisable value. As an inventory item, this land held for resale is treated as a current asset. Proceeds from the sale of this land will be recognised as sales revenue on the signing of a valid unconditional contract of sale.

1.K Non current assets held for sale and discontinued operation

Items of property, plant and equipment are reclassified as non-current assets held for sale when the carrying amount of these assets will be recovered principally through a sales transaction rather than continuing use. Non-current assets classified as held for sale are available for immediate sale in their present condition and management believe the sale is highly probable. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less cost to sell and are not depreciated. On the eventual sale of these assets a gain or loss is recognised.

Tablelands Regional Council de-amalgamated its operations of the former Mareeba Shire Council area on 1 January 2014 after a majority referendum vote was polled on 9 March 2013. As per *AASB 5 Non-Current Assets Held for Sale and Discontinued Operations*, this represents a discontinued operation being a component of Council (a geographical area of operations) to be disposed of. Refer to note 28.

1.L Investments

Term deposits in excess of three months are reported as investments, with deposits of three months or less being reported as cash equivalents.

**Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015**

1.M Property, plant and equipment

Each class of property, plant and equipment is stated at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment loss. Plant and equipment, infrastructure assets and buildings with a total value less than \$5000 are treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised.

The classes of property, plant and equipment recognised by the Council are:

Land

Buildings

Plant and equipment

Infrastructure

Road, drainage and bridge network

Water

Sewerage

Other infrastructure assets

Work in progress

Acquisition of assets

Acquisitions of assets are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including freight in, architect's fees and engineering design fees and all other establishment costs.

Property, plant and equipment received in the form of contributions, are recognised as assets and revenues at fair value by Council valuation where that value exceeds the recognition thresholds for the respective asset class. Fair value is the price that would be received to sell the asset in an orderly transaction between market participants at the measurement date.

Capital and operating expenditure

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

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

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

Valuation

Land and improvements, buildings, plant and all infrastructure assets are measured on the revaluation basis, at fair value, in accordance with AASB 116 *Property, Plant & Equipment* and AASB 13 *Fair Value Measurement*. Plant and equipment and work in progress are measured at cost.

Non-current physical assets measured at fair value are revalued, where required, so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This is achieved internally using the expertise of Council officers or by engaging independent, professionally qualified valuers to determine the fair value for each class of property, plant and equipment assets at least once every 5 years. This process involves physically sighting a representative sample of Council assets across all asset classes and making their own assessments of the condition of the assets at the date of inspection.

In the intervening years, Council uses internal officers to assess the condition and cost assumptions associated with all asset classes carried at fair value, the results of which are considered in combination with an appropriate Producers' Price Index published by the Australian Bureau of Statistics. Together these are used to form the basis of a management valuation for asset classes in each of the intervening years.

An analysis performed by management has indicated that, on average, the variance between an indexed asset value and the valuation by an independent valuer when performed is not significant and the indices used by Council are sound. Further details in relation to valuers, the methods of valuation and the key assumptions used are disclosed in Note 17.

Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015

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

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

Both water and sewerage asset classes are classified for valuation purposes into above ground and below ground asset groups. Above ground assets have a different methodology for valuations to below ground assets. A comprehensive revaluation will be completed for both these groups at least once every five years but not necessarily in the same reporting period.

Separately identified components of assets are measured on the same basis as the assets to which they relate.

Major plant

The Council has determined that plant which has an individual cost in excess of \$500,000 is of high value to the Council. Plant which meets this criteria is major plant if it is prone to a high degree of price fluctuations or in danger of becoming obsolete. The asset class primarily includes specialised earthmoving equipment. Council had no assets within this asset class at balance date.

Capital work in progress

The cost of property, plant and equipment being constructed by the Council includes the cost of purchased services, materials, direct labour and an appropriate proportion of labour overheads.

Depreciation

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

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and commissioned ready for use.

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

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

The depreciable amount of improvements to or on leasehold land is allocated progressively over the estimated useful lives of the improvements to the Council or the unexpired period of the lease, whichever is the shorter.

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

Land under roads

Land under roads acquired before 30 June 2008 is recognised as a non-current asset where the Council holds title or a financial lease over the asset. The Tablelands Regional Council currently does not have any such land holdings.

Land under the road network within the Council area that has been dedicated and opened for public use under the *Land Act 1994* or the *Land Title Act 1994* is not controlled by Council but is controlled by the state pursuant to the relevant legislation. Therefore this land is not recognised in these financial statements.

**Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015**

1.N Intangible assets

Intangible assets with a cost or other value exceeding \$10,000 are recognised as intangible assets in the financial statements, items with a lesser value being expensed.

Expenditure on research activities relating to internally-generated intangible assets is recognised as an expense in the period in which it is incurred.

Costs associated with the development of computer software are capitalised and are amortised on a straight-line basis over the period of expected benefit to Council.

Amortisation methods, estimated useful lives and residual values are reviewed at the end of each reporting period and adjusted where appropriate.

1.O Impairment of non-current assets

Each non-current physical and intangible asset and group of assets is assessed for indicators of impairment annually. If an indicator of possible impairment exists, the Council determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

An impairment loss is recognised as an expense in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation surplus increase.

1.P Leases

Leases of plant and equipment under which the Council as lessee/lessor assumes/transfers substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are classified as finance leases. Other leases, where substantially all the risks and benefits remain with the lessor, are classified as operating leases.

Finance leases as lessee

Where Council enters into a finance lease as lessee, Council recognises an asset equal to the lower of fair value of the leased property and the present value of the minimum lease payments. The lease liability is recognised at the same amount. Lease liabilities are reduced by repayments of principal. The interest components of the lease payments are charged as finance costs. The asset is accounted for on the same basis as other assets of the same class. Contingent rentals are written off as an expense in the accounting period in which they are incurred.

Operating leases

Payments made under operating leases are expensed in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property.

1.Q Payables

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price net of applicable discounts other than contingent discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

1.R Liabilities - employee benefits

Liabilities are recognised for employee benefits such as wages and salaries, annual leave and long service leave in respect of services provided by the employees up to the reporting date.

Salaries and wages

A liability for salaries and wages is recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date. This liability represents an accrued expense and is reported in Note 19 as a payable.

**Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015**

Annual leave

Amounts expected to be settled within 12 months are calculated on current wage and salary levels and includes related employee on-costs. Amounts not expected to be settled within 12 months are calculated on projected future wage and salary levels and related employee on-costs, and are discounted to present values. This liability represents an accrued expense and is reported in Note 19 as a payable.

As Council does not have unconditional right to defer this liability beyond 12 months annual leave is classified as a current

Long service leave

The value of the liability is calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. The estimates are adjusted for the probability of the employee remaining in the Council's employment or other associated employment which would result in the Council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value. The interest rates attaching to Commonwealth Government guaranteed securities at the reporting date are used to discount the estimated future cash outflows to their present value. This liability is reported in Note 21 as a provision.

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

1.S Borrowings and borrowing costs

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

In accordance with the *Local Government Regulation 2012*, Council adopts an annual debt policy that sets out Council's planned borrowings for the next nine 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.

All borrowing costs are expensed in the period in which they are incurred. No borrowing costs are capitalised on qualifying assets.

1.T Restoration provision

A provision is made for the cost of restoration in respect of refuse dumps and quarries where it is probable the Council will be liable, or required, to incur such a cost on the cessation of use of these facilities. The provision is measured at the expected cost of the work required, discounted to current day values using the interest rates attaching to Commonwealth Government guaranteed securities with a maturity date corresponding to the anticipated date of the restoration.

Refuse dump restoration

The provision represents the present value of the anticipated future costs associated with the closure of the dump sites, decontamination and monitoring of historical residues and leaching on these sites. The calculation of this provision requires assumptions such as application of environmental legislation, site closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from amounts currently provided. Because of the long-term nature of the liability, the most significant uncertainty in estimating the provision is the costs that will be incurred. The provision recognised for dump sites is reviewed at least annually and updated based on the facts and circumstances available at the time. Management estimates that the following sites will close in:

Yungaburra	closed - 2015 restoration works
Malanda	closed - 2015 restoration works (Council controlled land)
Herberton	closed - 2015 restoration works
Peeramon	closed - 2018 restoration works
Innot Hot Springs	closed - 2018 restoration works
Herberton Sanitary	closed - 2018 restoration works
Atherton	- 2021
Alcatraz	- 2034 (Council controlled land)

Where Council refuse dumps are located on state reserves which Council does not control, the provision for restoration is treated as an expense in the year the provision is first recognised.

**Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015**

Dump sites that are situated on Council controlled land are classified as land and land improvements assets. The provision for restoration is, therefore, included in the cost of the land and amortised over the expected useful life of the dump. Changes in the provision not arising from the passing of time are added to or deducted from the asset revaluation surplus for land. If there is no available revaluation surplus, increases in the provision are treated as an expense and recovered out of future decreases (if any). Changes to the provision resulting from the passing of time (unwinding of the discount) are treated as a finance cost.

Quarry rehabilitation

The provision represents the present value of the anticipated future costs associated with the closure of the quarries, refilling the basin, and reclamation and rehabilitation of these sites. The calculation of this provision requires assumptions such as application of environmental legislation, site closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from amounts currently provided. Because of the long-term nature of the liability, the most significant uncertainty in estimating the provision is the costs that will be incurred. The provision recognised for quarry rehabilitation is reviewed at least annually and updated based on the facts and circumstances available at the time. Management estimates that restoration will occur in 2039.

Quarries are situated on Council controlled land and are classified as land and land improvements assets. The provision for restoration is, therefore, included in the cost of the land and amortised over the expected useful life of the quarry. Changes in the provision not arising from the passing of time are added to or deducted from the asset revaluation surplus for land. If there is no available revaluation surplus, increases in the provision are treated as an expense and recovered out of future decreases (if any).

Changes to the provision resulting from the passing of time (the unwinding of the discount) are treated as a finance cost.

1.U Asset revaluation surplus

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

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

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

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

1.V Rounding and comparatives

The financial statements have been rounded to the nearest \$1.

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

1.W Trust funds held for 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, security deposits lodged to guarantee performance and external funds held for a specific purpose. 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.

The monies are disclosed in the notes to the financial statements for information purposes only in Note 27.

1.X Taxation

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

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

**Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015**

2 Analysis of results by function

2(a) Components of Council functions

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

Office of the CEO

The Office of the CEO is responsible for ensuring effective governance of Council's operations including provision of advice, assistance and support to elected Council representatives. The department is responsible for internal auditing, public relations, communications and marketing, economic development and grants.

Organisational Services

The Organisational Services department is responsible for ensuring an integrated approach to internal organisational services across the organisation. The department is responsible for the corporate planning and performance, human resources, financial management, information management, customer service and governance functions and operations of Council.

Community and Regional Planning

The Community and Regional Planning department is responsible for ensuring an integrated approach to the provision of external services of Council to the community. The department is responsible for strategic land use planning, development assessment, regulatory services, health and environmental protection and the delivery of a range of community services including libraries and tourist information and the management of community and corporate facilities.

Infrastructure Services

The Infrastructure Services department is responsible for ensuring an integrated approach to the delivery of services across the Council region. The department is responsible for the planning, construction and maintenance of all Council's infrastructure including roads and drainage, parks and gardens and associated technical services.

Waste Management

The Waste Management department is responsible for the delivery of waste construction and maintenance services across the region. The department responsibilities include the day-to-day operations at landfill and transfer station sites.

Water

The Water department is responsible for the delivery of water construction and maintenance services across the region, including management of reticulation services.

Sewerage

The Sewerage department is responsible for the delivery of wastewater construction and maintenance across the region. The department responsibilities include managing treatment plants and reticulation services.

**Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015**

2(b) Analysis of results by function

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

For the year ended 30 June 2015

Functions	Gross program income						Elimination of inter-function transactions		Total income	Gross program expenses		Elimination of inter-function transactions		Total expenses	Net result from recurring operations	Net result	Assets	
	Recurring		Capital		2015	2015	2015	2015		2015	2015	2015	2015					2015
	Grants	Other	Grants	Other														
Office of the CEO	-	291,432	-	-	-	-	-	291,432	1,713,556	-	-	-	1,713,556	(1,422,124)	(1,422,124)	(3,591)		
Organisational Services	4,420,989	19,331,033	-	-	-	-	-	23,752,032	5,415,183	8,813,347	(274,414)	(274,414)	13,954,116	18,336,849	9,797,916	21,841,141		
Community & Regional Planning	340,162	2,440,670	570,927	-	-	-	-	3,351,759	11,891,948	1,319,685	-	-	13,211,633	(9,111,116)	(9,859,874)	86,628,416		
Infrastructure Services	10,530,005	5,805,759	4,290,210	1,246,758	-	-	-	21,872,732	24,942,181	533,426	(181,816)	(181,816)	25,293,791	(8,606,417)	(3,421,059)	268,874,803		
Waste Management	-	5,210,873	-	-	-	-	-	5,210,873	5,014,210	3,555,268	166,640	166,640	8,738,118	196,663	(3,527,245)	4,331,465		
Water	-	5,590,642	-	678,200	-	-	-	6,268,842	4,675,090	(94,305)	(94,305)	(94,305)	4,580,785	915,552	1,688,057	64,115,449		
Sewerage	-	4,530,484	150,000	621,163	-	-	-	5,301,647	2,950,673	-	381,895	381,895	3,332,568	1,579,811	1,969,079	47,897,047		
Total Council	15,291,166	43,200,893	5,011,137	2,546,121	-	-	-	66,049,317	56,602,841	14,221,726	-	-	70,824,567	1,889,218	(4,775,250)	493,685,130		
Discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,465,979)		
Continuing Council	15,291,166	43,200,893	5,011,137	2,546,121	-	-	-	66,049,317	56,602,841	14,221,726	-	-	70,824,567	1,889,218	(4,775,250)	486,219,151		

Year ended 30 June 2014

Functions	Gross program income						Elimination of inter-function transactions		Total income	Gross program expenses		Elimination of inter-function transactions		Total expenses	Net result from recurring operations	Net result	Assets	
	Recurring		Capital		2014	2014	2014	2014		2014	2014	2014	2014					2014
	Grants	Other	Grants	Other														
Office of the CEO	22,352	(120,279)	-	1,693,989	-	-	-	1,596,062	4,269,990	-	-	-	47,800	4,317,790	(2,721,728)	20,227		
Organisational Services	2,419,838	27,139,435	-	211,981	-	-	-	29,771,254	11,459,620	341,794,264	(1,313,607)	(1,313,607)	351,940,277	18,099,653	(322,169,023)	27,215,178		
Community & Regional Planning	1,198,680	3,370,021	1,016,862	88,059	-	-	-	5,673,622	16,478,916	150,851	(26,278)	(26,278)	16,603,489	(11,910,215)	(10,329,867)	83,810,941		
Infrastructure Services	8,697,678	9,912,762	11,159,017	1,247,562	-	-	-	31,017,019	43,307,181	4,031,848	833,385	833,385	48,172,414	(24,696,741)	(17,155,395)	264,480,832		
Waste Management	-	7,090,387	-	103,859	-	-	-	7,194,246	6,966,431	39,272	437,861	437,861	7,443,564	123,956	(249,318)	7,440,046		
Water	-	7,111,476	417,694	756,741	-	-	-	8,285,911	5,638,666	52,323	(71,476)	(71,476)	5,619,513	1,472,810	2,666,398	64,357,991		
Sewerage	-	5,690,343	214,024	455,943	-	-	-	6,360,310	3,942,910	61,282	92,315	92,315	4,096,507	1,747,433	2,263,803	47,373,408		
Total Council	12,338,548	60,194,145	12,807,597	4,558,134	-	-	-	89,898,424	92,063,714	346,129,840	-	-	438,193,554	(19,531,021)	(348,295,130)	494,698,623		
Discontinued operations	(3,088,500)	(18,862,545)	(417,522)	(361,303)	-	-	-	(22,729,870)	(28,610,222)	-	-	-	(28,610,222)	6,659,177	5,880,352	(4,583,923)		
Continuing Council	9,250,048	41,331,600	12,390,075	4,196,831	-	-	-	67,168,554	63,453,492	346,129,840	-	-	409,583,332	(12,871,844)	(342,414,778)	490,114,700		

* The loss on the restructure of the local government has been included in capital expenses relating to the Organisational Services function.



Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015

	2015	2014
Note	\$	\$
3 Rates, levies and charges		
General rates	20,436,094	19,476,278
Rates paid in advance	110,703	556,670
Water	5,265,686	4,866,992
Sewerage	4,313,855	4,045,460
Waste collection	2,788,734	2,389,903
Special rates - Waste management levy	1,972,619	1,705,526
Special rates - Rural fire	77,293	76,899
Special rates	45,408	1,762
Total rates and utility charge revenue	<u>35,010,392</u>	<u>33,119,490</u>
Less: Discounts	(1,808,661)	(1,727,117)
Less: Pensioner remissions	(587,266)	(566,420)
Less: Other remissions	(32,473)	-
	<u>32,581,992</u>	<u>30,825,953</u>
4 Grants, subsidies, contributions and donations		
(a) Recurrent		
General purpose grants	5,272,967	2,569,033
State government subsidies and grants	9,806,699	6,305,990
Commonwealth government subsidies and grants	211,500	375,025
Donations	2,848	3,035
Contributions	95,903	13,200
	<u>15,389,917</u>	<u>9,266,283</u>
(b) Capital		
State government subsidies and grants	4,173,479	9,736,428
Commonwealth government subsidies and grants	837,658	2,653,647
Contributions	1,332,950	2,853,443
Donated assets	1,213,171	1,220,976
	<u>7,557,258</u>	<u>16,464,494</u>
Conditions over contributions		
Contributions recognised as income during the reporting period and which were obtained on the condition that they be expended in a manner specified by the contributor but had not been expended at the reporting date:		
Non-reciprocal grants for expenditure on services	755,070	202,568
Non-reciprocal grants for expenditure on infrastructure	1,787,220	1,405,709
	<u>2,542,290</u>	<u>1,608,277</u>
Contributions recognised as income during a previous reporting period that were obtained in respect of the current reporting period:		
Non-reciprocal grants for expenditure on services	199,390	2,021,895
Non-reciprocal grants for expenditure on infrastructure	3,047,038	1,162,267
	<u>3,246,428</u>	<u>3,184,162</u>
5 Capital income		
Gain on disposal of non-current assets	-	122,412
	<u>-</u>	<u>122,412</u>

**Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015**

	2015	2014
Note	\$	\$
6 Employee benefits		
Total staff wages and salaries	15,995,422	18,843,342
Redundancy expenses	-	1,813,144
Councillors' remuneration	442,341	313,360
Annual, sick and long service leave entitlements	3,014,062	3,751,203
Superannuation	25 1,977,506	2,281,470
	<u>21,429,331</u>	<u>27,002,519</u>
Workers compensation	262,854	270,714
Other employee related expenses	645,903	697,815
	<u>22,338,088</u>	<u>27,971,048</u>
Less: Capitalised employee expenses	(1,363,601)	(972,738)
	<u>20,974,488</u>	<u>26,998,310</u>

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

	2015	2014
Total Council employees at the reporting date:		
Elected members	6	6
Administration staff	124	129
Depot and outdoors staff	139	178
Total full time equivalent employees	<u>269</u>	<u>313</u>

7 Materials and services

Advertising and marketing	183,811	196,795
Audit fees	192,790	99,919
Cleaning	384,293	354,004
Entertainment and hospitality	12,097	14,483
Contractors	12,966,393	9,388,901
Electricity	1,356,063	1,560,846
Equipment purchases < \$5000	37,817	41,937
Fuels and oils	998,079	1,253,368
Goods, materials and services	1,719,609	2,792,347
Grants, sponsorships and donations	124,963	124,887
Hire of plant and equipment	267,142	1,436,921
Insurance	1,292,601	1,329,009
Legal	496,323	277,976
Licences, fees, subscriptions and memberships	858,286	1,022,596
Merchandise purchases	82,313	90,761
Postage and courier	26,632	39,911
Professional/consultancy services	617,473	1,547,334
Registrations	35,985	41,940
Rent, rates and leasing expenses	302,416	341,071
Repairs and maintenance	1,176,093	3,218,499
Road materials	818,052	727,752
Safety wear and equipment	111,975	111,929
Stationery, printing and copying	122,670	151,965
Telephone and Internet	349,928	440,040
Travel/accommodation expenses	90,741	118,750
	<u>24,624,545</u>	<u>26,723,941</u>

8 Finance costs

Finance costs charged by the Queensland Treasury Corporation	334,352	362,241
Unwinding of discount on provision for restoration	151,376	137,828
Bank charges	83,258	65,997
Impairment of debts	150,499	132,692
	<u>719,485</u>	<u>698,758</u>

Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015

	2015	2014
Note	\$	\$
9 Capital expenses		
Loss on disposal of non-current assets	3,829,516	903,685
Loss on disposal of Intangible assets	-	54,530
Increase in refuse restoration provision estimates	1,578,863	30,748
	5,408,379	988,963

10 Discontinued operations

The de-amalgamation of Mareeba Shire Council from Tablelands Regional Council occurred as at 1 January 2014 as per the *Local Government (De-amalgamation Implementation) Regulation 2013*. Tablelands Regional Council have considered all relevant impacts, legislation, transactions and modelling on its assets and liabilities as at 31 December 2013 and beyond, as a result of the de-amalgamation process. In accordance with AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*, all revenue and expenses for the de-amalgamating Mareeba Shire Council have been separated for the six months ended 31 December 2013, and are summarised below.

Revenue and expenses were mainly apportioned based on geographical location or some other direct allocation. Where direct allocation was not possible, the default allocation methodology was rateable properties, while other methodologies were only used where they provided meaningful separation.

Revenue	-	22,729,870
Expenses	-	(28,610,222)
Net result from discontinued operations	-	(5,880,352)

Cash flows from (used in) discontinued operations

Net cash inflow/(outflows) from operating activities	-	(2,830,243)
Net cash inflow/(outflows) from investing activities	-	(7,543,001)
Net cash inflow/(outflows) from financing activities	-	2,732,192
Net (decrease)/increase in cash generated by the discontinued operations	-	(7,641,052)

11 Cash and cash equivalents

Cash at bank and on hand		765,653	404,540
Deposits at call		17,435,980	28,975,748
Term deposits		-	5,000,000
Balance as per statement of financial position		18,201,633	34,380,288
Cash component of assets held for transfer to Mareeba Shire Council	15	7,465,979	4,583,923
Balance as per statement of cash flows		25,667,612	38,964,211

Council's cash and cash equivalents are subject to a number of internal and external restrictions which limit amounts available for discretionary or future use. These include:

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

Unspent recurrent government grants and subsidies	762,553	206,873
Unspent capital government grants and subsidies	618,629	324,426
Unspent developer contributions	7,885,754	9,439,775
Cash balance to be transferred to Mareeba Shire Council	7,465,979	4,583,923
Internally imposed expenditure restrictions at the reporting date:		
Future capital works	16,494,535	18,431,816
Future non-capital works	28,042	61,948
Total unspent restricted cash	33,255,492	33,048,760

Cash and deposits at call are held with various financial institutions in normal term deposits and business cheque accounts. These financial institutions have a short term credit rating of between A1+ to A2.

Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015

<u>Note</u>	<u>2015</u>	<u>2014</u>
	\$	\$

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

12 Short term investments

Opening balance as at 1 July	4,000,000	25,334,932
Add back assets held for transfer to Mareeba Shire Council	-	16,165,070
Transfers (to)/from operating bank account	7,000,000	(37,500,002)
Total current fixed short term deposits	<u>11,000,000</u>	<u>4,000,000</u>

Term deposits are held with financial institutions, which are rated A1+ to A2 based on rating agency Standard & Poor's ratings, and whilst not capital guaranteed, the likelihood of a credit failure is assessed as remote.

13 Trade and other receivables

Current

Rateable revenue and utility charges	1,681,396	1,558,338
Sundry debtors	3,675,846	6,512,838
Less impairment	(275,427)	(126,551)
Prepayments	363,016	533,185
Loans and advances to community organisations	3,500	15,500
	<u>5,448,331</u>	<u>8,493,310</u>

Non-current

Loans and advances to community organisations	6,500	8,750
	<u>6,500</u>	<u>8,750</u>

Interest is charged on outstanding rates at a rate of 11% per annum. No interest is charged on other debtors. In the case of rate receivables, Council has the power to sell the property to recover any defaulted amounts. In effect, this power protects Council against credit risk in the case of defaults. In the case of other receivables, the Council assesses the credit risk before providing goods or services and applies normal business credit protection procedures to minimise the risk. By the nature of Council's operations, there is a geographical concentration of risk in the Council's area. Because the area is largely agricultural, there is also a concentration in the agricultural sector.

Loans and advances to community organisations arise from time to time and are subject to negotiated interest rates.

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

Not past due	2,950,100	5,457,852
Past due 31-60 days	574,460	882,219
Past due 61-90 days	6,249	13,143
More than 90 days	155,037	183,874
Impaired	(128,762)	(126,551)
Total	<u>3,557,084</u>	<u>6,410,537</u>

Movement in accumulated impairment losses is as follows:

Opening balance at 1 July	126,551	161,024
Additional impairments recognised - Rateable revenue	146,665	-
Additional impairments recognised - Other debtors	2,211	126,105
	<u>275,427</u>	<u>287,129</u>
Less: transfer to assets held for distribution	-	(158,358)
Less: impairment debts written off during the year	-	(2,220)
Closing balance at 30 June	<u>275,427</u>	<u>126,551</u>

**Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015**

Note	2015 \$	2014 \$
14 Inventories		
Inventories held for distribution		
Quarry and road materials	420,667	654,854
Plant and equipment stores	436,978	639,566
	<u>857,645</u>	<u>1,294,420</u>
Land purchased for development and sale	238,095	38,848
	<u>1,095,740</u>	<u>1,333,268</u>

15 Assets classified as held for transfer

The de-amalgamation of Mareeba Shire Council from Tablelands Regional Council occurred as at 1 January 2014 as per the *Local Government (De-amalgamation Implementation) Regulation 2013*. Assets anticipated to be transferred to the Mareeba Shire Council and not yet transferred at reporting date are as follows:-

Cash, investments and cash equivalents	7,465,979	4,583,923
Assets classified as held for transfer	<u>7,465,979</u>	<u>4,583,923</u>

The cash held for transfer to Mareeba Shire Council remains in dispute and legal action is in progress. A court hearing has been scheduled for December 2015. The cash held for transfer to Mareeba Shire Council is based on the Minister for Infrastructure, Local Government and Planning decision advised to Council on 8 April 2015 and detailed "that the \$52,077,050 cash balance as at 31 December 2013, as advised in the Crowe Horwath report presented to the Transfer Committee on 26 September 2014, be allocated on the basis of \$26,024,048 to Tablelands Regional Council and \$26,053,002 to Mareeba Shire Council". An amount of \$7,465,979 as at 30 June 2015 has been withheld from the \$26,053,002 to be paid to Mareeba Shire Council pending the outcome of the legal action. As at 19 August 2015, Tablelands Regional Council is claiming that \$5,639,358 of the currently withheld cash of \$7,465,979 does not need to be paid to Mareeba Shire Council as it is an unsupported adjustment to Tablelands Regional Council's cash.

**Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015**

16 Property, plant and equipment

Basis of measurement Asset values	Land		Buildings		Plant and equipment		Road, drainage and bridge network		Water		Sewerage		Other infrastructure assets		Work in progress		Total
	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	
Opening gross value as at 1 July 2014	23,202,931	110,170,215	317,512,122	93,743,141	55,439,193	12,144,502	9,260,137	635,737,798									
Additions																	
Disposals	(311,000)	(2,949,964)	(470,294)														
Revaluation adjustment to asset revaluation surplus	1,531,555	7,514,967	18,442,716	(1,241,899)	(753,788)												
Further adjustment to assets transferred to Maree Shire Council																	
Transfers from work in progress	1,005,071	3,671,193	(1,659,063)														
Transfers between asset classes	6,183	464,516	11,805,527	1,313,470	3,202,093	448,117	(22,458,901)										
Transfers to intangible assets and inventories	(190,000)		1,125,695	11,225		(6,253,560)											
Closing gross value as at 30 June 2015	25,244,740	118,870,927	346,756,703	93,825,937	57,887,498	2,863,251	3,874,615	666,867,443									

Note

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Accumulated depreciation and impairment

Opening balance as at 1 July 2014	-	51,691,324	80,648,250	39,324,119	14,301,501	1,335,938	-	195,360,056
Depreciation provided in period	-	2,134,058	3,953,151	1,393,953	880,311	420,341	-	10,036,867
Depreciation on disposals	-	(1,651,280)	(261,728)			(78,670)		(3,332,500)
Revaluation adjustment to asset revaluation surplus	-	4,506,638	11,943,228	(442,497)	253,923	(262,620)		15,998,672
Further adjustment to assets transferred to Maree Shire Council								
Transfers between asset classes	-	71,069	(324,155)					(347,213)
Accumulated depreciation as at 30 June 2015	-	56,751,809	96,106,317	40,278,416	15,435,735	280,946	-	217,715,882

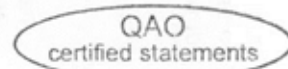
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Total written down value as at 30 June 2015

Range of estimated useful life in years	25,244,740	62,119,118	250,650,386	53,547,521	42,451,763	2,582,305	3,874,615	449,171,561
Land: Not depreciated.		10 - 80	12 - 500	10 - 80	10 - 100	5 - 100		

Additions comprise:

Renewals	\$	\$	\$	\$	\$	\$	\$	\$
Other additions	647,240	706,975	6,381,574	155,173	183,439	-	-	8,136,997
Total additions	647,240	1,209,028	11,368,593	694,094	1,857,153	269,536	53,800	8,957,881
							53,800	17,094,878



**Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015**

**17 Fair value measurement
(i) Recognised fair value measurements**

Council measures and recognises the following assets at fair value on a recurring basis:

- Land
- Buildings
- Road, drainage and bridge network
- Water infrastructure
- Sewerage infrastructure
- Other infrastructure assets

Council does not measure any liabilities at fair value on a recurring basis.

Council has assets and liabilities which are not measured at fair value, but for which fair values are disclosed in other notes.

Council borrowings are measured at amortised cost with interest recognised in profit or loss when incurred. The fair value of borrowings disclosed in Note 20 is provided by the Queensland Treasury Corporation and represents the contractual undiscounted cash flows at balance date (level 2).

The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature (level 2).

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

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

The following table categorises fair value measurements as either level 2 or level 3 in accordance with AASB 13. Council does not have any assets or liabilities measured at fair value which meet the criteria for categorisation as level 1.

The fair values of the assets are determined using valuation techniques which maximise the use of observable data, where it is available, and minimise the use of entity specific estimates. If all significant inputs required to fair value an asset are observable, the asset is included in level 2. If one or more of the significant inputs is not based on observable market data, the asset is included in level 3. This is the case for Council infrastructure assets, which are of a specialist nature for which there is no active market for similar or identical assets. These assets are valued using a combination of observable and unobservable inputs.

The table presents the Council's assets and liabilities measured and recognised at fair value at 30 June 2015.

At 30 June 2015	Note	Level 2		Level 3		Total	
		(Significant other observable inputs)		(Significant unobservable inputs)			
		\$	\$	\$	\$	\$	\$
		2015	2014	2015	2014	2015	2014
Recurring fair value measurements							
Land	16	25,244,740	23,202,931	-	-	25,244,740	23,202,931
Buildings							
- Non-Specialised Buildings	16	31,038,230	28,692,285	-	-	31,038,230	28,692,285
- Specialised Buildings	16	-	-	31,080,888	29,786,606	31,080,888	29,786,606
Road, drainage and bridge network	16	-	-	250,650,386	236,863,872	250,650,386	236,863,872
Water infrastructure	16	-	-	53,547,521	54,419,022	53,547,521	54,419,022
Sewerage infrastructure	16	-	-	42,451,763	41,137,692	42,451,763	41,137,692
Other infrastructure assets	16	-	-	2,582,305	10,808,564	2,582,305	10,808,564
		<u>56,282,970</u>	<u>51,895,216</u>	<u>380,312,863</u>	<u>373,015,756</u>	<u>436,595,833</u>	<u>424,910,972</u>

There was one transfer between level 2 and level 3 within the buildings asset class.

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

**Tablelands Regional Council
Notes to the financial statements
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(ii) Valuation techniques used to derive fair values for level 2 and level 3 valuations

Council adopted AASB 2015-7 Amendments to Australian Accounting Standards - Fair Value Disclosures for Not-For-Profit Public Sector Entities for early adoption this financial year and has reviewed the disclosure notes to ensure compliance to this new concession. There have been changes to this disclosure note as a result.

Specific valuation techniques used to value Council assets:

Condition ratings are a significant unobservable input of most Council assets. The condition rating scale that has been used in determining fair value of all relevant assets is outlined in the following table.

Condition rating	Condition description	Description explanation	Useful life consumed
1	Very Good	All components free of defects and structure well maintained. Only planned maintenance required.	0-20%
2	Good	Minor maintenance required plus planned maintenance. Free of defects affecting performance, integrity and durability.	20-40%
3	Fair/Satisfactory	Defects affecting durability which require monitoring and/or maintenance. Significant maintenance required to return to accepted level of service.	40-60%
4	Poor	Defects affecting performance and structural integrity. Renewal or upgrade required.	60-80%
5	Very Poor	Unserviceable. Requires urgent attention, life and property at risk.	80-100%

Land (level 2)

Land was last comprehensively valued at current market value as at 30 June 2012 by AssetVal Pty Ltd, Registered Valuers. Land is valued using level 2 inputs including observable historical sales data for properties of similar nature and specification within the Tablelands region.

Where there was a lack of appropriate comparable sales evidence, regard was given to the closest comparable sales and the subject properties' general geographic/land use/zoning in relation to those sales.

AssetVal Pty Ltd valuations are also based upon land zoning and land use information provided by Council as well as the information obtained from third party property and mapping databases such as RP Data, Property Data Solutions and Tablelands GIS.

A review was undertaken as at 30 June 2015 based on the ABS Producers' Price Index "Non-Residential Building Construction - Queensland". This index increased by 6.42095% since 30 June 2012. As the movement is material, revaluation adjustments have been provided for as at 30 June 2015. This resulted in a net increase of \$1,531,555 to the asset revaluation reserve.

Buildings (level 2 and 3)

Building assets were last comprehensively valued as at 30 June 2012 by AssetVal Pty Ltd, Registered Valuers.

Current replacement cost

In determining the fair value of Council's building assets, AssetVal Pty Ltd conducted research into the Queensland property market. The valuation methodology has been determined having regard to the existence of a market, the level of specialisation of the asset and the availability of sales evidence. Each asset is considered together with the land component and other improvements at the location.

Level 2 valuation inputs

Level 2 valuation inputs were used to determine the fair value of residential buildings, Council office buildings, child care facilities and commercial properties within the buildings asset class. These assets fair values have been derived from an analysis of comparable residential, unit, vacant land and commercial sales within the Tableland Region between the beginning of the Global Financial Crisis and the date of the revaluation being 30 June 2012.

**Tablelands Regional Council
Notes to the financial statements
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Level 3 valuation inputs

Where Council buildings are of a specialised nature and there is no active market for the assets, fair value has been determined on the basis of written down current replacement cost, with a new asset having similar service potential including allowances for preliminaries and professional fees. The gross current values have been derived from reference to market data for recent projects and costing guides issued by the Australian Institute of Quality Surveyors, Rawlinson's (Australian Construction Handbook 2012).

Accumulated depreciation

In determining the level of accumulated depreciation the asset has been disaggregated into significant components which exhibit different useful lives. Allowance has been made for the typical asset life cycle and renewal treatments of each component, residual value at the time the asset is considered to be no longer available for use and the condition of the asset. Condition was assessed taking into account both physical characteristics as well as holistic factors such as functionality, capability, utilisation and obsolescence.

The building assets were revalued using indexation on 30 June 2014. A review was undertaken at 30 June 2015 and the index movement since the 2014 revaluation is 6.80000% which is considered material. This has resulted in a net increase of \$3,008,329 to the asset revaluation surplus.

Infrastructure assets (Road, drainage and bridge network, water and sewerage and other infrastructure)

All Council infrastructure assets are valued using written down current replacement cost. This valuation comprises the asset's current replacement cost (CRC) less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

CRC was measured by reference to the lowest cost at which the gross future economic benefits of the asset could currently be obtained in the normal course of business. Where existing assets were over designed, had excess capacity, or were redundant an adjustment was made so that the resulting valuation reflected the cost of replacing the existing economic benefits based on an efficient set of modern equivalent assets to achieve the required level of service output within the Council's planning horizon.

The unit rates (labour and materials) and quantities applied to determine the CRC of an asset or asset component were based on a 'Greenfield' assumption meaning that the CRC was determined as the full cost of replacement with a new asset including components that may not need to be replaced, such as earthworks. The CRC was determined using methods relevant to the asset class as described under individual asset categories below.

Road and bridge network (level 3)

Current replacement cost

Council categorises its road infrastructure into urban and rural roads and then further sub-categorises these into sealed and unsealed roads. The road network is managed in segments of varying lengths. All road segments are then componentised into formation, pavement and surface (where applicable). Council categorises its bridge network into four components; superstructure, substructure, railings and wearing surface.

Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment. Council also assumes each road and bridge segment are constructed to the same standard and uses consistent unit rates.

CRC was calculated by reference to asset linear and area specifications, estimated labour and material inputs, service costs, and overhead allocations. For internal construction estimates, material and services prices are based on existing supplier contract rates or supplier price lists and labour wage rates were based on Council's Enterprise Bargaining Agreement (EBA). All direct costs were allocated to assets at standard usage quantities according to recently completed similar projects. Where construction is outsourced, CRC was based on the average unit rates of completed similar projects over the last few years.

CRC is calculated as the cost per unit of service potential of the most appropriate modern replacement facility, adjusted for any differences in future service potential of the asset being valued. The bridge network were valued using the modern day equivalent being concrete structures. The concrete component unit rates were used to calculate the CRC for Councils entire bridge network including timber and composite bridges.

Accumulated depreciation

In determining the level of depreciation, remaining useful lives were calculated based on condition assessments. The condition assessments were made using a five point scale. A 1 condition assessment indicates an asset with a very high level of remaining service potential whereas a 5 represents an asset at the end of its useful life.

The last comprehensive valuation of road and bridge infrastructure was undertaken effective 30 June 2012 by AssetVal Pty Ltd, Registered Valuers. The road and bridge infrastructure assets were valued using indexation at 30 June 2014.

Road infrastructure assets (excluding bridges) were reviewed as at 30 June 2015 using the ABS Producer's Price Index 'Road and Bridge Construction - Queensland'. The index has decreased by 1.31209% since 30 June 2014 when the assets were last valued. Although in isolation, this movement was considered immaterial, the road infrastructure assets have been revalued incorporating the index movements as well as the effects of a review of asset conditions and remaining useful lives at the same time. The resultant net decrease in the revaluation reserve is \$2,468,636.

Bridge assets were comprehensively valued by Council's internal asset management officers and qualified engineers effective 30 June 2015. This resulted in a net increase to the asset revaluation reserve of \$10,100,532. In addition to the comprehensive valuation a review of bridge assets revealed a number of duplicate assets which were adjusted for with resulting net decrease to the revaluation reserve of \$1,132,408.

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Drainage infrastructure (level 3)

Current replacement cost

Consistent with roads, Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment and that a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials. Where drainage assets are located underground and physical inspection is not possible, the age, size and type of construction material, together with current and planned maintenance records are used to determine the fair value at reporting date. Construction estimates were determined on a similar basis to roads.

Accumulated depreciation

In determining the level of depreciation, remaining useful lives were calculated based on condition assessments. The condition assessments were made using the five point scale.

The drainage assets were valued internally by Council's qualified Civil Works Department engineering staff as at 30 June 2009. Material movements in indices resulted in revaluation adjustments in 30 June 2010, 30 June 2013 and 30 June 2014.

A review was undertaken as at 30 June 2015 based on the ABS Producers' Price Index "Roads and Bridges Construction - Queensland". This index decreased by -1.31209%, this movement is considered to be immaterial and as a result no adjustment to the asset revaluation reserve has been made.

Water and sewerage infrastructure (level 3)

Current replacement cost

The water and sewerage assets were segregated into active (above ground) and passive (below ground) assets. Passive assets consist of water and sewer mains; water meters and active assets consist of treatment, pumping and storage assets. The active assets have been componentised and valued with allowances for complexity, size, function and site factors. Both passive and active assets have been valued independently through the use of unit rates which were applied based on unit rate databases, indices, Rawlinson's construction rates and quotations and reviews by Council engineers.

Accumulated depreciation

In determining the level of depreciation, remaining useful lives were calculated based on condition assessments. The condition assessments were made using the five point scale.

The last comprehensive valuation of below ground water and sewerage was undertaken effective 30 June 2012 by AssetVal Pty Ltd, Registered Valuers. Below ground water and sewerage were valued using indexation at 30 June 2014.

The last comprehensive valuation of above ground water and sewerage was undertaken effective 30 June 2011 by Sinclair Knight Mertz. Above ground water and sewerage were valued using indexation at 30 June 2014.

A review was undertaken as at 30 June 2015 based on the ABS Producers' Price Index "Roads and Bridge Construction - Queensland" for both above ground and below ground water and sewerage assets. This index decreased by -1.31209% since 30 June 2014. This movement is considered to be immaterial; although as a result of the AASB decision regarding the definition of residual values this asset class has been indexed to adjust the residual values to comply with AASB 116. The net decrease to the asset revaluation reserve is \$1,807,113.

Other infrastructure assets (level 3)

Current replacement cost

As Council's other infrastructure assets are of a specialist nature and there is no active market for the assets, fair value has been determined on the basis of replacement with a new asset having similar service potential. Published or available market data for recent projects, and published cost guides are utilised to determine the estimated replacement cost, including allowances for preliminaries and professional fees.

Accumulated depreciation

In determining the level of depreciation, remaining useful lives were calculated based on condition assessments. The condition assessments were made using the five point scale.

Council's other infrastructure assets were valued as at 30 June 2009 by Council's qualified Civil Works Department engineering staff using the depreciated replacement cost.

An interim revaluation was carried out as at 30 June 2010 using an index management chosen after considering CPI, QLD Constructions, building indexes and local conditions. Other Infrastructure assets were valued using indexation at 30 June 2014.

A review was undertaken as at 30 June 2015 based on the ABS Producers' Price Index Queensland Non-Residential Building Construction. This index increased by 6.80000% since 30 June 2014. This has resulted in a net increase of \$137,285 to the asset revaluation surplus. In addition to this, another review was undertaken on the assets within the Other Infrastructure asset class. During this review it was discovered there were a number of duplicate assets that were also in other asset classes. This has resulted in a net decrease of \$1,295,398 to the asset revaluation surplus.

**Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015**

(iii) Changes in fair value measurements using significant unobservable inputs (level 3)

The changes in level 3 assets with recurring fair value measurements are detailed in Note 16 (Property, Plant and Equipment) and Note 5 (Capital Income). However, since the buildings asset class disclosed in those notes comprise both level 2 and level 3 assets, the movement in level 3 buildings is detailed below. There has been an immaterial transfer from Level 2 to Level 3.

	2015 \$	2014 \$
Changes in buildings (level 3)		
Opening value as at 1 July	61,858,425	31,096,792
Transfer to Level 3	36,730	-
Additions	1,740,360	441,494
Disposals	(2,620,308)	(22,298)
Transferred from another asset class	464,516	-
Revaluation adjustment to other comprehensive income (asset revaluation surplus)	4,123,383	30,342,437
Closing value as at 30 June	<u>65,603,106</u>	<u>61,858,425</u>
Accumulated depreciation and impairment		
Opening balance as at 1 July	32,071,819	681,821
Transfer to Level 3	367	-
Depreciation provided in period	1,167,402	607,211
Depreciation on disposals	(1,468,897)	(2,230)
Transferred from another asset class	71,069	-
Revaluation adjustment to asset revaluation surplus*	2,680,458	30,785,017
Accumulated depreciation as at 30 June	<u>34,522,218</u>	<u>32,071,819</u>
Book value as at 30 June	<u>31,080,888</u>	<u>29,786,606</u>

(iv) Valuation processes

Council's valuation policies and procedures are set by the Executive Leadership Team which comprises the Chief Executive Officer, Deputy Chief Executive Officer, General Managers and Executive Manager Finance. They are reviewed annually taking into consideration an analysis of movements in fair value and other relevant information. Council's current policy for the valuation of property, plant and equipment is set out in Note 1.M.

**Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015**

Note	2015	2014
	\$	\$
18 Intangible assets		
Software		
Opening gross value	2,458,434	2,099,041
Additions	21,500	349,921
Transfer from Property Plant & Equipment	-	567,928
Disposals	-	(88,632)
	<u>2,479,934</u>	<u>2,928,258</u>
Less transfers to assets held for distribution	-	(469,824)
Closing gross value	<u>2,479,934</u>	<u>2,458,434</u>
Accumulated amortisation		
Opening balance	937,092	1,322,165
Amortisation in the period	247,456	245,843
Transfer from Property Plant & Equipment	-	166,798
Disposals	-	(34,102)
	<u>1,184,548</u>	<u>1,700,704</u>
Accumulated amortisation of assets held for distribution		(763,612)
Closing balance	<u>1,184,548</u>	<u>937,092</u>
Total intangible assets	<u><u>1,295,386</u></u>	<u><u>1,521,342</u></u>

The software has a finite life estimated at 10 years.
Straight line amortisation has been used with no residual value.

19 Trade and other payables

Current		
Creditors and accruals	4,574,772	12,119,231
Employee redundancy	-	1,809,181
Annual leave	2,202,389	2,523,045
Other entitlements	140,547	206,579
Balance of cash payable for restructure of local government	7,465,979	4,583,923
	<u>14,383,687</u>	<u>21,241,959</u>

**Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015**

Note	2015 \$	2014 \$
20 Borrowings		
Current		
Loans - Queensland Treasury Corporation	722,549	368,678
Loans - other	61,050	61,050
	<u>783,599</u>	<u>429,728</u>
Non-current		
Loans - Queensland Treasury Corporation	6,256,473	5,267,660
Loans - other	122,100	183,150
	<u>6,378,573</u>	<u>5,450,810</u>
Loans - Queensland Treasury Corporation		
Opening balance at beginning of financial year	5,636,338	5,984,226
Loans raised	1,700,000	-
Principal repayments	(357,316)	(347,888)
Book value at end of financial year	<u>6,979,022</u>	<u>5,636,338</u>
Loans - Queensland Treasury Corporation contractual cash flows		
Years to payment		
0 to 1 year	1,075,165	701,419
1 to 5 years	3,534,378	2,293,736
Over 5 years	5,164,948	5,631,875
Total contractual cash flows	<u>9,774,491</u>	<u>8,627,030</u>
Carrying amount	6,979,022	5,636,338

The QTC loan market value at the reporting date was \$7,825,579. This represents the value of the debt if Council repaid it at that date. As it is the intention of Council to hold the debt for its term, no provision is required to be made in these accounts.

The QTC generic debt pool products approximate a fixed rate loan. There is a negligible impact on interest sensitivity from changes in interest rates for generic debt pool borrowings.

Loans - other		
Opening balance at beginning of financial year	244,200	305,250
Principal repayments	(61,050)	(61,050)
Book value at end of financial year	<u>183,150</u>	<u>244,200</u>

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

All borrowings are in \$A denominated amounts and carried at amortised cost, interest being expensed as it accrues. No interest has been capitalised during the current or comparative reporting period. Expected final repayment dates vary from 2 January 2017 to 2 April 2031. There have been no defaults or breaches of the loan agreement during the period.

Principal and interest repayments are made quarterly and semi annually in arrears.

**Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015**

Note	2015	2014
	\$	\$
21 Provisions		
Current		
Long service leave	2,015,269	2,094,069
Refuse restoration	920,651	1,044,988
	<u>2,935,920</u>	<u>3,139,057</u>
Non-current		
Long service leave	497,743	507,798
Quarry rehabilitation	88,000	88,000
Refuse restoration	5,494,520	4,012,099
	<u>6,080,263</u>	<u>4,607,897</u>

Details of movements in provisions:

Quarry rehabilitation

This is the present value of the estimated cost of restoring the quarry site to a useable state at the end of its useful life. The projected cost is \$177,350 and this cost is expected to be incurred in 2039.

Refuse restoration

Balance at beginning of financial year	5,057,087	5,893,687
Increase/(decrease) in provision - Council controlled land	(52,939)	(687,073)
Increase/(decrease) in provision - Other land not Council controlled	1,411,023	168,576
	<u>6,415,171</u>	<u>5,375,190</u>
Less: transferred to liabilities directly associated with assets held for transfer	-	(318,103)
Balance at end of financial year	<u>6,415,171</u>	<u>5,057,087</u>

This is the present value of the estimated cost of restoring the refuse disposal sites to a useable state at the end of the landfill sites useful lives. The projected costs are \$920,650 for Yungaburra, Malanda, and Herberton closed landfill sites with works in progress and the expected completion by September 2015. The projected costs are \$714,079 for Pearamon, Herberton Sanitary and Innot Hot Springs closed landfill sites with costs expected to be incurred in 2018. The projected costs are \$3,846,849 for Atherton landfill site with the costs expected to be incurred in 2021 and \$2,633,617 for Alcatraz landfill site with the costs expected to be incurred in 2034.

Long service leave

Balance at beginning of financial year	2,601,867	2,545,467
Long service leave entitlement arising	651,808	659,886
Long service leave entitlement extinguished	(465,774)	(352,276)
Long service entitlement paid	(274,889)	(251,210)
Balance at end of financial year	<u>2,513,012</u>	<u>2,601,867</u>

**Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015**

Note	2015 \$	2014 \$
22 Asset revaluation surplus		
Movements in the asset revaluation surplus were as follows:		
Balance at beginning of financial year	85,749,478	66,408,766
Net adjustment to non-current assets at end of period to reflect a change in current fair value:		
Land	1,526,575	687,073
Buildings	3,008,329	660,289
Road, drainage and bridge network	6,499,488	18,826,405
Water	(799,402)	(1,269,335)
Sewerage	(1,007,711)	(715,639)
Other infrastructure assets	(1,158,113)	1,151,919
Balance at end of financial year	<u>93,818,644</u>	<u>85,749,478</u>
Asset revaluation surplus analysis		
The closing balance of the asset revaluation surplus comprises the following asset categories:		
Land	8,409,703	6,883,128
Buildings	14,565,089	11,556,760
Road, drainage and bridge network	35,979,204	29,479,716
Water	26,039,042	26,838,444
Sewerage	8,197,171	9,204,882
Other infrastructure assets	628,435	1,786,548
	<u>93,818,644</u>	<u>85,749,478</u>
23 Commitments for expenditure		
Contractual commitments		
Continuing operations		
Contractual commitments at end of financial year but not recognised in the financial statements are as follows:		
Garbage collection contract	559,752	220,152
Courier contract	25,000	-
Cleaning contractors	418,817	21,349
Facility management	126,307	75,644
Chemical contract	583,095	-
Capital asset	5,420,998	2,385,424
	<u>7,133,969</u>	<u>2,702,569</u>

**Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015**

24 Contingent liabilities

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

Local Government Mutual

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

As at 30 June 2014 the financial statements of LGM Queensland reported an accumulated surplus and it is not anticipated any liability will arise.

Local Government Workcare

The Council is a member of the Queensland local government worker's compensation self-insurance scheme, Local Government Workcare. Under this scheme the Council has provided an indemnity towards a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled and there was insufficient funds available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise. The Council's maximum exposure to the bank guarantee is \$541,216 (2014: \$729,560).

Possible liability arising from the de-amalgamation of Mareeba Shire Council

At 30 June 2014 a contingent liability of \$6 million was recorded due to a dispute between Tablelands Regional Council and Mareeba Shire Council in regard to the cash split at de-amalgamation.

There is no contingent liability recognised at 30 June 2015 due to the cash balance at 30 June 2015 included in note 11 reflecting the Minister for Infrastructure, Local Government and Planning decision advised on 8 April 2015. Note 15 includes the value of cash held for transfer to Mareeba Shire Council based on the Minister's decision. Tablelands Regional Council has commenced legal action in regard to this disputed cash balance.

25 Superannuation

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

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

The scheme has three elements referred to as:

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

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

The Accumulation Benefits Fund (ABF).

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

Council does not have any employees who are members of the CDBF and, therefore, is not exposed to the obligations, assets or costs associated with this fund.

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

**Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015**

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

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

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

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

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

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

There are currently 71 entities contributing to the Regional DBF plan and any changes in contribution rates would apply equally to all 71 entities. Tablelands Regional Council made less than 4% of the total contributions to the plan in the 2014-15 financial year.

The next actuarial investigation will be conducted as at 1 July 2015.

The amount of superannuation contributions paid to the scheme in this period for the benefit of employees and Councillors was:

	2015 \$	2014 \$
Total from continuing operations	1,977,506	2,281,470
Total from discontinued operations	-	920,840
	<u>1,977,506</u>	<u>3,202,310</u>

Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015

Note	2015 \$	2014 \$
26 Operating lease income		
Continuing operations		
The Council has leased several facilities to independent operators. The minimum lease receipts are as follows:		
Not later than one year	208,250	162,813
One to five years	371,474	324,585
Later than five years	1,431,246	1,371,998
	<u>2,010,970</u>	<u>1,859,396</u>
27 Trust funds		
Trust funds held for outside parties		
Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities	946,214	926,641
	<u>946,214</u>	<u>926,641</u>

The Council performs only a custodial role in respect of these monies. As these funds cannot be used by the Council, they are not brought to account in these financial statements.

The Council invests funds in a term deposit in the name of Tablelands Regional Council as Trustee for the Nellie Willetts Educational Bursary. These funds have been included in the total of the trust funds held for outside parties. On 30 June 2015 the total of these funds amounted to \$87,678 (2014 \$84,798).

Council opened a Mayor's Community Appeal Gift Fund on 8 October 2012. The purpose of the Gift Fund was for Council to receive and maintain money that can be used to support people in necessitous circumstances. On 30 June 2015 the total of these funds amounted to \$37 (2014 \$1,784).

28 Disposal due to the de-amalgamation of Mareeba Shire Council

On 11 April 2013 the Queensland State Government enacted the *Local Government (De-amalgamation Implementation) Regulation 2013* for the purpose of de-amalgamating several local government areas, including Tablelands. Tablelands Regional Council would continue with different boundaries and Mareeba Shire Council would be established as a new local government area. The de-amalgamation took effect on 1 January 2014. As part of the de-amalgamation process, the transfer committee which included representatives of both councils, determined the assets and liabilities to transfer from Tablelands Regional Council. No compensation was received by either council for the assets and liabilities transferred and a loss on restructure has been recorded in accordance with AASB 3 *Business Combinations*.

Cash was apportioned based on the opening balances inherited by Council on the earlier amalgamation of the councils and the reconstruction of the cash flows for the period of amalgamation. Similarly, loans were allocated based on the opening balances on amalgamation and the direct allocation of new borrowings and repayments over the period of amalgamation. Other assets and liabilities were mainly apportioned on the basis of geographical location. Where a geographical apportionment or another direct allocation was not possible, the number of rateable properties was used, while other allocation methodologies were only used where they provided meaningful separation.

Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015

	Note	2015 \$	2014 \$
(a) Analysis of assets and liabilities over which control was lost			
Current assets			
Cash, investments and cash equivalents	30 (b)	7,469,079	18,583,923
Trade and other receivables		-	2,760,716
Inventories		-	5,727,861
Non-current assets			
Trade and other receivables			
Property, plant and equipment		1,344,268	331,919,529
Intangible assets		-	1,548,454
Current liabilities			
Trade and other payables		-	(2,045,718)
Borrowings		-	(3,028,933)
Provisions		-	(2,070,451)
Non-current liabilities			
Borrowings		-	(2,201,417)
Provisions		-	(6,053,087)
Compensation received		8,813,347	345,140,877
Loss on restructure of local government		8,813,347	345,140,877
(b) Net cash outflow on disposal of Mareeba Shire Council			
Cash transfers		4,587,023	14,000,000
		4,587,023	14,000,000
Balance of cash payable to Mareeba Shire Council		7,465,979	4,583,923
		12,053,002	18,583,923

In addition to the above, in the financial year ending 30 June 2014 \$685,395 in trust monies was transferred to Mareeba Shire Council. As the Council only performed a custodial role in respect to these monies, they have not been brought to account in calculating the net loss on local government de-amalgamation.

**Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015**

	2015	2014
	\$	\$
29 Reconciliation of net result for the year to net cash inflow (outflow) from operating activities	Note	
Net result	(4,775,250)	(348,295,130)
Non-cash items:		
Loss on restructure of local government	8,813,347	345,140,877
Depreciation and amortisation	10,284,323	9,032,483
Donated assets	(1,213,171)	(1,220,976)
	<u>17,884,499</u>	<u>352,952,384</u>
Investing and development activities:		
Net loss on disposal of non-current assets	3,829,516	835,803
Net movement in loans and advances	(14,250)	12,750
Capital grants and contributions	(6,344,087)	(16,022,342)
	<u>(2,528,821)</u>	<u>(15,173,789)</u>
Changes in operating assets and liabilities:		
(Increase)/decrease in receivables	3,047,229	(4,284,677)
(Increase)/decrease in inventory	427,528	(64,530)
Increase/(decrease) in payables	(9,740,328)	15,780,484
Increase/(decrease) in provisions	1,269,229	(770,200)
	<u>(4,996,342)</u>	<u>10,661,077</u>
Net cash inflow from operating activities	<u>5,584,086</u>	<u>144,542</u>

Tablelands Regional Council
Notes to the financial statements
For the year ended 30 June 2015

30 National Competition Policy

Business activities to which the code of competitive conduct is applied

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

- Water services
- Sewerage services
- Waste management
- Building Certification

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

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

	Water services	Sewerage services	Waste management	Building Certification
	2015	2015	2015	2015
	\$	\$	\$	\$
Revenue for services provided to the Council	652,012	166,937	58,592	83
Revenue for services provided to external clients	5,288,679	4,319,010	5,120,760	170,761
	5,940,691	4,485,947	5,179,352	170,844
Less : Expenditure	5,097,707	3,261,406	4,974,429	130,462
Surplus/(deficit)	842,984	1,224,541	204,923	40,382

**Tablelands Regional Council
Financial statements
For the year ended 30 June 2015**

**Management Certificate
For the year ended 30 June 2015**

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

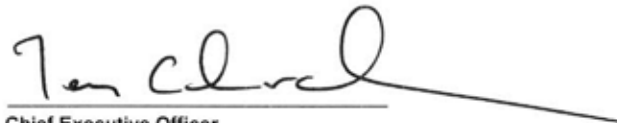
In accordance with section 212(5) of the Regulation we certify that:

- (i) the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulation 2012* for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the general purpose financial statements, as set out on pages 1 to 37, present a true and fair view, in accordance with Australian Accounting Standards, of the Council's transactions for the financial year and financial position at the end of the year.



Mayor
Rosa Lee Long

Date: 28/09/2015



Chief Executive Officer
Ian Church

Date: 28/09/2015



INDEPENDENT AUDITOR'S REPORT

To the Mayor of Tablelands Regional Council

Report on the Financial Report

I have audited the accompanying financial report of Tablelands Regional Council, which comprises the statement of financial position as at 30 June 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and certificates given by the Mayor and Chief Executive Officer.

The Council's Responsibility for the Financial Report

The Council is responsible for the preparation of the financial report that gives a true and fair view in accordance with prescribed accounting requirements identified in the *Local Government Act 2009* and *Local Government Regulation 2012*, including compliance with Australian Accounting Standards. The Council's responsibility also includes such internal control as the Council determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

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

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Opinion

In accordance with s.40 of the *Auditor-General Act 2009* –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion -
 - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the financial performance and cash flows of Tablelands Regional Council for the financial year 1 July 2014 to 30 June 2015 and of the financial position as at the end of that year.

Other Matters - Electronic Presentation of the Audited Financial Report

Those viewing an electronic presentation of these financial statements should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.




D A STOLZ FCPA
as Delegate of the Auditor-General of Queensland

Queensland Audit Office
Brisbane

Tablelands Regional Council Financial Sustainability Indicators For the year ended 30 June 2015

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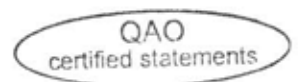
Current-year financial sustainability statement
Certificate of accuracy - Current-year financial sustainability statement
Independent Auditor's Report (Current-year financial sustainability statement)
Long-term financial sustainability statement
Certificate of accuracy - Long-term financial sustainability statement

**Tablelands Regional Council
Current-year Financial Sustainability Statement
For the year ended 30 June 2015**

Measures of Financial Sustainability	How the measure is calculated	
	Actual	Target
Council's performance at 30 June 2015 against key financial ratios and targets:		
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	3.2% Between 0% and 10%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	81.1% greater than 90%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	-21.6% not greater than 60%

Note 1 - Basis of Preparation

The current year financial sustainability statement is a special purpose statement prepared in accordance with the requirements of the *Local Government Regulation 2012* and the *Financial Management (Sustainability) Guideline 2013*. The amounts used to calculate the three reported measures are prepared on an accrual basis and are drawn from the Council's audited general purpose financial statements for the year ended 30 June 2015.



Tablelands Regional Council
Current-year Financial Sustainability Statement
For the year ended 30 June 2015

Certificate of Accuracy
For the year ended 30 June 2015

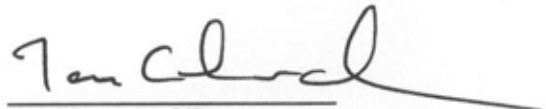
This current-year financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the Regulation).

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



Mayor
Rosa Lee Long

Date: 28/09/2015



Chief Executive Officer
Ian Church

Date: 28/09/2015



INDEPENDENT AUDITOR'S REPORT

To the Mayor of Tablelands Regional Council

Report on the Current-Year Financial Sustainability Statement

I have audited the accompanying current-year financial sustainability statement, which is a special purpose financial report of Tablelands Regional Council for the year ended 30 June 2015, comprising the statement and explanatory notes, and certificates given by the Mayor and Chief Executive Officer.

The Council's Responsibility for the Current-Year Financial Sustainability Statement

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

Auditor's Responsibility

My responsibility is to express an opinion on the current-year financial sustainability statement based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of the statement 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the statement.

My responsibility is to form an opinion as to whether the statement has been accurately calculated based on the Council's general purpose financial report. 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.

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

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Opinion

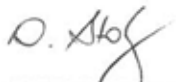
In accordance with s.212 of the *Local Government Regulation 2012*, in my opinion, in all material respects, the current-year financial sustainability statement of Tablelands Regional Council, for the year ended 30 June 2015, has been accurately calculated.

Emphasis of Matter – Basis of Accounting

Without modifying my opinion, attention is drawn to Note 1 which describes the basis of accounting. The current-year financial sustainability statement has been prepared in accordance with the *Financial Management (Sustainability) Guideline 2013* for the purpose of fulfilling the Council's reporting responsibilities under the *Local Government Regulation 2012*. As a result, the statement may not be suitable for another purpose.

Other Matters - Electronic Presentation of the Audited Statement

Those viewing an electronic presentation of this special purpose financial report should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.



D A STOLZ ECPA
as Delegate of the Auditor-General of Queensland



Queensland Audit Office
Brisbane

Tablelands Regional Council
 Long-Term Financial Sustainability Statement
 Prepared as at 30 June 2015

Measures of Financial Sustainability Council	Measure	Target	Projected for the years ended											
			Actuals at 30 June 2015	30 June 2016	30 June 2017	30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	
Operating surplus ratio	Net result divided by total operating revenue	Between 0% and 10%	3.2%	-1.38%	1.42%	4.66%	3.85%	5.14%	5.43%	5.40%	5.29%	4.80%	4.46%	
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	greater than 90%	81.1%	113.58%	85.21%	109.04%	108.11%	98.22%	107.40%	107.13%	107.99%	97.67%	92.92%	
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue	not greater than 60%	-21.6%	-19.89%	-20.47%	-25.09%	-30.45%	-35.45%	-39.79%	-41.13%	-35.24%	-20.62%	-22.42%	

Tablelands Regional Council's Financial Management Strategy

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

Tablelands Regional Council
Long-Term Financial Sustainability Statement
For the year ended 30 June 2015

Certificate of Accuracy
For the year ended 30 June 2015

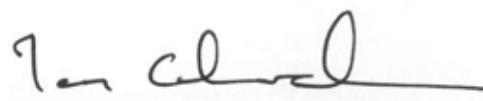
This long-term financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the Regulation).

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



Mayor
Rosa Lee Long

Date: 28/09/2015



Chief Executive Officer
Ian Church

Date: 28/09/2015

Conclusion

Glossary of Terms

Administrative action

A local government administrative practice, product, action or service, including a decision-making process.

Audit

An examination of the records, statements, systems and procedures of an organisation, together with its stated claims for performance.

Corporate plan

A strategic document which outlines Council's vision and translates it into medium and long-term priorities and strategies for a minimum five-year period.

External audit

A formal, independent review of an organisation's financial statements, records, transactions, or operations. External audits are usually performed by professional accountants to provide credibility to financial statements, ensuring external accountability and to identify key internal weaknesses in an organisation.

Financial year

For the purpose of this Annual Report, is the period from 1 July 2014 to 30 June 2015.

Governance

The process by which decisions are taken and implemented, organisations are controlled and managed to achieve their objectives, and the process by which organisations are directed, reviewed and held to account.

LGA

Local Government Act (2009)

LGR

Local Government Regulation (2012)

Long term strategies

The organisation's priorities as outlined in its Corporate Plan, or as approved through its annual strategic planning, resource allocation and budgeting cycle.

Operational plan

A detailed document showing how it is intended to give effect to one financial year's portion of the Corporate Plan. It is a statement of specific works to be undertaken and services to be provided in order to progress the priorities and strategies set out in the Corporate Plan.

Program

An endeavour to deliver a particular strategic outcome and related benefits, and in doing so, coordinate a group of related projects, activities and work streams. Programs of services are natural groupings of services e.g. Waste Management Program includes waste collection, waste disposal, and cleaning services.

Vision

A statement articulating the desired long-term future towards which the organisation is working.

Feedback and Contact

If you have a comment or question about this Annual Report, you may:

Phone - 1300 362 242

Fax - (07) 4091 4300

Write -

Chief Executive Officer
Tablelands Regional Council
PO Box 573
ATHERTON QLD 4883

Email - info@trc.qld.gov.au

Search - www.trc.qld.gov.au

Appendices

Appendix 1 – Progress Against Corporate Plan

Appendix 2 – Rate Concession Policy

Appendix 3 – Revenue Policy

Appendix 4 – Debt (Borrowing) Policy

Appendix 1 – Progress Against Corporate Plan

The following Table provides an assessment of Council's performance in implementing the long-term strategies in the 2014-2018 Corporate Plan for the financial year from July 2014 to June 2015. Over the financial year, 92% of the Operational Services and Strategic Initiatives

detailed in the annual Operational Plan were addressed or are on track to be addressed, providing positive indication and reinforcement of the dedication of Councils Management and Staff in providing excellent customer service.

Extract from January 2014 – 2018 Corporate Plan

Corporate Plan Priority	1. Vibrant and Healthy Community
Focus	1.1 Health and Well-being
Long-term Strategy	Assessment of Performance 2014/15 Financial Year
<p>1.1.1 - Active Lifestyles</p> <p><i>Provide a diverse range of enjoyable recreation, sport and physical activity opportunities to meet the needs of an active and healthy community.</i></p>	<ul style="list-style-type: none"> • Council continues to attract funding to facilitate participation in physical activity and increase community awareness of healthy living activities within the Tablelands. Opportunities for funding have been limited, however work on the grant application for the Tinaburra Peninsula via National Stronger Regions Funding is continuing. • Stage 3 of the Rail Trail was completed and the funding from the Local Government Grants and Subsidies Program was successfully acquitted post project completion. • The Atherton Forest Mountain Bike Park project is 99% complete (June 2015). It is envisaged, with some minor signage to be completed, this project will be completed six months ahead of time. • The inaugural Yungaburra Triathlon took place on 22-23 November 2014. The main aim is to entice visitors and competitors to the region to participate in an event that raises money for the Soldier On organisation whilst encouraging overnight stays and exploration within the region. Five triathlon events were held at the Tinaburra Peninsula. Council staff and community volunteers assisted in planning and running the event, with 160 volunteers helping on Saturday and 106 volunteers on Sunday. 560 competitors participated in the events including one paratriathlete and two teams from the Townsville Trauma Recovery Centre, nearly double the expected attendees Feedback from the community and participants was overwhelmingly positive and constructive.

1.1.2 - Community Health

Minimise the community's exposure to health risk by undertaking specific intervention-based preventative programs including inspection and licensing of food preparation premises, regulation of personal appearance services and support of the Tablelands Immunisation Program.

- The Graffiti Art Project at the Atherton Skate Park has reduced the cleaning and maintenance at the park considerably as the users have taken ownership of the park.
- Creative Arts for Everyone (CAFÉ) Project in Herberton engaged young people of Herberton in art programs with art pieces at the Herberton Tennis Courts and adjacent park.
- Croc Trophy on 17-25th October 2014 – supporting the event and riders through the Tablelands as an economic driver in the community. Televised throughout Europe and Japan.

- Council's Public Health Disaster Management Plan is being developed for adoption during 2015/16.
- Council has engaged with the community regarding a regional initiative - Mental Health through the Arts, with fully subscribed workshops under way in Atherton and Ravenshoe. Council contributed to costs of the program through the Regional Arts Development Fund, in partnership with Mareeba and Etheridge Shires and Centacare. Outcome finalisation is to coincide with Mental Health Week in October 2015.
- Regular inspections of licensed food premises conducted .
- Greater than 99% of free residual chlorine readings in drinking water were within the regulatory health guideline of 0.2 – 5.0mg/L. - an improving trend.
- Council's kerb-side collection target of not more than 50 bins missed and picked up on the same day was met.
- Council entered into a Memorandum of Understanding with Queensland Health to implement an annual immunisation program.

1.1.3 - Community Safety

Support a safe living environment for the community through a proactive response to public safety matters.

- Council updated the Local Disaster Management Plan (LDMP) and all Sub Plans prior to the wet season, with staff training sessions and the annual Local Disaster Coordination Centre (LDCC) exercise conducted.
- Significant work was undertaken on identifying and resourcing a Place of Refuge facility for the region during severe tropical cyclone events.
- The North QLD Disaster Management Officer Working Group was revitalised and enhanced cooperation developed between Councils on disaster management issues.
- Issue of a new Cyclone & Bushfire Disaster Preparedness Guide via The Tablelander and facilitation of Community Disaster Team meetings across the region.
- Shopping centre community resilience display held at Silo Centre on Get Ready Day on 13 October 2014, with Get Ready Tablelands event held 15 November 2014 at Merriland Hall. Other events this year have included Resilient Leaders Program and various training and education sessions with service clubs and schools.
- Council actively promoted and enforced responsible animal management to achieve compliance with local laws and state legislation including dog registration and renewal.

<p>1.1.4 - Leisure Opportunities</p> <p><i>Provide a range of recreation and leisure opportunities for the community's relaxation and enjoyment.</i></p>	<ul style="list-style-type: none"> • A Calendar of Events is available through Tablelands Regional Council Tropical Tablelands Tourism , Tropical Tourism North Queensland and Australian Tourism Data Warehouse. Council website with a regional calendar printed annually. • Yungaburra Triathlon event featuring five races held on 22-23 November 2014 including free outdoor concert with headline act Lee Kernaghan. • Five local arts projects were funded in second round of Regional Arts Development Fund, including support for a free Qld Music Festival Concert to be held at Merrilands Hall in July. • All three Council art galleries were fully booked for remainder of 2015, with well attended openings and good art sales through Tableland Regional Gallery. • The Regional Arts initiative Mental Health through the Arts Program was fully subscribed with workshops being held in Atherton and Ravenshoe.
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Corporate Plan Priority	1. Vibrant and Healthy Community
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Focus	1.2 Quality of Living
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Long-term Strategy	Assessment of Performance 2014/15 Financial Year
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<p>1.2.1 - Community Celebration</p> <p><i>Provide a supportive environment for events and activities that promote and enhance the region</i></p>	<ul style="list-style-type: none"> • Council has continued to support community based groups, individuals and organizations who are providing programs, activities and projects that deliver significant benefit to the local community through Council's grants program including funding and in-kind support. • Delivered NAIDOC flag raising ceremony and celebrations, Garden Awards, VP Day Service, Seniors Week morning tea, , Light up for Christmas competition, Australia Day event and awards, ANZAC events including commemorative centenary service at Herberton, , and citizenship ceremonies. • A new Tablelands Anzac Trail brochure launched in April linking over 60 memorial sites across the region for exploration supported by an online database. • Negotiations are underway with State Library Queensland regarding the iPad Connectivity Project that will provide internet connection in the home of people who do not currently have access, including Small to Medium Enterprise (SME) owners/ operators. The secondary aims are to: <ul style="list-style-type: none"> • Improve digital literacy skills of community members by providing opportunities to undertake related (informal) training; • Enhance the digital skills of SME owners/operators and the online presence of small businesses. • Regional Event Committee established. • Yungaburra Triathlon event fully funded through sponsorship, funding and in-kind donations.
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1.2.2 - Community Partnerships

Support opportunities for communities to network with one another and contribute towards improving their local areas so that the Tablelands enjoys a high degree of community cohesion.

- Council conducted Local Government Association of Queensland Economic Development and Investment Attraction Guidelines workshop on 24 June 2015 to determine best collaborative approach. To be incorporated into Councils Economic Development Strategy.
- Weekly story time and craft activities continue to be enjoyed by adults and children at Tablelands Libraries.
- 40 Council volunteers attended a Regional Volunteer Conference in May at Cobbold Gorge. Volunteers services were recognised during National Volunteer Week in May 2015.
- A 7% increase in visitor numbers at Visitor Information Centres over the year, notably Malanda reaching almost 29,000 visitors. Total visitors to Visitor Information Centres 95,000, with total gross revenue of \$158,000.
- Brochure renewal under way for 2015/16, with a new Tablelands Trail brochure in production with 60 businesses listed. A new Tablelands Anzac Trail brochure launched in April.
- Tablelands Food Safari taking place monthly at Atherton Visitor Information Centre to promote local produce.
- Anzac Treasures of the Tablelands exhibition held April and May at the Old Post Office Gallery, with nearly a thousand visitors.
- Anzac Day event at Herberton commemorating the Dawn Service with more than 300 people in attendance and was well supported by community groups.
- New Heritage Gallery exhibition opened at Ravenshoe Visitor Centre in May.
- On 15 May Ludij Peden launched two history books at Atherton library, titled 'Into the Mirror, Into the Past' and 'Terror and Turmoil'.
- On 19 June Brisbane genealogist Judy Webster visited Atherton library and gave two presentations to 31 attendees.
- During May the State Library Qld, 'Our Dreaming', was displayed in Atherton Library

1.2.3 - Cultural Development

Encourage recognition and appreciation of regional arts, culture, heritage and diversity and support and provide opportunities for individuals, clubs and groups to participate in the arts and cultural life of the community.

- Council's Libraries have continued to support reading, literacy and lifelong learning through displays, genre lists, reading list handouts, staff recommendations, the library website and an online catalogue.
- The library service is also promoting eLiteracy through links on the eLearning web page and the provision of hands-on training at weekly eLearning classes.

1.2.4 - Image and Identity

Progressively improve the general appearance and image of the regional communities to foster and promote a sense of community pride and positive identity which is in keeping with the uniqueness and character of the region.

- The Tinaburra Master Plan was completed during the financial year to develop a recreation precinct supporting event facilities; purpose-built water sports facilities, regional play space and picnic facilities, as well as the potential to develop commercial elements.
- Preliminary work commenced on the master plans for Atherton Chinatown and Priors Creek, both plans due for completion within 12 months.

1.2.5 - Social Equity

Support a better quality of life for the community by ensuring equitable access to Council provided services and facilities, particularly for the aged, frail, disabled and disadvantaged members of the community.

- Established a Disability, Access and Inclusion Advisory Committee to better understand and cater for the aged, frail, disabled and disadvantaged members of the community.
- Installed access ramp as part of Malanda Customer Service Centre and Library renovations.
- Constructed disabled access toilet at Tinaburra Foreshore.
- A new Property & Rating leasing module has been developed and implemented to record and track all TRC Occupancy Agreements to ensure a systematic invoicing system to:
 - Monitor and implement rental reviews and expiry dates
 - Enable easy access to signed Tenure documentation
 - Record and access community organisations names and locations
 - Record the responsibilities of relevant parties
 - Access for preparation of external grant applications
 - Provide identification references for each Occupancy Agreement
 - Electronic check lists to maintain high levels of service

Corporate Plan Priority

2. Strong and Growing Economy

Focus

2.1 Economic Development

Long-term Strategy

Assessment of Performance 2014/15 Financial Year

2.1.1 - Activity Centres

Ensure necessary infrastructure is in place and a sufficient land bank is maintained within existing service centres to facilitate expansion of business and industry.

- Completed draft TRC Planning Scheme to be submitted to the Minister for approval prior to adoption. It is expected that the Planning Scheme and associated Infrastructure Charging will be adopted in October 2015.
- Significant work commenced on Local Government Infrastructure Plans in order for an interim arrangement to be achieved with the new Planning Scheme and for the full infrastructure plan to be developed in accordance with the State Governments timelines of June 2016.
- Purchased Business Centre Core Expansion Area land in the current planning scheme.

2.1.2 - Business Support

Market the Tablelands' competitive advantages and promote the region as an attractive investment option and a desirable place to work and do business by working with business associations and economic development groups and supporting and assisting business enterprises starting or expanding in the region

- TRC was represented at all Local Government Regional Economic Development Group meetings facilitated by Advance Cairns and ongoing collaboration with Far North Queensland Regional Organisation of Councils and neighbouring Council's Economic Development Officers to progress TRC initiatives and maximise opportunities from Cairns and surrounds.
- Council representatives attended each Tablelands Futures Corporation and Tropical Tablelands Tourism meetings.
- Initiatives being progressed with Tablelands Futures Corp include Digital Economy Strategy and Business Investment Prospectus. Provided input for Tourism Tropical North Queensland Regional Events Strategy review, Mountain Bike Tourism Regional Strategy and sponsoring Startup Weekend Tablelands.
- Provided information to business and industry on economic data, available opportunities from partner organisations and facilitated access to the Australian Small Business Advisory Service.
- Council is collecting data and statistics regarding RV numbers and visitor expenditure, demand for free rest areas and on-farm rest areas, for consideration with the new TRC Planning Scheme.

2.1.3 - Economic Investment
Encourage new opportunities and projects that have the capacity to expand and diversify the regional economy and facilitate new business attraction and investment.

2.1.4. - Employment Opportunities
Support initiatives that will enhance local employment opportunities, including the provision of appropriate training, education and employment networking initiatives that support existing and future industries.

- Council Economic Development Committee established in June 2015. Committee will meet quarterly to provide oversight for the Economic Development Strategy, updates on opportunities and information sharing.
 - Council plays a lead role in the Catalytic Infrastructure Committee with the Catalytic Infrastructure Tool available for use as project of regional significance.
 - Contributed \$12,500ion to the Croc Trophy event and \$5,000 towards Tourism Tropical North Queensland contestable funding which will provide marketing and promotion for the region over the next three years.
 - Delivered inaugural Yungaburra Triathlon with sponsorship, grant funding and in-kind support enticing 560 competitors, including nearly half from outside the region.
-
- Sponsored Joel Salatin tour to provide insights into polyface farming and sustainable agriculture-based enterprises.
 - Facilitated Dive Into Digital training sessions.
 - Provided Startup Tablelands Weekend for entrepreneurs and innovators.
 - Delivered Right Brains in Business workshops for artisans.
 - Employment opportunities were offered in the following areas:
 - Break Thru People Solutions – Community Centre Precinct yard maintenance and maintenance of Park furniture approx. 52 working days
 - Correctional Centre in-mates on Leave of Absence – Rail-trail clean-up approx. 18 working-days
 - Parks and gardens vegetation control approx. 18 working days

Corporate Plan Priority	2. Strong and Growing Economy
Focus	2.2 Connecting our Region
Long-term Strategy	Assessment of Performance 2014/15 Financial Year
<p>2.2.1 - Mobility <i>Support the use of alternative transport modes within the region including the provision of a more accessible, functional and integrated network of pathways for pedestrians, cyclists and other users and ensure that the needs of the disabled are addressed.</i></p> <p>2.2.2 - Traffic Management <i>Plan for, provide and maintain a safe and trafficable road network for the movement of people, goods and services safely, efficiently and conveniently.</i></p>	<ul style="list-style-type: none"> • Adopted a Disability Access & Inclusion Advisory Committee policy. The committee met on three occasions during the year to consult with people with a disability and work together to achieve; <ul style="list-style-type: none"> • Identification of any major issues; • Gathering of relevant information Analysis of information from audits; • Recommendations for projected budget consideration; and • Develop Action Plans. • Council Officers have attended all Regional Road Group meetings and regional purchasing meetings, with Officers also active in the FNQ Regional Organisation of Councils response to the National Disaster Relief and Recovery Arrangements Productivity Commission process and other projects. • Roads and Drainage Network, operational expenditure was within budget for the year.

2.2.3 - Transport Planning
Work collaboratively with Department of Main Roads, Queensland Rail and Queensland Transport to upgrade road and rail transport networks within the region and continue to develop the region's airports to allow for growth in business operations and aircraft activity.

- Council staff have continued to evaluate the leases at the Atherton Aerodrome to ensure market rent is applied, benchmarked against similar serviced facilities across Far North Queensland. Officers have worked closely with Department of Natural Resource Management to develop the Land Management Plan for the Wondecla/Herberton Aerodrome. Regular maintenance has been carried out at all three aerodromes of the Tablelands Regional Council.
- Council has worked collaboratively with Department of Transport and Main Roads and successfully completed the annual Road Maintenance Performance Contract. Council has also completed over \$3 Million in construction works for the State Government.

2.2.4 - Accessible Networks
Advocate for and support the local, regional, national and global connections through integrated and accessible systems and networks.

- NBN build has commenced in Walkamin, Tinaroo, Atherton, Malanda, Tarzali, Millaa Millaa & Millstream as part of the NBN Co Rollout.
- Grant funding and co-contribution by Council has enabled Wi-Fi at Atherton Library, Gallery and Visitor Information Centre, Herberton, Malanda Library, Ravenshoe Library and Visitor Information Centre, Yungaburra Visitor Information Centre, Herberton Mining Centre – also the purchase of Wi-Fi enabled televisions and software for promotion of Council, library and other council activities.

Corporate Plan Priority	3. Sustainable Environment
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Focus	3.1 Responsible Environmental Management
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Long-term Strategy	Assessment of Performance 2014/15 Financial Year
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3.1.1 - Environmental Awareness
Promote and encourage participation in activities that support the preservation of the natural environment including tree planting, recycling initiatives and the efficient use of water and other natural resources.

- The remediation of Councils major old landfill sites at Malanda, Herberton and Yungaburra are ahead of the program provided to the Department of Environment and Heritage Protection.
- Recycling, transfer stations and collections strategy finalised. Landfills and Disposal strategy in progress.
- A total of 20,964 trees were sold from Council's Winfield Park revegetation nursery in 2014-2015 financial year which equates to approximately 6.5ha of trees planted.
- Council worked closely with Terrain NRM on the development of the new regional Natural Resource Management Plan as well as other on ground projects such as the Green Army team, Stevia ovata and Siam weed survey and treatment program.

3.1.2 - Environmental Protection
Preserve and manage the region's natural environment, open space and scenic amenity including bushland, wildlife, waterways management, water and air quality so as to maintain urban amenity and the productivity of rural land as well as minimizing the impact that waste generated by human activity has on the natural environment.

- To support the Agricultural Land Buffer Study (endorsed by Council November 2014), a Planning Scheme Policy 11 was adopted by Council at its Meeting 4 June 2015 and will be incorporated into the new TRC Planning Scheme.
- The Navua Sedge Management Program to reduce the impact of Navua Sedge on local landholders was implemented. The spray program continued with minimal setback during the wet season. Council has determined program successes and identified new areas of infestation. The program budget has been adopted to continue for 2015/2016.
- Councils' Flying Fox Strategy was developed and is ready for implementation.
- Developed a methodology for improving processes for assessment of current and new poultry farms management for Council and growers.

3.1.3 - Natural Hazards

Reduce the community's risk and exposure to the adverse impacts of natural hazards such as cyclones, flooding, bushfires and landslides through disaster management planning and response in accordance with the requirements of the Disaster Management Act 2003.

- Community meetings held and approved Community All-Hazard Community Disaster Plans now available for:
 - Ravenshoe & District
 - Mt Garnet & District
 - Herberton & District
 - Malanda & District
 - Millaa Millaa & District
 - Tinaroo / Kairi
 - Yungaburra & District
- The delivery of the 2010 – 2013 Natural Disaster Relief and Recovery Arrangements programs was completed. The 2014 – 2015 programs are well advanced.
 - All projects up to the 2013 Cyclone Oswald Event had reached practical completion by 30 June 2015
 - Counter Disaster Operations / Emergent / Restoration of Essential Public Assets Natural Disaster Relief and Recovery Arrangements claims for Cyclone Ita have been submitted to Queensland Reconstruction Authority and approved
 - Tender documentation for Cyclone Ita Restoration of Essential Public Assets projects finalised with projects currently going to tender
 - Data capture for February 2015 Flood Event on Sealed and Unsealed Road network is completed ahead of developing Restoration of Essential Public Assets submission to Queensland Reconstruction Authority
 - Submission for Seamark Rd Bridge from February 2015 Flood Event approved by Queensland Reconstruction Authority with tender documentation finalised to go to tender. (Tender subsequently awarded and work commenced)

3.1.4 - Sustainable Development

Improve the region's urban form, character and natural environment through planning and development controls, design guidelines, traditional ownership considerations and sustainable development principles.

- Rail Trail Stage 3 from Atherton to Rocky Creek completed.
- Atherton Forest Mountain Bike Park completed by March 2015.
- Council endorsed the Tinaburra Master Plan report received in March 2015.
- Progressed Priors Creek Precinct review.
- Commenced planning for Chinatown Master Plan.
- Indigenous Land Use Agreement (ILUA) User Group Meetings were conducted throughout the year to continue liaison regarding Capital Works requirements.



Malanda, February 2015



Council's Disaster Coordination Team in action

3.2.1 - Infrastructure Design

Ensure timely and co-ordinated provision of key infrastructure networks such as roads, drainage, water supply and sewerage through appropriate planning and design practices.

- New infrastructure charging regime (Priority Infrastructure Plan) is to be adopted concurrent with the new TRC Planning Scheme in October 2015. The Local Government Infrastructure Plan will subsequently replace the Priority Infrastructure Plan in June 2016. At its meeting 18 June 2015 Council resolved to continue with the current infrastructure charging regime until the Local Government Infrastructure Plan is adopted.
- A study has commenced by MWH Global to contribute to the Infrastructure Plan for Trunk Infrastructure for transport, stormwater and open space.
- 95% of the capital budget on design and survey works was committed during the year, with all externally funded projects completed.

3.2.2 -**Infrastructure Implementation**

Ensure the region's infrastructure networks are designed, constructed and renewed to maximise their long term benefit to industry and the community.

- A significant effort was made during the financial year to catch up and complete all outstanding capital works projects. As a result, well over 95% of the projects were either completed or under way at the end of the financial year. Some of the significant projects included the Lawyer and Vine Creek Bridges, gravel re-sheet, road rehabilitation and bitumen re-seal programs.
- 90% of the capital budget on infrastructure assets had been committed during the reporting year, including:
 - Works nearing completion on Lawyer Ck Bridge with seal and guardrails awaiting completion
 - Works nearing completion on Limestone Ck Causeway (R4R) with seal awaiting completion
 - Waiting on Dept Transport and Main Rroads approval for works to B-Double route trucking pad at Tumoulin (HVSPP). Works scheduled to commence on 31 June 2015 with completion date for 30 Sept 2015
 - Design works for Channel Road upgrade commenced . Works scheduled to commence on 21 August 2015 with completion date for 30 Sept 2015
 - Works to B-Double route (Tolga-Kairi Rd / Marks Lane) completed

3.2.3 - Infrastructure Maintenance

Ensure the region's infrastructure networks are continuously reviewed and maintained to a standard that will maximise their long term benefit to the community.

- Councils Maintenance teams continued to deliver high quality services within reduced budget allocations and reduced resources. These efforts have resulted in very positive "Voice of the Customer" survey results. A working group has been established to review the resources of the road maintenance team.
- Infrastructure Services Department Roads and Drainage Network, Parks and Gardens assets and Water and Waste operational expenditure was within budget for the year.

4.1.1 - Advocacy Role

Ensure the best interests of the region are advanced through representation and partnering with other government bodies and key stakeholders and advocate on behalf of the community to other levels of government on issues that could affect the community.

- Advocated to Local Government Association Queensland (LGAQ) Annual Conference 2014 for LGAQ to lobby to Federal and/or State Governments on the following points:
 - Impact on local governments due to changes to the Natural Disaster Relief and Recovery Arrangements and State Disaster Relief Arrangements
 - Use of day labour and workforce labour to undertake associated work
 - Federal Government funding of 75% of relief and Recovery Arrangements
 - Impact of Financial Assistance Grant freeze
 - Impact of withdrawal of funding for community wellbeing and local sport and recreation officers
 - Timely roll-out of National Broadband Network and associated infrastructure requirements
 - Need for registration of an effective chemical to control Navua Sedge
 - Support for local government to undertake community development and resilience programs
- Advocated to Local Government Association Queensland regarding representations to Department of Housing and Public Works, QShelter and National Registration Scheme for Community Housing, regarding a lack of clear advice and implications for Council resources, budgets and timing to allow for informed decision-making around registration and compliance issues.
- Advocated on the Queensland Principle Cycle Network Prioritisation Strategy to ensure the Tableland networks form part of the Principle Cycle Network Plans (PCNP).
- Advocated on the Regional Mountain Bike Trail Development Strategy to ensure the Tablelands is recognised as a world class mountain bike destination.
- Advocated for the Southern Atherton Tablelands Development Scheme with State and Federal Government Ministers and Regional Development organisations. The Scheme is in the concept stage and if developed will see the development of up to 100,000 ha of irrigated agricultural land, combined with hydro-electricity operation and flood mitigation.



Action in Atherton Forest Mountain Bike Park



Tinaroo Dam

4.1.2 - Community Participation

Ensure the community is well informed and has the opportunity to be actively engaged in local and regional decision making processes and initiatives.

- Council maintains a number of community advisory committees and was represented on a total of 70 Associations, Committees and Community Organisations.
- Fortnightly updates of council meeting outcomes are provided to the media and published on Council website as well as media releases and other advertising.
- Community engagement was undertaken on a number of issues during the year, such as:
 - Draft Planning Scheme
 - Corporate Plan 2015-2019
 - Change of purpose and land management plan of Atherton Showgrounds
 - Tinaburra Peninsula Master Plan
 - Wrights Creek Bridge
 - Cashmere-Kirrama Road Bridge

4.1.3 - Direction Setting

Provide strategic direction for the region's continued growth and development through involvement in local and regional planning, policy and operational management and active membership of regional organisations.

- Council adopted a new Corporate Plan for the period 2015 – 2019, with Councils Operational Plans and annual budgets for the 15/16 Financial year adopted in June 2015.
- The 10 year financial forecast which forms part of the 2015/2016 budget was also adopted in June 2015.
- Council endorsed the following priority projects at the meeting on 17 July 2014:
 - Tinaroo Sewerage Treatment Plant
 - Ravenshoe Sewerage Treatment Plant
 - Atherton Visitor Information Centre
 - Local Disaster Coordination Centre
 - Rail Trail development through to Walkamin
 - Tinaburra Foreshore development
- All projects have pre-work completed. Tinaroo STP and Rail Trail development have secured funding.
- A review of local laws for relevance and consistency with state legislation was completed. All amendments have been consolidated into the local laws ready for review and adoption by December 2015.
- Participated in Far North Queensland Regional Organisation of Councils (FNQROC) Board meetings and technical committees in cooperation with other member Councils. FNQROC facilitated cooperation between member Councils in achieving regional objectives.



Commencement of works – Atherton Rail Trail, Atherton



Walking or cycling the Rail Trail is for everyone and all sizes

4.1.4 - Transparent Practices

Ensure the administration of the region is governed through open and transparent decision making practices and coordinated management and reporting processes.

- Internal Audit Plan developed.
- A review of ATGIS business model was completed in July 2014.
- Plumbing Services review and full cost recovery analysis completed and report being prepared.
- Review commenced of all sustainability actions and options to provide Council with a recommended approach.
- Fortnightly updates of council meeting outcomes provided to the media and published on Council website as well as media releases and advertising.
- Commenced fraud control prevention management planning.
- General improvements have been progressively implemented over the year, including:
 - Trial procurement service extended to include 7am-8am,
 - System review of GST, improvements to monthly financial reports, review of oncosts, improved process in regard to incorrect transactions resulting from de-amalgamation, and supplier invoices directly received by Accounts Payable,
 - Payment terms communicated to suppliers,
 - Improved monthly process resulting in reduction in outstanding debtors,
 - Improvements to recurring debtor processes,
 - Trust fund review,
 - Store stocktake, rate valuation reconciliations.
- The Corporate Overhead model was reviewed in conjunction with the full cost pricing models.
- A review of the Construction and Maintenance Workgroup structure was completed in November 2014 and implemented during the year.



Council Managers planning for our region

4.2.1 - Asset Management

Ensure a structured management approach is applied to the region's assets through a proper regime of investment, maintenance, renewal and disposal.

- Audit Committee members and contract auditors have been engaged in issues regarding asset valuations. Input has been provided to the draft Strategic Asset Management Plan Risk Register which includes developing Asset Accounting Policies by December 2015.
- Asset Management Plans and Registers are in the process of being reviewed and developed, with data-capture proceeding in conjunction with Councils CONFIRM software system.
- Data-collection has commenced to identify the land Council owns and maintains, with a report to be prepared regarding optimal land usage or disposal.
- The Facilities Asset Management Plan has been updated as part of the Aged Housing Submission. New rental calculations were performed using the Electronic Rent Calculation Tool for community housing and rental increases were endorsed by Council.
- A review of Aged Housing Facilities for compliance with the National Regulatory Authority was completed in March 2015. Council has been advised by the Registrar that registration is complete but the review is ongoing before final approval of the review is received.
- Maintenance of all other facilities is ongoing according to schedule and maintenance budget. Evacuation Plans, Risk Management, Asbestos Management Plans and Workplace Health and Safety Plans for Community facilities were completed during the year.
- As part of the annual Fire Management Program, the 2014 burn plan achieved a total of 97 properties protected which is more than the 89 on the initial burn plan. A total of 417ha were burnt or the fire risk reduced by other means such as slashing. The 2015 burn plan was delivered to and adopted by Council, with early season burns conducted in Mt Garnet.
- The implementation of Property and Rating (P&R) Leasing Module has commenced with new occupancy agreements being entered in the system. To the end of the financial year, 105 have been entered. All occupancy agreements will eventually be in the P&R system and expired agreements are being worked through with community members.

4.2.2 - Customer Relations

Provide friendly, efficient, responsible and accessible services to all customers through the development and maintenance of a workplace culture and systems that focus on excellent customer service delivery.

- Customer Service Strategy adopted by Council in June 2015 with Councils Customer Service Program implemented across Council.
- Voice of Customer surveys are complete for all operational areas. Customer satisfaction with the majority of Council's operational areas have improved significantly.
- Training for managers and supervisors in managing unreasonable conduct provided by Queensland Ombudsman, with improved systems established to avoid inefficient use of resources.
- 68 Ombudsman recommendations for complaints improvement have been implemented and approved by the Ombudsman including new procedures.
- Within Community and Regional Planning, 100% of customers pre-lodgement enquiries achieved customer service standards over the year and 86% of customers were reported as being satisfied with service standards generally.

4.2.3 - Knowledge Management

Provide quality corporate knowledge management throughout the organisation to assist in the delivery of services and Council business.

- Council continued to provide high quality building certification services throughout the year.
- User group meetings to attend to aerodrome issues have not materialised, however Council Officers are in regular contact with users to attend to any issues, with the potential to move to one annual meeting per year commencing the next financial year.

4.2.4 - People Management

Ensure the organisation's workforce reflects Council's values and is provided the support and development necessary to achieve job satisfaction and deliver quality and innovative services to all customers, and ensure that the health and safety of all employees is protected through the implementation of SafePlan as Council's Workplace Health and Safety Management System.

- Councils Information Management Strategy endorsed in July 2014.
 - TRC's customers can now access a re-designed and updated Council website
 - All necessary core system upgrades to support enhanced functionality have been completed, together with a Key User Program.
 - Mobile asset management has expanded to 20 mobile tablets in the field, including weed management, road maintenance, water meter readings, bridge, and pits and pipes revaluations.
-
- Council implemented a voluntary redundancy and position review program, resulting in a reduction in the workforce of approximately 20%, representing ongoing savings of >\$4.5 million per annum.
 - The 2014 Employee Opinion Survey has been used as a basis for employee communication and discussion to improve employee satisfaction ratings.
 - Activities across all Workgroups are linked to Councils Integrated Planning Framework.
 - Department leaders are working together with staff across the organisation to ensure staff provide responsive and quality services.
 - Workgroups sharing information regarding their function and responsibilities
 - Reward and Recognition Policy developed
 - Well-being Policy and Well-being program featuring monthly educational events for staff implemented
 - Leadership Development activities conducted
 - The TRC Way (Values clarification) finalised
 - Productivity improvement across Council is evident, including:
 - Sustainability Project has progressed well with some significant achievement throughout the year
 - Governance processes have improved with training, policy/ guideline development etc
 - People, performance and culture – Employee Opinion Survey (2013/14) and the Making a Difference program have provided successful building of the TRC culture
 - Lost time injuries down from 14 (13/14 year) to 10 (14/15 year) – a reduction of 28.6%
 - Days lost due to injury down from 656 to 225 – a reduction of 65.7%
 - Completion rate of Workplace Health and Safety Monthly Action Plans was 87% - 17% above the established benchmark
 - Staff newsletters "Talking Point" regularly published throughout the year



RATE CONCESSION POLICY 2014/2015

Final		Version:	1.0
File ref:	CCS 1.2.2	Policy Section:	Revenue
Date Adopted:	19 June 2014	Review Date:	30 June 2015
Author:	Executive Manager Finance	Review Officer:	Deputy Chief Executive Officer

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1. POLICY INTENT

This document sets out Council policy, as per annual budget resolution, in relation to the granting of concessions on rates and charges.

2. SCOPE

This policy applies to:

- Pensioners who own and reside on their property within the Tablelands Regional Council area and who meet the requirements set out in the Pensioner Remission Policy Statement in this document.
- Not-for-Profit community, cultural, recreation and sporting organisations who meet the requirements set out in the Rate Concession - Not-for-Profit Policy Statement in this document.
- Property owners where water usage is required to operate a home renal dialysis machine in their principal place of residence set out in the Water Usage Charge Concession Policy Statement in this document.
- Property owners impacted by increased water usage due to unapparent plumbing failures who meet the requirements set out in the Water Usage Dispute Resolution Policy.

3. BACKGROUND/SUPPORTING INFORMATION

The *Local Government Regulation 2012* - Chapter 4, Part 10 Concessions, gives local government the power to grant concessions for rates and charges.

A concession may only be of the following types:

- (a) a rebate of all or part of the rates or charges
- (b) an agreement to defer payment of the rates or charges
- (c) an agreement to accept a transfer of unencumbered land in full or part payment of the rates or charges

A concession may only be granted by resolution of the Council and for the Tablelands Regional Council, this is done as part of the annual budget adoption process and also noted in the adopted Revenue Statement.

4. POLICY STATEMENT

4.1 PENSIONER REMISSION

Applicants for the remission of rates from the Tablelands Regional Council must satisfy the following conditions:

- If an application is mailed in, it must be completed in detail and accompanied by a copy of both sides of the current Pensioner Concession Card (PCC) or a DVA Gold Card.
- An applicant must truthfully and correctly supply all information requested.
- The Council Pensioner Remission is allowable on only one property at a time
- A new application must be lodged if you change your principle place of residence.
- Should all owners not be in receipt of a pension or allowance, a proportionate amount of remission may be payable based upon State Government Guidelines.

- If a co-owner is in a spousal or recognised de-facto relationship and is an approved pensioner and is wholly responsible for payment of all rates and charges, the subsidy will be granted in full.

4.1.1 Council Pensioner Remission

Council grants a remission of thirty percent (30%) of the general rates up to a maximum of \$240 per year to pensioners within the Tablelands Regional Council area, providing they qualify for a remission in accordance with the conditions, as set out below.

This excludes water usage charges, special rates or special charges, interest and other charges on land.

To be eligible you must be:

- A holder of a Pensioner Concession Card (PCC) or a DVA Gold Card.
- The owner or life tenant of the property which is your principal place of residence. A life tenancy can be created only by a valid Will and is effective only after the death of the property owner, or by a Supreme or Family Court Order.
- Legally responsible for the payment of local council rates and charges levied on that property.

The Council Pensioner Remission is allowable on only one property at a time and a new application must be lodged if you change your principle place of residence.

The Council Pensioner Remissions can only be granted from the date on the pension card or 1 July 2014 (whichever is the latter), provided the application qualifies with Council's conditions.

Where the Council Pensioner Remission applies, Council will remit the appropriate amount off the rates notice.

4.2 RATE CONCESSIONS – NOT FOR PROFIT

4.2.1 Types of Concessions

Council grants a concession of the following to Council approved not-for-profit community, recreation and sporting organisations:

- *Rate Concession* - is fifty percent (50%) of the general rates up to a maximum of \$1,000 per year; and/or
- *Charge Concession* - is twenty percent (20%) up to a maximum of \$200 per year on Utility Charges (Sewerage, Waste Collection and Water Access Charges) and the Waste Management Levy.

4.2.2 Definition of not-for-profit community, recreation and sporting organisation

- *A not-for-profit organisation which exists primarily to undertake community service activities and relies mainly on volunteer labour; or*
- *A not-for-profit organisation which has a high level of paid labour and a low level of volunteer labour however a substantial community benefit is provided; or*
- *A not-for-profit organisation which undertakes sporting or recreational activities and relies on player and/or fees and community fundraising only; or*
- *An owner of a cultural icon which is a tourist attraction and to which the public is given access for no fee or charge;*

- *A not-for-profit community organisation which exists primarily to undertake community service activities and receives on going Federal or State Government funding support for the organisation's operations.*

4.2.3 Application and Continuation of the Concession

An initial application using the approved form must be lodged and an approved applicant is required to apply for continuance of the concession on the approved form on an annual basis or as requested by Council. The application should state that the information provided in the initial application is still current and that they would like to continue in claiming the approved concession/s.

The concession/s, if approved, will apply from the start of the rating period in which the application was successful and will be shown on the rates notice.

Applications for Rate and/or Charge Concession will only be considered for not-for-profit organisations as defined above and which comply with all the eligibility criteria.

To be eligible you must:

- Operate within the boundaries of the Tablelands Regional Council;
- Own or lease and occupy the land on which the general rates are being levied and the rates notice issued in the organisation's name;
- The property must not be used for residential purposes unless utilised for short-term accommodation for homeless and at risk persons or for accommodation of the aged;
- Not utilise gaming machines to raise revenue;
- In its constitution clearly prohibit any member of the organisation making private profit or gain either from the ongoing operations of the organisation or as a result of the distribution of assets if the organisation was wound up (this condition does not apply to the owner of a cultural icon);
- Meet the definition of a not-for-profit community, recreation and sporting organisation;
- Not have outstanding rates on the property;
- Lodge an application on the approved form. The application must also include any two of the following supporting documentation:
 - a copy of the organisation's constitution or certificate of incorporation;
 - minutes of its most recent Annual General Meeting;
 - incorporated groups are to provide a copy of their most recent audited financial statement (no greater than 12 months old), unincorporated groups are to provide a copy of their most recent reconciled financial statement (no greater than 12 months old);
 - details of the organisation's not-for-profit status from the Australian Taxation office or similar.

If in circumstances where an organisation does not fulfil its lease obligations, the concession can be cancelled by the Deputy Chief Executive Officer.

The concession is not available on vacant land.

If you are receiving a Tablelands Regional Council grant of \$500 or more you are ineligible for this concession.

There is a responsibility upon the not-for-profit organisation to contact the Council when there is a change that could affect the status of the concession so as to avoid the necessity for the organisation to reimburse the concession so obtained.

In some cases, the Council may have sufficient information on its records to make an assessment of the application. In other instances, Council may need to conduct a site inspection and/or request further information.

Where the Rate and Charge Concession applies, Council will remit the appropriate amount off the rates notice.

4.3 WATER USAGE CHARGE CONCESSION – HOME RENAL DIALYSIS

Tablelands Regional Council provides financial assistance to the property owner to offset water usage costs for use of Home Renal Dialysis Equipment.

A non-chargeable water allowance of up to 190kl per year will be granted to those patients on a home renal dialysis machine. A concession to eligible applicants will be applied on a pro-rata basis only for the period the dialysis occurred, up to a maximum of 95 kilolitres per 6-monthly levy period.

4.3.1 Eligibility

To be eligible, the following must occur:

- An application form from Council must be completed by the applicant
- Written confirmation from the doctor or hospital advising that treatment is being undertaken by a resident of the property including the commencement date of the treatment and if applicable the date the renal dialysis ended.
- The application form must be received by Council prior to the end of the discount period of the first concession being applied.

4.3.2 Application for Concession Approved

If the application for concession is approved the water consumption and consequent charges will be adjusted accordingly and an amended rate notice issued to the owner of the property, subject to the eligibility conditions above.

It is the responsibility of the applicant to advise Council if home renal dialysis is no longer undertaken on the premises.

4.3.3 Application for Concession Denied

If the application for concession is denied the Water Department will contact the applicant explaining the reasons for the denial.

4.3.4 Calculation of Concession

The concession has been calculated in consultation with Cairns Base Hospital Haemodialysis Unit as to the likely water consumption directly attributable to the operation of a home renal dialysis unit. This report is based upon that advice as outlined in Tables 1 and 2 below:

6. DISTRIBUTION REGISTER

Date	Issue No.	Copy No.	Issued To	Copy Type

This policy is to remain in force until otherwise determined by Council.



Revenue Policy 2014/2015

Final		Version:	Version 1
File ref:	CCS 1.2.1	Policy Section:	Revenue
Date Adopted:	19 June 2014	Review Date:	1 December 2014
Author:	Executive Manager Finance	Review Officer:	Deputy Chief Executive Officer

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1. POLICY INTENT

The Revenue Policy provides the parameters under which Council develops its annual budget. In 2014/2015 the Council will levy rates and charges in compliance with this policy.

2. SCOPE

This policy applies to all aspects of making, levying, recovering and granting concessions for rates and utility charges, and setting of cost-recovery fees and infrastructure charges for Tablelands Regional Council.

3. BACKGROUND/SUPPORTING INFORMATION

This Revenue Policy complies with Section 193 of The *Local Government Regulation 2012*.

4. POLICY STATEMENT

4.1 THE MAKING OF RATES AND UTILITY CHARGES

- (a) In general it is Council's policy that a *user pays principle* applies to all specific services provided to ratepayers and other users in Tablelands Regional Council.
- (b) Exceptions to the *user pays principle* include general services to the community as a whole when it is in the community interest to do so.
- (c) Council will have regard to the principles of:
 - Transparency in the making of rates and charges;
 - Having in place a rating regime that is as simple and inexpensive as possible;
 - Equity by taking account of the different levels of capacity to pay within the local community; and
 - Flexibility to take account of changes in the local economy.
- (d) In pursuing the abovementioned principles Council may avail itself of the following:
 - A system of differential general rating;
 - Minimum general rates;
 - Utility charges;
 - Special rates and charges;
 - Separate charges;
 - Limitation of rate increases (rate capping).

4.2 LEVYING OF RATES AND CHARGES

In levying rates Council will apply the principles of:

- Seeking to achieve financial sustainability while minimising impact on council rates and charges upon the community;
- Seeking to distribute the burden of payment equitably across the community;
- making clear what is the Council's and each ratepayers' responsibility to the rating system (Council may allow a discount for prompt payment);

- making the levying system as simple as possible to administer;
- timing the levy of rates where possible to take into account the financial cycle of local economic activity, in order to assist smooth running of the local economy; and
- equity through flexible payment arrangements for ratepayers with a lower capacity to pay.

4.3 CONCESSIONS FOR RATES AND CHARGES

In considering the application of concessions, Council will be guided by the principles of:

- equity by having regard to the different levels of capacity to pay within the local community;
- the same treatment for ratepayers with similar circumstances;
- transparency by making clear the requirements necessary to receive concessions; and
- flexibility to allow Council to respond to local economic issues.

The purpose of the concessions granted by council is to:

- reduce the financial burden of rates and charges payable by pensioners;
- support not-for-profit organisations where the land is considered to contribute to the social, cultural, economic or sporting welfare of the community;
- encourage the preservation, restoration or maintenance of land that is of cultural significance;
- provide relief to ratepayers by partially remitting water consumption charges in cases of financial hardship resulting from an undetectable water leak which has occurred on a ratepayers property;
- provide relief to ratepayers by partially remitting water consumption where the water consumption is required to operate a home renal dialysis machine in their principal place of residence.

4.4 THE RECOVERY OF RATES AND CHARGES

(a) Council will exercise its rate recovery powers in order to reduce the overall rate burden on ratepayers.

(b) It will be guided by the principles of:

- transparency by making clear the obligations of ratepayers and the processes used by Council in assisting them meet their financial obligations;
- making the processes used to recover outstanding rates and charges clear, and as simple to administer and as cost effective as possible (refer to Council's Debt Recovery Policy);
- capacity to pay in determining appropriate arrangements for different sectors of the community;
- equity by having regard to providing the same treatment for ratepayers with similar circumstances; and
- flexibility by responding, where necessary, to changes in the local economy.

4.5 THE SETTING OF MISCELLANEOUS FEES AND CHARGES

Council will be guided by the following principles in the setting of miscellaneous fees and charges:

- Fees associated with regulatory services will be set at the full cost of providing the service or taking the action for which the fee is charges. Council may choose to subsidise the fee from other sources if it is in the community interest to do so.

- Commercial services charges will be set to recover the full cost of providing the service and, if provided by a Business of Council, may include a component for return on Council's investment.

4.6 FUNDING OF NEW DEVELOPMENT

Council will be guided by the principle of user pays in the making of infrastructure charges for new development, to the extent permissible by law. However, the council may choose to subsidise from other sources (eg. General rate revenue) the charges payable for the development when the council believes that it is in the community interest to do so.

Council will be guided by the following principles:

- making clear the obligations of new development and the processes used by council in the making of infrastructure charges;
- making the processes used in setting an infrastructure charging regime that is simple to administer and cost effective;
- considering the different levels of capacity to pay within the local community; and
- flexibility by responding where necessary to changes in the local economy.

5. REVIEW

It is the responsibility of the Deputy Chief Executive Officer to monitor the adequacy of this policy and recommend appropriate changes. This policy will be formally reviewed annually in sufficient time to allow an annual budget that is consistent with the policy adopted for the next financial year.

6. DISTRIBUTION REGISTER

Date	Issue No.	Copy No.	Issued To	Copy Type

This policy is to remain in force until otherwise determined by Council.



BORROWING POLICY 2014/15

Final		Version:	1
File ref:	CCS 1.1.1	Policy Section:	Accounting Support
Date Adopted:	19 June 2014	Review Date:	June 2015
Author:	Executive Manager Finance	Review Officer:	Deputy Chief Executive Officer

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1. POLICY INTENT

The intent of this policy is to detail the principles upon which Council bases its decisions when considering the type of expenditure to be funded by borrowing for the financial years 2014/15 to 2023/24, the total current and projected borrowings and the ranges of periods over which they will be repaid.

2. SCOPE

This policy applies to all borrowing of the Council.

3. BACKGROUND/SUPPORTING INFORMATION

Pursuant to Section 192 Local Government Regulation 2012, Council's adopted Policy on Borrowings for the period 2014/15 to 2023/24 is set out below.

4. POLICY STATEMENT

Council will not use long-term debt to finance current operations.

Long term debt should only be used for income producing assets or those assets that can be matched to a revenue stream. Consequently repayments for the borrowings will be funded from the revenue streams generated by the asset acquisition in question. Consideration must also be given to the long-term financial forecast before planning new borrowings.

Council will utilise long-term borrowing only for capital improvement projects that cannot be financed from existing sources.

Capital projects are to only be undertaken after a thorough process of evaluation (including whole of life costing and risk assessment), prioritisation and review.

When Council finances capital projects through borrowings it will generally pay back the loans in a term not exceeding 20 years. However in certain circumstances particularly assets with long useful lives borrowings may be for a longer period whereby repayments would match the income stream of the asset in question. Existing loans will be paid back within the fixed term provided for in the loan agreement.

Council will continue to ensure repayment schedules are well within Council's operating capability so as to ensure the Community is not burdened with unnecessary risk.

Projected Future Borrowing Predictions:

Year	Project	Term	Borrowings
2014/15	-		-
2015/16	-		-
2016/17	-		-
2017/18	-		-
2018/19	-		-

Year	Project	Term	Borrowings
2019/20	-		-
2020/21	-		-
2021/22	-		-
2022/23	-		-
2023/24	-		-

Level of Existing Debt - As at the 30 June 2014 Tablelands Regional Council's outstanding loan balance is estimated to be \$5.88m.

5. REVIEW

It is the responsibility of the Deputy Chief Executive Officer to monitor the adequacy of this policy and recommend appropriate changes. This policy will be formally reviewed every year or as required by Council.

6. DISTRIBUTION REGISTER

Date	Issue No.	Copy No.	Issued To	Copy Type

This policy is to remain in force until otherwise determined by Council.



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