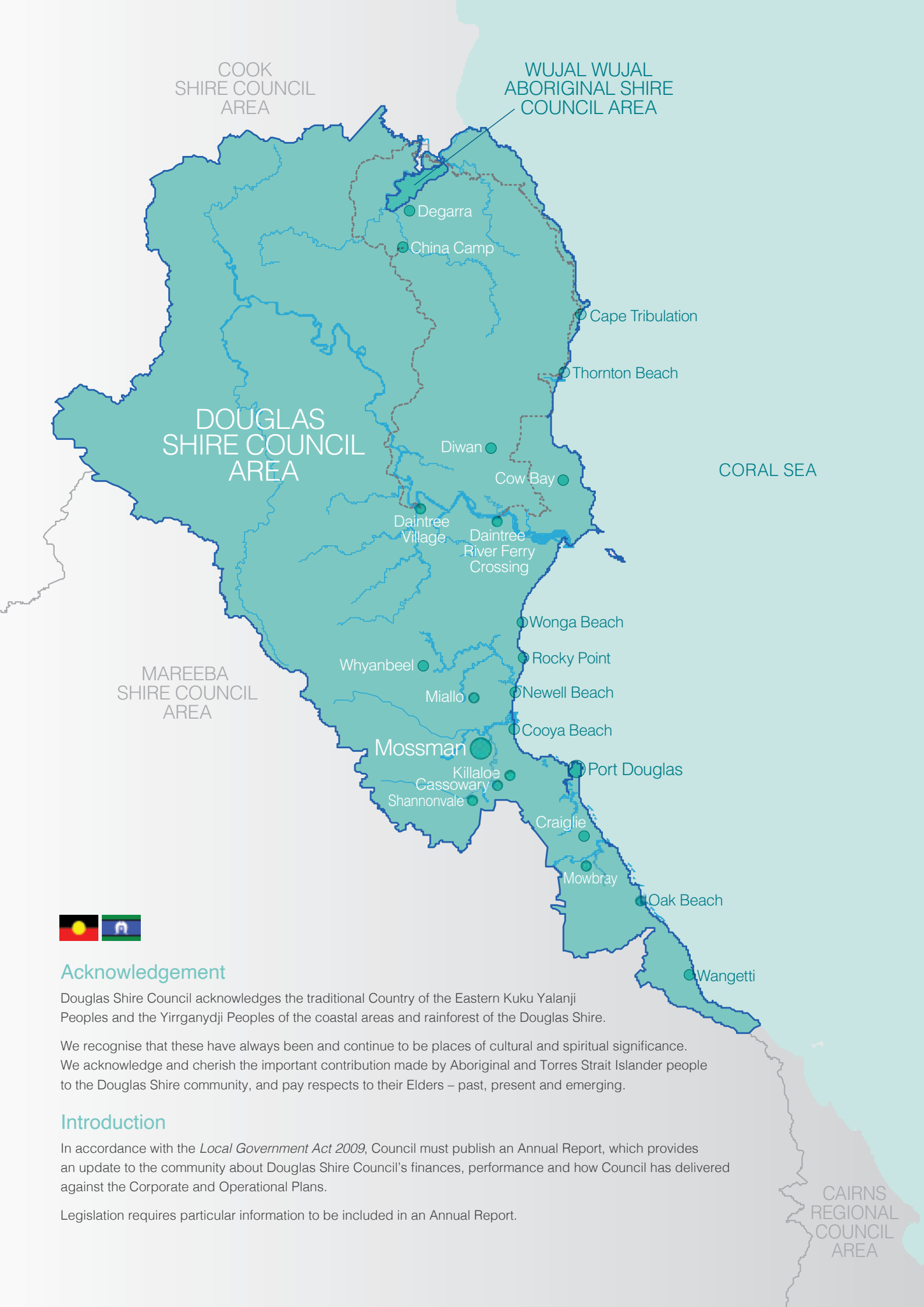


Annual Report

2022-2023



DOUGLAS
SHIRE COUNCIL



Acknowledgement

Douglas Shire Council acknowledges the traditional Country of the Eastern Kuku Yalanji Peoples and the Yirrganydjij Peoples of the coastal areas and rainforest of the Douglas Shire.

We recognise that these have always been and continue to be places of cultural and spiritual significance. We acknowledge and cherish the important contribution made by Aboriginal and Torres Strait Islander people to the Douglas Shire community, and pay respects to their Elders – past, present and emerging.

Introduction

In accordance with the *Local Government Act 2009*, Council must publish an Annual Report, which provides an update to the community about Douglas Shire Council's finances, performance and how Council has delivered against the Corporate and Operational Plans.

Legislation requires particular information to be included in an Annual Report.

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Message from the Mayor

Whilst it appears that the worst of the pandemic is over, new challenges have presented with interest rate rises, cost-of-living pressures and modest international tourism numbers, housing shortages and staff recruitment deficiencies. Throughout it all Douglas Shire Council has remained a strong performer for its community.

As Mayor of the Douglas Shire, I have always believed in working hard to ensure that our community can thrive, and this year has been no exception.

Our Council has continued to work towards delivering on plans to improve the infrastructure, environment, and services in our region, whilst also acknowledging the needs and concerns of our residents and businesses.

The past year has been a time of transformation and growth for the Douglas Shire, despite the challenges that have continued to restrict us.

We have continued our progressive approach toward sustainability and conservation, as we recognise the importance of not only preserving our natural environment but continuing our sustainable journey for the benefit of the many generations ahead of us.

Events reminding us why we love our shire

The Port Douglas Carnivale was again a wonderful experience with something for everyone. The event generating more than \$3.6 million dollars' worth of economic activity and contributing more than 15,000 visitor nights during May with an estimation of more than 9,500 people attending the 10-day event.

According to a Tourism Port Douglas Daintree survey, 92 per cent of respondents said Carnivale added to the appeal of living in Port Douglas and 87 per cent felt it should generate community pride.

Organisers have already turned their focus to the 30th anniversary of this event in 2024 and there are some big plans in the pipeline for the milestone.

Bike riding has also become a strong drawcard for our region with Council again throwing its support behind the Reef to Reef and Gran Fondo events that saw competitors converge on Port Douglas following their races.

These are just some of the events on our calendar that are promoting vibrancy, inclusion, and economic activity outside of peak holiday season.

Responsible spending provides steady budget

The rise in costs of materials and services has proven one of the great challenges for the Council's infrastructure plans. Over the past 12 months the cost of materials has risen by 11 per cent.

The figure alone may not grab headlines but when you include that increase on big-ticket items – whether it's a bridge or roadworks or a new building – it does mean we have to reassess what we can achieve for our ratepayers.

A small road bridge can cost up to \$2 million, roads upwards of \$700,000 per kilometre and \$270 per metre for a water pipe so costs can and do add up quickly.

Our hardworking staff are always looking at securing grants for various projects, and that helps us fund various developments, but that continues to be a challenge for Council moving forward.

Regardless of these pressures, we have still delivered for the community with Anichs Bridge, the Mossman Splash Park, the Mossman to Mossman Gorge cycleway and major road and drainage works in the heart of Port Douglas completed this financial year.

Council has no borrowings and is debt free at a time of rising interest rates and we are currently receiving good interest returns on investments which is also contributing to the positive result.

Some hard choices about the ferry were made a few years ago and Council continues to look for the best solution that will fulfil the need for this transport infrastructure as well as the Council and our community as a whole.

Thriving region

Our Council has worked collaboratively with local businesses, industry associations, and tourism authorities to develop strategies to help our region thrive.

In particular we are seeing Tourism Port Douglas Daintree continuing to promote the region's tourism opportunities across the globe while Do it in Douglas is inspiring our businesses and tourism operators to consider sustainability and eco-friendly practices.

Our successes would not have been possible without the hard work and dedication of our Council staff, whose tireless efforts throughout the year have enabled so much to be achieved.

From economic development to tourism, infrastructure to community services, their work has ensured that the Douglas Shire remains a desirable place to live, work, and visit.

And whether it be via feedback and consultation on Council projects or through volunteer work and collaborations, our community plays a critical role in shaping the future of our region for the better.

Working together, we can continue to achieve great things for the Douglas Shire and its residents.

Regards,
Mayor Mike
#togetherweacheivemore



Cr Michael Kerr
Mayor, Douglas Shire Council



Messages from Elected Representatives



**Councillor Lisa Scomazzon
(Deputy Mayor)**

It has been another very busy year for myself in Council. I have met so many new people who have decided to call our beautiful Shire home and it has been a privilege working for the community during this term.

As Councillors we work tirelessly for the community and it is great to be given the opportunity to share our views with the people who voted for us to represent them.

Parkers Bridge is finally near completion and has been made safer with the addition of a foot bridge on the western side (thank you to Transport and Main Roads). I will continue pushing hard to have a footpath built on the western side for the residents living in the area, primarily the residents of Alchera Drive Retirement Village.

Having joined the new committee of the Douglas Chamber of Commerce, I look forward to working with our local businesses and ensuring they are supported and recognised for keeping the wheels of this Shire turning especially during the last couple of years with Covid and the recovery.

As this will be the last annual report for this term for Councillors, I would like to say that it has been my honour to have been elected to represent the community of this Shire. It has been a huge learning curve but I have enjoyed every challenging minute of it. Unfortunately the wheels of industry sometimes do not work quickly enough for me but its about what is best for the community which is my first priority.

Lastly I would like to thank the staff who have strived to keep Councillors informed and have given us the information that we required to make some very tough decisions. The community may have not always agreed with the decisions made, but they have always been made in good faith with the information provided to us.



Councillor Peter McKeown

As this is the first opportunity for Councillors to contribute to the annual report I would like to thank the community for trusting me with the opportunity to represent them as a Councillor over the past three plus years. It has had its challenges and

memorable moments, and not all decisions made have been accepted by all, but I believe that the direction I have taken is for the benefit of the majority of the rate-paying community, and for the shire in general.

I have enjoyed discussions with ratepayers, visitors and future residents on ways to navigate the local laws and the Douglas Shire Planning Scheme by directing them to the correct areas of Council.

The roll out of the Smart Water meter scheme has been a very positive improvement completed this year as reported. Council now needs residents to register so they can self monitor their excess use and possible unknown leakage to save this valuable resource and charges that may apply.

There are still major works in progress which has to be continued and completed as a priority such as the Noah Creek bridge replacement, additional town water intake facility on the Mossman River and the Daintree Ferry solution.

In closing I would like to acknowledge the work done by the Douglas Shire Council CEO, management team and staff, for the delivery of general services and the extra duties that have been directed to them from the Mayor and Councillors during this term.





Councillor Abigail Noli

Douglas Shire is one of the most enviable regions in Australia to live and visit. My focus is implementing improvements today but planning for future generations as well. I want to do this by leaving it financially, socially

and environmentally sustainable for years to come.

I have an operational focus to build communities that are a joy to live in. This includes the basics of road safety works, footpath additions, lighting and bike path extensions.

We have also pushed closer to a second water intake, continuously improved waste disposal and further reduced our carbon emissions.

Art and Culture is assisted with RADF and other grants and I strive to support clubs and groups whenever possible as they play a large part of making liveable communities in Douglas.

I have supported nearly all development approvals and I thank the applicants for their considered approaches in this area. Resilient communities through enhanced disaster management, and further resources pushed towards improving existing Council assets for better use by the public, is high on my list of responsibilities.

Without financial responsibility none of this would be possible. Ensuring that ratepayers' money achieves the best possible use, combined with stringent spending scrutiny and actively pursuing grant funding, rounds up what I believe, to have been achieved during this last year.

Thank you for being part of this journey with Douglas.



Councillor Roy Zammataro

This is my second term in Council and in some aspects this term has been quite different from my first. One of the constants, however, is my strong commitment to ensuring the environmental sustainability, commitment to tourism and

promoting the longevity of the sugar industry as well as ensuring local voices are not only heard but acted on.

The onset of COVID-19 was unexpected and caused serious disruptions to the tourism industry, something that the Douglas Shire thrives on. As a member of Council this was a priority for me and I have supported almost all motions that will benefit the tourism industry, without impacting on the natural environment.

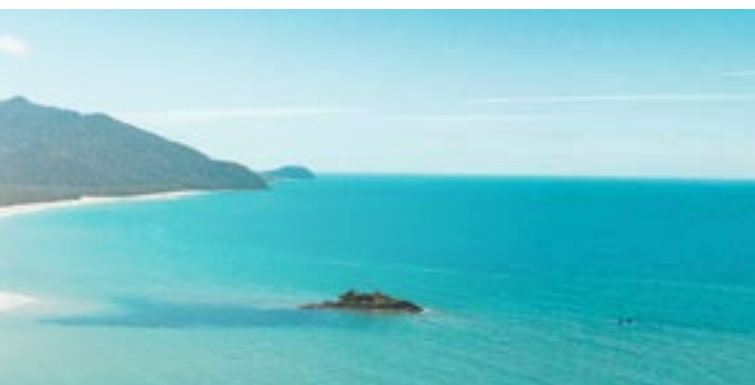
I have been an active participant in the organisation of the Street Party Committee, an initiative I reintroduced to the Douglas Shire three years ago. The re-introduction of this yearly event has highlighted the great sense of community within the Douglas Shire as well as a passion and drive for future events to come, always bigger and better than the year before.

Additionally this year, I played a crucial role in the 125-year committee of the Mossman State School. Having previously served as the P&C president during the 100-year reunion celebration, it was a gratifying experience to contribute once again, 25 years later. This event also saw an influx of visitors new and old and it was a pleasure to see past residents of Mossman excited to come back and visit the place that they will always call "home."

Another vital component that I, like many other locals are striving to ensure, is the survival of Mossman Mill. The mill is of paramount importance, considering that it has been a steadfast source of employment in our shire for the past century.

Amid other achievements, I have pushed for things that may seem small to some but have had major positive impacts on the locals in the area. I worked to get traffic calming devices on Marlin Drive, Wonga Beach as residents were concerned with the safety of children from speeding cars, as well as a bus stop at Cooya Beach.

The Douglas Shire is a unique location and I want to see it remain that way. I am proud to serve the residents of the Douglas Shire as I care about our future.



Message from the CEO

I am immensely proud of the progress we have made in the past year, and I am excited to share our achievements.

Over the past twelve months, our Council has shown its commitment to delivering services, maintaining infrastructure, and supporting our community in the face of external challenges.

We have remained steadfast in our mission to foster sustainable growth while preserving our unique natural environment and local character.

Our *Do It In Douglas* initiative continues to connect and celebrate the local business community headlined through the release of the region's first Investment Prospectus.

The 28-page document pitches Douglas as a location of prosperity and opportunity to investors.

With a theme of *Lifestyle Meets Livelihood*, it encourages us to dream big and make the most of the region's diverse economy and events.

A number of thought-provoking and morale-boosting *Do It In Douglas* events have been held over the year as we look to drive our local businesses and economy to new levels.

There's a strong focus on eco-tourism in the Shire and Council is playing a significant role in shaping that environmentally friendly image.

We've adopted a three-year waste and recycling plan which, put simply, focuses on reducing the amount of stuff that we throw out.

We've promoted drop-off points for used batteries, installed more bins in high-traffic areas and water bottle refill stations to reduce the amount of single-use plastic bottles ending up in landfill.

Our Waste Education Officer has been visiting local schools to provide kids with practical tips about ways they can reduce their rubbish going to landfill.

As custodians of the only place on Earth where two World Heritage sites meet, water security is critically important.

The water lost through faltering pipes, that has previously gone unnoticed, is now being detected quickly through the installation of Smart Meters.

Thousands of leaks have been identified with the amount of water saved equivalent to dozens of Olympic sized swimming pools. That's great news for residents who can keep an eye on their own usage online while saving money on their bills. It also assists in maintaining the Shire's overall water supply.

Our ongoing focus on water has seen the *Floodway Betterment Program* completed at Whyanbeel, Forest Creek and Miallo, and upgrades have been made to the Mossman Water Treatment Plant.

Council has completed a number of projects – both big and small – that make a difference to the lives of our residents.

The Disaster Management team has launched its Douglas Dashboard app which has been described as a "one-stop disaster shop".

The free, real-time sms/email alerts, features weather warnings, updates on road conditions, power outages, a link to ABC Far North radio and access to Council's social media updates.

It has been a few years since we've been severely impacted by a major weather event but I welcome this proactive approach to better preparing our community for possible cyclones and monsoons.

The outdoor lifestyle of our community is the envy of many and as a Council we have commitment to enhance this experience for our residents.

Our stunning beaches, which are such an important part of our environment and tourism industry, will continue to be monitored by lifeguards until at least 2027.

The \$1.4 million, four-year contract means we have a lifeguard present every day of the year and two during the school holidays.

They're also responsible for the all-important stinger nets which are in place from November to May so without them it wouldn't be possible to swim there all year round.

We're also catering for families who prefer to cool down at the pool rather than in the ocean – we're looking forward to seeing our young families enjoying the new Mossman splash park by the end of the year.

The \$2.5 million cycleway between Mossman and Mossman Gorge – which consists of about two kilometres of concrete pathway and bridge at Marr's Creek – is still on track to be completed by the end of the year.

Our netballers are enjoying the refurbishment of courts in Port Douglas while the Diggers pedestrian bridge is more aesthetically pleasing following an upgrade – the new hardwood posts handrails and rope balustrading are picturesque and provide wedding photographers with another location to showcase our natural surrounds.

The Shire's boat ramps have had lighting and security upgrades while the floating walkways at Port Douglas and Lower Daintree, which took a battering have undergone repairs. A new boardwalk and stairs will make it easier to get to Four Mile Beach via Sand Street in Port Douglas.

As one of our core businesses Council manages about 65 kilometres of state-owned road. Our crews have been for the past 12 months filling potholes, grading shoulders, spraying weeds and replacing guideposts.

Despite the rising cost of materials we managed to complete a number of significant road projects, including the new Anichs Bridge near Mossman. It was completed despite a busy sugarcane harvest season and multiple flood events.

While there's a sense of pride surrounding our infrastructure activity, Council is also about enriching people's lives in other ways.

The libraries at Mossman and Port Douglas are hubs for our community. Apart from borrowing tens of thousands of items every year, our residents are using these spaces to socialise, play games, attend trivia nights, learn new skills and entertain children during the school holidays.

The libraries have also displayed a commitment to recognise and celebrate our Indigenous community. They've provided key venues for NAIDOC and National Reconciliation Week events and facilitated workshops like *Who's Your Mob* – an online approach to tracing family histories.

A sense of community togetherness is also fostered through the much-loved Douglas Street Party, Carnivale, ANZAC Day services, New Year's Eve celebrations, markets and citizenship ceremonies.

It's all about developing sense of identity, establishing traditions and an overwhelming love for where we live.

None of these achievements would have been possible without the hard work and dedication of our Council staff and leadership team.

This report highlights the many successes and challenges that we have faced during the year, and I hope that it conveys the progress that we have made as a Council in service to our community.

I look forward to continuing our work in collaboration with our community, partners, and stakeholders to build a vibrant, sustainable, and prosperous future for the Douglas Shire.



Rachel Brophy
CEO, Douglas Shire Council

2022-2023 Statistics



20,414

emails received via
Enquiries inbox

21,955

phone calls
answered via
4099 9444



503

venue bookings
made



7,817

customer
requests



703,260

Facebook reach



118

media
enquiries

346,359

website page views



55

media
releases



2,441

Daintree Ferry
Cards issued



1,189

Douglas Cards
issued



96.14%

of rates collected
as at 30 June 2023



43

new water
service installs



218

water after-
hours callouts

92

water main
breaks



443

water service
repairs



382

property
settlement
reads



1,081

dial-before-you-dig
enquiries

164

Councillor *Requests*
for Information
received



3,673

purchase
orders raised



402

building
applications
and searches



221

development
applications
lodged



146

illegal
campers



143

dogs
impounded



1,340

local laws CRMs
responded to



525

development &
assessment officer
enquiries

114

plumbing
applications
received



62,343

physical items
borrowed

10,583

e-books
borrowed



2,181

children
attended library
programs

16,450

plants distributed
out of the nursery



3,367

weed team hours



395

feral
pigs



13,568

open spaces
accomplishments



3,535

tonnes domestic
waste collected



1,081

tonnes domestic
recycling collected



2,363

tonnes commercial
waste collected

236

tonnes commercial
recycling collected



2,228

CRMs raised for
infrastructure



5,068

road maintenance
and defects
repairs completed



434

defects
accomplished
for RMPC
Contract



3,326

new defects
recorded in *Reflect*

Regional Profile

Shire profile

Located just a short drive north of Cairns, Douglas Shire covers an area of 2,445 square kilometres featuring the world's best natural beauty from Wangetti in the south to the Bloomfield River in the north.

Douglas Shire's unique positioning between the World Heritage Listed Wet Tropics Rainforest and the Great Barrier Reef has made the region a world-class tourism destination.

Tourism is the cornerstone of the region's economy and the largest employing industry in Douglas Shire, supporting 2,032 jobs and providing a total economic output of \$319 million in 2021/22.

Douglas is home to over 12,000 residents, with almost 60% living in the two main population centres of Port Douglas and Mossman. Port Douglas is the tourist gateway to the region, while Mossman is the administrative, health, industrial and agricultural hub. Other principle urban centres include the beachside communities of Wonga Beach, Newell Beach and Cooya Beach. The remaining residents live in small, decentralised communities scattered along the 100km stretch of coast road; tucked into the rainforest or in small rural townships in the valleys of the Shire's hinterland.

History of the Shire

The First Peoples of the Douglas region are the Kuku Yalanji whose country extends from the Mowbray River in the south to Cooktown in the north and Palmer River in the west. From the Mowbray River, south to Cairns are the traditional homelands of the Yirrganydji people.

The Kuku Yalanji and Yirrganydji are rainforest people whose connection to the region extends back 50,000 years to be among the earliest human occupants in Australia.

European habitation in the Douglas Shire began in the 1870s as George Elphinstone Dalrymple led the first extensive exploration of the region. Dalrymple thought the country *"surrounded by a panorama of great beauty... a perfect picture of rich tropical country"*. Within the decade gold miners supplied from Port Douglas, timber cutters logging the much-prized red cedar, cattle graziers, and farmers of vegetables, maize and sugar had all begun to make their mark. Farming expanded along the coastal belt as extensive areas of lowland rainforest were cleared and settlements were established throughout the area.

Cultural diversity is integral to Douglas Shire's history. According to the 1886 census, almost two-thirds of the district's population were of Chinese heritage. By the 1890s, the sugar cane industry depended on Chinese and South Sea Islander (Kanaka) labour. These populations were joined by Hindu, Punjabi and Japanese migrants in the 1900s.

The Shire of Douglas existed as a local government entity from 1880 until 2008 when it was amalgamated with Cairns City to create the Cairns Regional Council. Five years later, Queensland Minister for Local Government granted residents a poll in which a majority of electors (57.61%) voted in favour of de-amalgamation.

The Douglas Shire Council started for the second time on 1 January 2014 with a new Mayor and four new non-divisional Councillors.





Image Credit: Tourism Tropical North Queensland

Organisational Structure



2022-2023 Highlights

Field Lighting Upgrade at Mossman Showgrounds

Four new light towers with smart technology to tackle inefficient sports field lighting at Coronation Park were installed. The project sees decades old lighting infrastructure replaced with new energy efficient LED technology and a user-friendly smart lighting control system. Council successfully obtained grant funding through the Department of Sport & Recreation Active Game Day program. The new lights have automated controls which can be managed through a cloud-based system. Improving sports facilities helps encourage the community to engage in sport, recreation, and healthy activities.



Reef Park Street Lighting Improvements

Reef Park residents were pleased to learn Council would be completing Phase Two of the street lighting improvement project. Phase One was completed in 2021 with the installation of 23 new lights to replace existing streetlights which had become unserviceable. Stage Two saw the installation of 29 new streetlights in Arlington Close, Endeavour Street, Ruby Close, Egret Close and in St Crispins Avenue between Agincourt and Endeavour Streets. To further improve safety in Endeavour Street, three road flair major streetlights in the carpark area, and two 100W LED floodlights will be installed at the two crossings.



Mossman Splash Park

Construction began on the Mossman Splash Park in April and the project has since been completed. It is expected that it will be open to the public late in 2023. The project is joint funded by Council and the Queensland Government which has offered Council \$1.5 million to build splash parks in Mossman and Port Douglas. The splash park will draw more local families to the Mossman Pool. It will be a fantastic addition to the Mossman Pool precinct, an already popular venue. Parents will be able to enjoy watching their kids splash around from nearby shady picnic tables and BBQ areas.

Mossman Gorge Cycleway

A tender to finish a shared pathway between the Mossman CBD and Mossman Gorge Cultural Centre was awarded. Construction on the project, which includes installation of a pedestrian bridge, pile driving, drainage improvements and pedestrian crossovers, commenced in May 2023.

The shared pathway connects the town and Mossman Gorge and will allow children to safely ride their bikes to school. It's a total distance of 3.6 kilometres and approximately a 10-minute ride. There will be solar powered, recessed lighting to make it safer for people to walk at night, given there's no streetlights once you are outside the urban area.

The Far North Queensland Principal Cycle Network plan provides an exciting pipeline of cycleway investment for Douglas.





Upgrade to Warners Bridge

Sweet Upgrade for Vital Sugar Cane Transport Route

A key upgrade was completed on the Warners Bridge near Mossman, providing a welcome boost for farmers and heavy vehicle operators just in time for the 2023 sugar cane crush. The new bridge, which passes over Cassowary Creek on Warner Road south-east of the Far North township, now has an increased 44 tonne load limit – making it more suitable to handling heavier vehicles such as sugarcane harvesters, tractors and other machinery.

The \$1.25 million bridge replacement project was jointly funded through the Australian Government's Bridges Renewal Program (BRP), with the Australian Government contributing \$625,000 and Douglas Shire Council also tipping in \$625,000.

The old timber bridge will remain open for passage by sugarcane trains. Warners Bridge is the second rural crossing in the region to recently receive an upgrade, after Council completed the new Anichs Bridge on Finlayvale Road last year, also jointly funded with the Australian Government through the BRP.

Port Douglas Markets to Become a Leader in Sustainable Tourism

A permanent, outdoor water bottle refill station was installed at the entrance to Market Park, home of the Sunday Port Douglas Markets. The contactless refill station will automatically track the number of water bottle refills and sets a standard for Port Douglas on the world map in a world heritage environmental area to be a leader in sustainable tourism.

Tourists and locals are encouraged to Bring Your Own (BYO) reusable water bottles each and every time they come to the markets. It's an important habit to teach not only future generations, but tourists whether they're from Australia or overseas. People can bring their own bottle or purchase a reusable water bottle during their stay to refill multiple times while visiting protected world heritage reef and rainforest habitats.



Mayor Michael Kerr at the new water refill station



The newly completed Anichs Bridge

New Anichs Bridge

Work on the new Anichs Bridge near Mossman was completed despite a busy sugarcane harvest season and multiple flood events. The old Anichs Bridge was replaced with a new crossing that has a 44 tonne load rating, 100-year life and greater flood resilience than the previous bridge. The new structure was designed to better withstand being flooded and hit with debris, speeding up the ability to re-open the crossing after floods.

The \$1.09 million project was co-funded by the Australian Government and Douglas Shire Council under the Bridges Renewal Program. The crossing also provides access for tourists visiting Silky Oaks Lodge.

Savings to Flow into Mossman and Surrounds

Stage two of the smart water meter rollout was carried out connecting around 3500 properties in Mossman and surrounding areas. This follows the initial phase which saw about 900 properties in Port Douglas fitted with the new digital device. The smart water meter program allows Council and property owners to detect leaks quicker than ever before and reduce the amount of water being wasted. The installation of meters is potentially reducing annual water bills by hundreds of dollars per year.



Smart Water Meter device

2022-2023 Highlights



Events

Council has organised and supported several events throughout the year, aimed at maintaining community activity and visitor numbers either side of the peak tourism season.

Carnivale was again the showpiece, with 9,664 individuals attending activities across the 10 days. Importantly it generated 16,552 visitor nights in the Douglas Shire and direct and incremental expenditure of \$2.63 million for the economy.

Other key events for Council – ANZAC Day and Australia Day Awards – were also well attended.

The Taste Festival, Mossman Show, NAIDOC Week Street Parade and cycling events (Reef to Reef and Gran Fondo Festival) were also made possible through in-kind support or sponsorship.



Douglas Staff Pledge to Plastic Free

Plastic Free July saw Douglas Shire Council staff pledging to choose reusable coffee cups for the month. Plastic Free July is a global movement created in Australia, which focuses on building new habits that can help to reduce single use plastics in the environment.

The goal was for more than 50% of Council staff to choose reusable coffee cups during the month. Council staff created a way to reuse their own coffee cups to save between 150-200 single use coffee cups in July including:

- Bring Your Own (BYO) clean reusable cup
- Dining in with a reusable cup to avoid single use
- Borrowing up to two free Green Caffeine reusable cups and returning or swapping within 30 days to any of the seven participating cafes in the Douglas Shire
- Creating a regular mug or cup library for their team.



Treatment Plant Upgrade a Win for Reef Water Quality

An upgrade to the Port Douglas Wastewater Treatment Plant will lower electricity use and improve water quality on the Great Barrier Reef. Douglas Shire Council received \$938,947 from the Queensland Government under the Building Our Regions program to upgrade the aeration system in the sequencing batch reactors (SBR) at the plant.

Aeration is a critical process that reduces organic matter and harmful micro-organisms in wastewater so that it can be safely reused or returned to the environment. Once it is treated, Council uses the treated effluent for irrigation on golf courses in Port Douglas and releases the remainder into the Dickson Inlet.

As a Reef Guardian Council, Council is proud to showcase another fantastic example of environmentally sustainable investment in our region.

Coastal Works Step Up at Four Mile Beach

A new boardwalk and stairs will make it easier to get to Four Mile Beach via Sand Street in Port Douglas. Douglas Shire Council replaced the old wooden stairs with composite fibre stairs and a boardwalk. Work was also done on Port Street including realignment of a beach access track, general path maintenance and fencing.

The upgrades improve access to the beach and help rehabilitate the foreshore. Four Mile Beach is one of the best coastlines in the country and this investment makes it more accessible which is fantastic news for locals and visitors. The new beach access and coastal rehabilitation forms part of Council's Resilient Coast Strategic Plan to help Council manage the risk of coastal hazards.

Council received \$188,000 under the QCoast2100 Program for a Community Coastal Rehabilitation & Education Project. The QCoast 2100 Program is funded by the Queensland Government and administered by Local Government Association of Queensland.



The new stairs for easy access to Four Mile Beach



Get Hooked on Recreational Fishing

Douglas Shire Council reeled in funding to create and install a recreational fishing trail in Douglas Shire. The project features interpretative signage and interactive mapping that identifies public boat launching facilities, jetties, and popular land-based fishing locations. Signage also provides fishing best practice, fish care tips, popular fish species and educational material about environmental stewardship.

Council received funding from the Commonwealth Government which is being administered by the Queensland Fishing Infrastructure Grants Program.

The region offers a wide range of fishing experiences for locals and tourists. There are not many places that can offer the diversity of fishing experiences and species that Douglas can. The closeness of the reef means you can fish the blue water for gamefish, catch a barramundi in the estuary and wet a line in the rainforest for jungle perch all in one day.

Libraries

The Mossman Library had a full calendar of activities, aimed at engaging, entertaining and educating our community.

Mossman Library collaborated with the State Library of Queensland for the implementation of "Who's Your Mob?" (a new family history program).

To celebrate National Reconciliation Week, libraries partnered with local Kuku Yalanji presenters and Council's First Nations Community Development Officer to provide a range of activities including a screening of the film *Mabo*, a weaving workshop and a storytime in language.

Other storytimes including the Splish Splash event at the Mossman Pool and the First 5 Forever sessions, were well supported while school holiday programs, a livestream of Sydney's Writers' Festival, tech courses, history group meetings, and a weekly Mah Jong session were popular, ongoing activities enjoyed by borrowers.

Hearing Australia held individual assessments and hosted a Q&A, Biosecurity Queensland made a presentation on the danger of fire ants, while library promoted the Early Childhood Education and Care – Department of Education in development and promotion of the 705 Voices Project.



Weaving workshop at Mossman Library

Assessment of Corporate Plan and Operational Plan

The Annual Report for a financial year must contain the Chief Executive Officer's assessment of the local government's progress towards implementing its five-year Corporate Plan and annual Operational Plan.

Assessment of Operating Performance

For 2022-2023, Council identified a broad range of projects that would benefit all communities across the Shire and continue to see firm strategic initiatives put in place to establish a sound foundation for the Shire's future.

Council's *Operational Plan 2022-2023* detailed the ongoing and recurring activities and major initiatives to be undertaken across Council. Success measures and timeframes were identified for the delivery of each initiative, and in recognising that most projects were completed by multidisciplinary teams, the Lead Department was also identified.

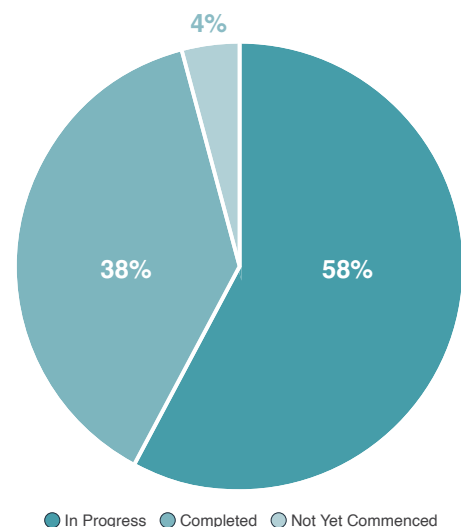
The Operational Plan links all projects to the Themes and Goals of the Corporate Plan, demonstrating the ongoing implementation of Council's strategic direction.

All programs and projects are fully funded through the Annual Budget 2022-2023. As in previous years, a public report detailing the progress of the Operational Plan was presented to Council each quarter.

In Council's *Operational Plan 2022-2023*, 50 activities were identified to progress the completion and implementation of the *Corporate Plan 2019-2024*.

Theme Outcome Summary

Theme Outcome	In Progress	Completed	Not Yet Commenced
1. Celebrating our Communities	3	4	1
2. Fostering Sustainable Economic Growth	6	3	0
3. Leading Environmental Stewardship	12	4	0
4. Inclusive Engagement, Planning and Partnerships	3	0	0
5. Robust Governance and Efficient Service Delivery	5	8	1
Total	29	19	2



Theme 1: Celebrating Our Communities

Douglas Shire Council embraces the diversity of our communities and values the contribution that all people make to the Shire. We recognise that it is a core strength of the region. We acknowledge our past so that it may guide us in the future. We recognise the wrongs done to our Indigenous community and we actively seek to reconcile so that we may all benefit from and enjoy our Shire. We acknowledge early European settlers who forged an agricultural base for our economy, and we welcome all new arrivals as part of our broader community.



● In Progress ● Completed ● Not Yet Commenced

Outcomes

Goal 1: We will celebrate the diversity of our community and ensure that all infrastructure, programs, and services are underpinned with inclusiveness and accessibility.

1.1.5 Libraries will continue to support early literacy and digital literacy through youth programs and collections – *Completed*
Child and Youth programming like First Five Forever, Story Time and school holiday programs are scheduled regularly throughout the year. First 5 Forever, State Library's early literacy funding, is one of library's most important and best-loved programs. Over 360 people attended Baby Rhyme Time, Toddler Time and Storytime sessions. The second annual Storytime Christmas Party was attended by 63 people at Mossman Library.

1.1.7 Design of Victor Crees Pavilion – *In Progress*
Tender closed and awarded.

1.1.7 Mossman Shire Hall – *Not yet commenced*
No grant opportunities were available.

Goal 2: We will deliver programs and services that protect and enhance the liveability of our beautiful Shire.

1.2.3 Development of a Public Spaces Maintenance Manual – *Completed*
Maintenance Manual developed and implemented with ground maintenance staff.

1.2.4 Investigate the feasibility of an Adopt-a-Street and Adopt-a-Park program – *Completed*
Workshopped with Councillors on 16 May 2023, not currently progressing.

Goal 3: We will develop programs that promote health, well-being and safety in the community.

1.3.7 Mossman Pool and Caravan Park 'reposition market'/ revitalisation – *In Progress*
Internal consultation and planning continuing.

Goal 4: We will promote arts and cultural programs and events that bring vibrancy to the community and compliment the tourist experience.

1.4.3 Enhance Port Douglas Markets as a tourism and placemaking destination – *In Progress*
Reviewed policy in draft. Placemaking signage under development.

1.4.6 Partner with Daintree residents to develop and initiate a Daintree Village Community Festival. Explore partnerships with the Italian Festival – *Completed*
Consultation findings presented at Councillor Workshop in May 2023.

Theme 2: Fostering Sustainable Economic Growth

A robust economy is at the heart of a thriving community and enables investment in environmental protection. While our remoteness is a key attribute, it also presents challenges for attracting new business and investment. We must also meet the challenges of fierce competition in the tourism sector. Council will partner with industry to build, diversify and promote the Douglas economy. Council will design and deliver infrastructure, strategies and services that support the local economy and businesses.



Outcomes

Goal 1: We will build appropriate infrastructure and deliver services that connect and support businesses.

2.1.2 Continue to develop Port Douglas Aquatic Precinct – *In Progress*

Asset location finalised. Generating tender documentation for site planning and development consultancy.

2.1.3 Continue to support and partner with the State for the development of the Wangetti Trail – *In Progress*

Agreement has been reached with the State Government on an Indigenous Land Use Agreement, tenure, responsibility and alignment of the Southern Section (Phase 1) of the trail. Alignment and product type for the Northern section (Mowbray North) remains in discussion.

2.1.4 Infrastructure Improvements – *In Progress*

Landside infrastructure concepts presented to Councillors. Project delivery plan completed. Progressing on design consultancy tender for landside infrastructure. Vessel ownership and operational model to be workshopped with Councillors.

2.1.6 Decorative Lighting Stage 2 – Macrossan Street – *In Progress*

Applied for grant and waiting for outcome. Prioritising the required underground infrastructure and Ergon connections. Ergon is investigating power requirements, to determine maximum distribution output from connection points.

Goal 2: We will work with partners to promote the Shire as the World's leading sustainable tropical destination and encourage business investment.

2.2.1 Eco-Destination (Implement Audit actions) – *Completed*

All five corrective actions completed by December 2022 deadline. Council required to maintain continuous improvements to strengthen our Certification.

2.2.2 Investigate a Short-Term Accommodation Policy – *In Progress*

Residential Needs Analysis was completed and workshopped with Councillors. Staff have also commenced work on a Local Housing Action Plan with the Local Government Association of Queensland.

2.2.5 Enhancing Douglas Shire's Adventure tourism destination experience – *In Progress*

Council Officers participating in a working group developing regional mountain biking strategy.

Goal 3: We will develop strategies that seek to diversify the Shire's economic base.

2.3.1 Explore strategies to enhance opportunities as a filming location – *Completed*

A draft strategy document has been developed and will be discussed with our key location manager for region in the near future. It is intended the document be used to streamline approval processes for filming and promote opportunities for filming within the Shire. The document will be presented to the Management Team for endorsement.

2.3.2 Agricultural Diversification options – *Completed*

Workshop delivered 21 May 2023 in Mossman, follow up ongoing work continuing with Council and farmers.

Theme 3: Leading Environmental Stewardship

Our visitors and residents deeply value the unparalleled environment in which we live. We recognise our responsibility in protecting and preserving our natural world for generations to come. We understand the strong link between the environment and the economy: they are interdependent. Douglas Shire will be at the forefront of environmental protection by developing strategies, setting policies, and working with all stakeholders to become the envy of and to inspire locations across Australia and the World.



Outcomes

Goal 1: We will protect our sensitive environment and plan for the impact of climate change.

3.1.1 Resilient Coast Implementation – Completed
Stairs and boardwalk installed at Sands Street Beach Access. Fence installed at Port/Garrick Street beach access. Interpretative sign installed at Four Mile Esplanade. Revegetation of 927 native plants between the two (2) beach accesses.

3.1.5 Sustainable Waste Management at Events – In Progress
Food vendors have been actively participating in the Plastic Free Cairns and Douglas program, leading to the reduction of the amount of single-use plastics at events in Douglas. A survey to determine plastic use and options for event organisers has been undertaken and will be presented in a workshop as part of the updated Single Use Plastic Free Policy. A new water refill station was installed for the Port Douglas Markets.

3.1.5 Plastic Free Places – In Progress
The Queensland Government has funded an extension to the Plastic Free Cairns and Douglas ("PFCD") to support a reusable culture in Douglas Shire and reduce reliance on single use plastic products. Reusable bags have been ordered to support this culture change in Douglas as part of this Operational Plan initiative. Staff are also awaiting details of a new Choose to Reuse campaign.

Goal 2: We will implement programs that reduce and offset our environmental footprint.

3.2.2 Continue Reef Guardian Actions – Completed
Actions are complete and on-going. Action Plan amended and endorsed by Council for funding opportunity.

3.2.3 Identification of future projects and sites – Completed
Project complete - Report taken to Management Team meeting.

3.2.4 Waste Reduction and Recycling Plan – In Progress
A variety of actions in Council's Waste Reduction and Recycling Program have been undertaken, including waste characterisation audits, regional collaboration across councils to create economies of scale, investigation of market opportunities for waste with an existing resource value. Engagement with large multi-unit residential dwellings and commercial properties is ongoing and educational material is being developed to assist in continuing good practices when staff/management changeovers occur.

3.2.4 Far North Queensland Regional Recovery Plan – In Progress
The NQRRRP has been completed and is currently with the State Government for its endorsement.

3.2.4 Illegal dumping program – In Progress
Illegal Dumping Partnerships Program have provided additional funding for the continuing engagement of an Illegal Dumping Officer for another 12 months. Illegal Dumping Officer has been recruited and the State Department visited to look at some of our sites and work being undertaken. Education, investigation and enforcement throughout the Shire has continued.

3.2.6 Far North Queensland Regional Resource Recovery Plan (FNQRRRP) – In Progress
Council officers continue to attend regular meetings with our contract partners at Cairns and Mareeba councils. The FNQRRRP has been completed and has been endorsed by FNQROC and is awaiting State Government endorsement. Council officers continue to review waste characterisation data and explore opportunities for diverting material from landfill, seek solutions to emerging problematic disposal products (e.g. solar panels) including future disposal/reuse opportunities with industry.

Goal 3: We will continue to build water infrastructure so that the Douglas Shire may enjoy water security and water quality.

3.3.1 Implement Stage 2 of the Smart Water Meter Project – *In Progress*

97% of smart meters installed, with the remaining meters requiring additional works to finalise installation. Expected fully complete by October 2023.

3.3.3 Mossman River Intake – *In Progress*

Environmental approvals submitted and cultural heritage processes nearing completion. Draft water security strategy received from consultant and to be presented to Council. Land purchase nearing finalisation. Detailed design for UV upgrade at Mossman Water Treatment Plant progressing. Hydro power plant feasibility report received. Project assessed as not feasible.

3.3.4 Water treatment process upgrades – *Completed* Stage 1 phase of project complete.

Goal 4: We will partner with the community to educate and monitor.

3.4.3 Waste Education – *In Progress*

Council's Waste Education Program is open to all schools, early learning centres and community groups. Council's Waste Education Officer continues visiting schools and presenting waste and recycling education sessions at Mossman Library. Council's Waste Education Plan is currently being finalised.

3.4.3 Water Education – *In Progress*

The design of education information for the community nearing completion. Council's Education Officer visiting schools and presenting water education sessions.

3.4.4 Recreational Fishing Trail – *In Progress*

Waiting final sign proof from supplier before production and installation of signs. On track to be completed by funding deadline of 1 September 2023.

3.4.5 Monitoring and enforcement of developments for land-based sediment run off – *In Progress*

Staff continued surveillance of building sites across the region over the wet season and contacted site operators where improvements were required. Officers also attended a regional forum on healthy waterways with content relating to sediment and erosion. A program under the Reef Guardian funding is being prepared for submission for funding.

Goal 5: We will recognise the contribution that Traditional Owners make to the protection of the environment.

No Initiatives identified for 2022-2023.



Theme 4: Inclusive Engagement, Planning and Partnerships

In delivering for our communities, economy and environment, Douglas Shire will ensure open and transparent engagement and communication. We will develop robust strategic plans and we will partner with our community and key stakeholders.



Outcomes

Goal 1: We will implement transparent decision making through inclusive community engagement and communication.

All Corporate Plan Initiatives have been completed for Theme 4, Goal 1.

Goal 2: We will develop forward looking strategies for the future of our communities and we will ensure balanced and appropriate planning decisions.

4.2.4 Planning Scheme Amendments – *In Progress*

The Planning Department has completed a list of proposed amendments to the Planning Scheme. The proposed changes seek to improve the content and applicability of the various codes, with a focus on ensuring assessment benchmarks are reasonable, achievable and directly relate to the performance outcome. The most significant proposed amendments were workshopped with Council.

Goal 3: We will recognise the critical role that our partners play in planning and delivering vital programs and services.

4.3.1 Indigenous Business Program – *In Progress*
Community engagement and project development commenced.

Douglas Shire Housing Strategy – *In Progress*
Council officers recently commenced a working group to develop a Local Housing Action Plan (LHAP) with Queensland Government. Housing Residential Needs Assessment (HRNA) has been completed and workshopped with Councillors. The HRNA will inform and be a part of the LHAP.



Theme 5: Robust Governance and Efficient Service Delivery

Strong governance and financial management are the foundations of the way in which Council will conduct its business and implement the initiatives of the Corporate Plan.



● In Progress ● Completed ● Not Yet Commenced

Outcomes

Goal 1: We will conduct Council business in an open and transparent manner with strong oversight and open reporting.

5.1.1 Project Decision Framework Implementation – *Completed*

Utilised to formulate the 2023/24 capital works budget.

Goal 2: We will put the customer at the centre of our service delivery and process improvement as we deliver efficient and appropriate services based on community expectations.

5.2.1 Survey Community Expectations – *Not yet commenced*
To be further discussed with internal staff.

5.2.2 Develop a forward plan to address the Internal Audit recommendations from the Customer Request Management System Audit – *Completed*
Forward plan for the Customer Request Management System audit has been completed and staff continue to action this plan.

5.2.3 Develop online planning application service/ Planning Register and Process Improvements/ implement compliance checklist tool Actus/Implement Compliance Register – *Completed*

A new planning register has been developed in Authority which will now undergo fine tuning by the team and be implemented on 1 January 2024. The infrastructure charges register is ready for data to be input. Online applications are not possible at this stage but will be introduced later this year.

5.2.3 Develop prescribed activities process including the online booking system and GIS layer – *In Progress*
A solution requirements list has been developed and proposals have been received from two suppliers. Implementation to be undertaken during the second half of 2023.

5.2.3 Digitise plumbing plans and food licence documents – *Completed*
Plumbing records have been digitised and profiled to InfoXpert.

5.2.3 Local Laws Review/Amendments – *In Progress*
Amendments workshopped with Councillors on 6 June 2023. Report to Council pending finalisation of proposed amendments.

5.2.4 Develop an organisational culture strategy – *In Progress*
Trainee program implemented. Suite of internal training programs implemented. HR policies and procedures under review.



Goal 3: We will make sound financial decisions by ensuring robust strategic planning, financial management and reporting.

5.3.1 Continue implementation of the Asset Management System – *In Progress*

The implementation of Water, Building and Community facilities assets into the Asset Management System is nearing completion. The Assets team is finalising a reconciliation of the Asset Register to the Finance Fixed Asset register to ensure alignment. The maintenance system is ready for use by the Water team and integration with Council's CRM system is almost complete. Council's GIS system is linked with the new Asset Management System, for all assets except Sewerage and Transport assets.

5.3.2 General Rates Model Review stage 3 – *Completed*
Rates model proposed changes have been workshopped with Councillors on 21 February, 28 March and 18 April 2023. Rates model proposed changes have been incorporated into the annual budget for 2023-2024 which was presented at a Special Council Meeting on 11 July 2023.

Goal 4: We will work with our communities to ensure they are informed, empowered and supported so that they are resilient to the impacts of disaster events. Through our leadership and capabilities we will plan, prepare, respond and recover from events so as to minimise the impact on people, property, the environment, and our economic stability.

5.4.1 Strengthen the Shire's flood planning and response capability – *Completed*
Project completed and in operational usage.

5.4.1 Enhance disaster management capacity – *Completed*
Funding submission submitted via Queensland Reconstruction Authority to National Emergency Management Agency. Advice received in May 2023 that the application was unsuccessful.

5.4.1 Enhance disaster management capacity – *Completed*
Project completed and in operational usage.

5.4.2 Support inclusive and Resilient Communities – *In Progress*
Project 75% complete and on course. Expected delivery date of final strategy in August 2023.



Statutory Information

This section of the report contains information which is prescribed by the *Local Government Act 2009* and *Local Government Regulation 2012* to be disclosed in Council's Annual Report for the period.

Local Government Act 2009

s 41 Identifying Beneficial Enterprises

s 41 of the *Local Government Act 2009* provides that the Annual Report must contain a list of all the beneficial enterprises that the local government conducted during the financial year.

Douglas Shire Council did not conduct any beneficial enterprises within the 2022-2023 financial year.

s 45 Identifying Business Activities

s 45(a) of the *Local Government Act 2009* provides that the Annual Report must contain a list of all the business activities that the local government conducted during the financial year.

The business activities conducted during 2022-2023:

- Water and Sewer
- Waste
- Ferry Operations
- Caravan Parks
- Markets
- Planning Certifications

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

None of the above activities satisfied the statutory threshold for classification as a significant business activity.

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

The competitive neutrality principle was not applied as Council does not have any significant business activities.

s 45(d) of the *Local Government Act 2009* provides that the Annual Report must state whether any of the significant business activities were not conducted in the preceding financial year, i.e. whether there were any new significant business activities.

The business activities listed above were also conducted by Council in the previous financial year (2021-2022), no new business activities commenced in 2022-2023. Douglas Shire Council did not conduct any significant business activities.

s 201 Remuneration Payable to Senior Contract Employees

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

Total of all Remuneration Packages Payable \$1,436,796.53

Band	Number of Senior Management
\$100,000 - \$200,000	7
\$200,000 - \$300,000	1

Local Government Regulation 2012

s 183 Financial Statements

The general purpose financial statements is shown on pages 41-70.

The current year's financial sustainability statement is shown on page 71.

The long-term financial sustainability statement is shown on page 75.

The Auditor-General's audit reports about the general purpose financial statements and the current year sustainability statement is shown on page 72-74.

s 184 Community Financial Report

The Community Financial Report for the period is shown on pages 34 to 40.

s 185 Particular Resolutions

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

s 185(b) of the *Local Government Regulation 2012* provides that the Annual Report must contain a list of any resolutions made during the financial year under s 206(2) of the LGR (Threshold for non-current physical asset to be treated as an expense).

There was one resolution through adoption of a revised Asset Capitalisation General Policy in 2022-2023.

s 186 Councillors

The Annual Report must contain particulars of Councillors such as total remuneration, superannuation, expenses, facilities provided, meetings attendance and total orders during the financial year.

s 186(a) Councillor Remuneration

The amount of remuneration paid to Local Government Councillors is determined by the Local Government Remuneration Commission (The Commission). The Commission has determined that Douglas Shire Council is a Category 1 Council and the following annual remuneration amounts applied to Category 1 Councils during the period 1 July 2022 to 30 June 2023:

Mayor	Deputy Mayor	Councillors x 3
\$110,386	\$63,684	\$55,192

The total remuneration paid to each Councillor and the total superannuation contribution paid on behalf of each Councillor during the period 1 July 2022 to 30 June 2023 is as follows:

Councillor	Remuneration	Superannuation
Mayor Michael Kerr	\$110,352.82	\$11,587.05
Deputy Mayor Lisa Scmazzon	\$63,664.67	\$7,639.76
Cr Peter McKeown	*\$56,699.10	\$5,953.41
Cr Abigail Noli	*\$56,699.10	\$5,953.41
Cr Roy Zammataro	*\$56,699.10	\$5,953.41

**Remuneration paid to Councillors was slightly higher than the remuneration figures determined by the Local Government Remuneration Commission due to Council pay run schedule.*



s 186(b) Councillor Expenses

A Councillor Reimbursement Policy was adopted by Council on 30 June 2020. The policy provides for the reimbursement of reasonable expenses which are suitable to be incurred by Councillors when discharging their duties and responsibilities as Councillors and the provision of facilities necessary to undertake their roles. The table below shows the expenses incurred by Councillors in the 2022-23 financial year.

Councillor	Mayor Michael Kerr	Deputy Mayor Lisa Scomazzon	Cr Peter McKeown	Cr Abigail Noli	Cr Roy Zammataro	Total
Telecoms	\$600.08	\$600.08	\$600.08	\$600.08	\$600.08	\$3,000.40
Conferences	\$2,222.72		\$1,400.00		\$800.00	\$4,422.72
Travel	\$9,309.72	\$388.66				\$9,698.38
Accommodation	\$4,121.62		\$298.18			\$4,419.80
Meals/Hospitality	\$1,651.72	\$593.40	\$547.96	\$109.10	\$181.82	\$3,084.00
Office	\$960.50	\$97.95				\$1,058.45
Vehicle		\$8,220.16*	\$1,271.64	\$517.14	\$969.84	\$10,978.78
TOTAL	\$18,866.36	\$9,900.25	\$4,117.86	\$1,226.32	\$2,551.74	\$36,662.53

In addition to the above, Mayor Michael Kerr's FBT expense for FBT year ending 31 March 2023 was \$5,299.68. All Councillors were provided refreshments at Council workshops and meetings.

* These costs are for kilometres, reimbursed during the year ended 30 June 2023, for travel over a three-year period.

s 186(1)(c) Councillor Meeting Attendance

As required under s 186(c) of the *Local Government Regulation 2012*, the table below details the number of Local Government Meetings each Councillor attended during the 2022-2023 financial year.

Meetings Attended	Mayor Michael Kerr	Deputy Mayor Lisa Scomazzon	Cr Peter McKeown	Cr Abigail Noli	Cr Roy Zammataro
Ordinary Meetings (12 Held)	12	12	12	12	12
Special Meetings (2 Held)	1	1	1	1	1
Special Budget Meeting (1 Held)	1	1	1	1	1

s 186(1)(d)(e)(f) Councillor Conduct

The *Local Government Act 2009* sets out the roles, responsibilities, and obligations of Councillors. Complaints about the conduct of Councillors are to be made, or referred, to the Independent Assessor for investigation.

In accordance with section 186(1)(d) to (f) of the *Local Government Regulation 2012* Councillor conduct complaints, referrals, decisions, orders and recommendations during the financial year are shown in the tables below:

Number of Councillor Conduct Tribunal

Subsection of the <i>Local Government Act 2009</i>	Description	Number
150(2)	Orders made about unsuitable meeting conduct	0
150AH(1)	Orders made for inappropriate conduct	0
150AR(1)	Decision, orders and recommendations made for misconduct	0

Number of Councillor Conduct Complaints, Notices and Referrals

Subsection of the <i>Local Government Act 2009</i>	Description	Number
150P(2)(a)	Complaints referred to the Assessor by a local government, a councillor or the Chief Executive Officer of the local government	4
150P(3)	Matters referred to the Crime and Corruption Commission by the local government	0
150R(2)	Notices given by a local government official to the Assessor about a councillor's conduct	0
150S(2)(a)	Notices of misconduct given to the Assessor by the local government	0
150W(1)(a),(b) and (e)	Decisions of the Assessor to dismiss, refer to the local government or take no further action	3
150AC(3)(a)	Referral notices accompanied by a recommendation from the Assessor	0
150AF(4)(a)	Occasions where information about misconduct is obtained by the local government during investigation that is given to the Assessor	0
Chapter 5A, part 3, division 5	Occasions where the local government asked another entity to investigate suspected inappropriate conduct of a councillor	0
Chapter 5A, part 3, division 6	Applications heard by the conduct tribunal about whether a councillor engaged in misconduct or inappropriate conduct	0

s 188 Overseas Travel

The Annual Report must contain information about any overseas travel made by a Councillor or Local Government employee in an official capacity.

There was no overseas travel made by a Councillor or Local Government employee in an official capacity during the 2022-2023 financial year.

s 189(2) Councillor Discretionary Funds

Councillors are not provided with discretionary funds to allocate. Funding was not therefore provided to community organisations from this source.

s 187 Administrative Action Complaints

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

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

Council is committed to dealing fairly with all complaints and the complaints process is established to:

- Treat complaints about decisions and other administrative actions of the council and complaints about minor breaches fairly, efficiently and consistently;
- Provide a complaints process that is easy to understand and readily accessible to all;
- Detect and rectify administrative errors, where appropriate;
- Identify areas for improvement in the council's administrative practices;
- Increase awareness of the complaints process for Council's employees and the community;
- Enhance the community's confidence in the complaints process and the reputation of the Council as being accountable and transparent; and
- Build employees' capacity to effectively manage complaints in an environment of continuous improvement.

How the complaints management process is implemented

Douglas Shire Council has adopted a policy and procedure for the management of administrative action complaints.

Complaints are managed through a three-stage process comprising:

- Stage 1: By the Council business unit to which the subject matter relates
- Stage 2: Internal Review of Stage 1 decisions by the Manager Governance
- Stage 3: External Review of Stage 2 decisions by the Queensland Ombudsman's Office.

Administrative Action Complaints	Number
The number of Administrative Action Complaints made to the local government	20
The number of Administrative Action Complaints resolved by the local government under the complaints management process	20
The number of Administrative Action Complaints not resolved by the local government under the complaints management process	0
The number of Administrative Action Complaints not resolved by the local government under the complaints management process that were made in a previous financial year	0

s 189 Grants to Community Organisations

Douglas Shire Council recognises that supporting organisations, groups and individuals with financial (grants, sponsorship) and non-financial (in-kind) assistance helps develop and deliver community programs, activities and events that provide artistic, cultural, sporting, recreational, environmental outcomes, and social and economic benefits to the Douglas Shire.

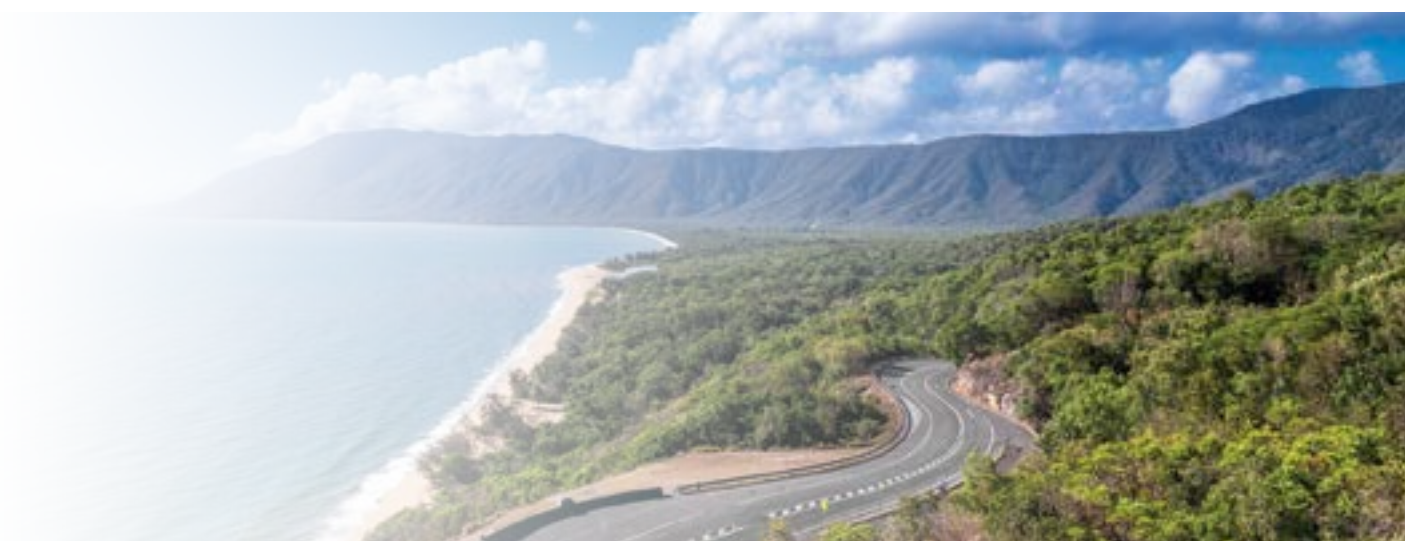
Grants

Major Grants 2022/2023

Organisation Name	Project Title	Grant Awarded (ex GST)
Port Douglas Tennis Club	Mini Court	\$5,190
Reuben Dwyer	Indigenous Musicians Recording	\$10,000
Low Isles – Education Centre	Education Centre	\$1,330
Total		\$16,520

Micro Grants 2022/2023

Organisation Name	Project Title	Grant Awarded (ex GST)
Port Douglas Community Service Network	Pickle Ball	\$975
U3A Douglas Shire – subbranch of U3A Cairns Inc.	Celebrating Our Seniors/October Seniors Month	\$1,000
Mossman & District Gymnastics Club	Family Fun Day	\$470
Mossman Squash and Tennis Club	Come and Try Day	\$797
Douglas Shire Historical Society	Walking Brochure	\$473
Adventure Sports NQ	Bump to Bells	\$1,000
Total		\$4,715



Resource and Performance Agreements

Douglas Shire Council provides assistance to commercial organisations through funding towards an Event or Project, which is aligned with the Council Corporate Plan. This funding is available to an established event that leads to an ongoing Resource and Performance Agreement over a number of years.

Organisation Name	Purpose	In-Kind Support	Actual Funding 2022/23 (Ex GST)
Tourism Port Douglas Daintree	Tourism and Destination Marketing		\$450,000
Douglas Chamber of Commerce	Economic Development and Business support		\$10,000 (not utilised)
Port Shorts Film Festival	Provision of Port Shorts Film Festival	\$5,000	\$20,000
Connect Sport Australia	Gran Fondo Cycling Events	Use of venues	\$45,454
USM Events	Reef to Reef / Triple R	\$10,000	\$20,000
Douglas Shire Community Services	Annual Christmas Day Lunch	\$155	\$500
Douglas Historical Society	Assistance with upkeep of museum		\$5,000
Douglas Theatre Arts Groups – Clink	Assistance with upkeep of theatre		\$5,000
JPNC Management Pty Ltd	Hot and Steamy Festival	Use of Sugar Wharf	\$2,000
Wonderland Entertainment and Leisure	Provision of Spiegel Tent for Carnivale	\$10,000	\$55,000
Total			\$602,954

Regional Arts Development Fund (RADF)

No RADF funds were expended for the 2022-2023 year and these have been rolled over to 2023-2024.

s 190 Other Matters

s 190(1)(d) Action taken for, and expenditure on, a service, facility or activity

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

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

Council had no details to report for the 2022-2023 financial year under this section.

s 190(1)(e) Changes to Tenders

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

There were no invitations to change tender made during the 2022-2023 financial year.

s 190(1)(f) List of Key Registers

s 190(1)(f) of the *Local Government Regulation 2012* requires that the local government's Annual Report include a list of the registers kept by the local government. Some of these registers are publicly available on the website:

- Administrative Action Complaints Register
- Asset Register
- Authorised Persons Register
- Conflict of Interest Register
- Contract Register
- Corporate Risk Register
- Councillor Conduct Register
- Delegations Register
- Gifts and Benefits Register
- Local Laws Register
- Policy Register
- Register of Fees and Charges
- Register of Interests of Councillors
- Register of Pre-Qualified Suppliers for Wet Plant Hire
- Register of Pre-Qualified Suppliers for Electrical, Plumbing and Trades Maintenance
- Register of Sole and Specialised Suppliers.

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

s 190(1)(g) of the *Local Government Regulation 2012* requires that the local government's Annual Report include a summary of all concessions for rates and charges granted by the local government.

Current Concessions

- **Pensioner Remission** – The rebate is up to 40% of the General Rate to a maximum of \$1,350.00pa.
- **Rates Based Financial Assistance (Not for Profit Recreation, Sporting and Community Groups)** – is 100% General Rates and 50% sewerage.
- **Conservation Rebate** – 50% General Rates if over 50% of property is covered under the *Nature Conservation Act 1992*.
- **Conservation Rebate** – 35% of General Rates if under 50% of property is covered by the *Nature Conservation Act 1992*.
- **Permits to Occupy Land on the Daintree River (Fishing Huts)** – The rebate is 50% of General Rates.

Current Special Charges

Rural Fire Brigades (per rateable assessment per financial year):

• Mowbray Valley Rural Fire Brigade	\$50.00
• Daintree Rural Fire Brigade	\$15.00
• Thornton Peak Rural Fire Brigade	\$8.00
• Wonga Rural Fire Brigade	\$35.00
• Bloomfield River Rural Fire Brigade	\$25.00

Refuse Disposal: \$216.26 per unit on each rateable assessment that does not receive the Council kerbside waste and recyclables collection service.

s 190(1)(i) and (j) Competitive Neutrality Complaints

s 190(1)(i) of the *Local Government Regulation 2012* requires that the local government's Annual Report include a summary of investigation notices given in the financial year under s 49 of the LGR for competitive neutrality complaints and the local government's responses in the financial year on the Queensland Competition Authority's (QCA) recommendations on any competitive neutrality complaints under s 52(3) of the LGR.

During the 2022-2023 financial year Council was not in receipt of any investigation notices under s 49 of the *Local Government Regulation 2012*. Council was not in receipt of any QCA recommendations on any competitive neutrality complaints under s 52(3) of the *Local Government Regulation 2012*.

s 190(1)(h) Internal Audit

s 190(1)(h) of the *Local Government Regulation 2012* requires that the local government's Annual Report include the report on the Internal Audit for the financial year.

Douglas Shire Council has established an Internal Audit function in accordance with s 207 of the *Local Government Regulation 2012*.

Findex (Aust) Pty Ltd T/A Crowe Australasia was appointed as Council's Internal Auditor to provide internal audit services for Council for 2023 to 2025. For the 2022-2023 financial year an Internal Audit review was conducted on Data Collection and Management.

Public Sector Ethics Act 1994

The *Public Sector Ethics Act 1994* requires that the Annual Report of each public sector entity, including a local government, must include an implementation statement about the local government activities during the financial year to implement its plan for equal opportunity in employment.

Preparation of Codes of Conduct (s 15)

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

Education and training (s 21)

Compulsory Code of Conduct training was provided to all employees during the financial year and continues being rolled out with all new employees.

Procedures and practices (s 22)

Council is committed to ensuring a workplace free of discrimination and harassment. This commitment is based on equality of employment opportunity that enhances the capacity of Council to achieve its objectives by:

- (a) improving organisational efficiency and productivity through the selection and employment of staff on merit-based principles; and
- (b) fulfilling the social justice obligations of equity and fairness; and
- (c) increasing the effectiveness of service delivery and decision-making by adopting an employee profile that reflects the community profile.

Audit Committee

The Audit Committee operates in accordance with the Audit Committee Terms of Reference. The main objectives of the Audit Committee are to monitor and review:

- The integrity of financial documents;
- The internal audit function;
- The effectiveness and objectivity of the internal auditors; and
- The effectiveness, independence and objectivity of external auditors.

The Audit Committee convened on four occasions during the financial year and considered the following matters:

- Financial Statements for year ended 30 June 2022
- Queensland Audit Office Updates
- Financial Reports
- Capital Works Progress Updates
- Internal Audit
- Cyber Security Risk Updates
- Non-Current Asset Comprehensive Valuation Report
- Council's Enterprise Risk Management
- Audit Committee Charter
- Audit Committee Annual Work Plan.



Community Financial Report

The Annual Report must contain the community financial report for the financial year.

Council's general purpose financial statements are for the period 1 July 2022 to 30 June 2023 and have been prepared in accordance with the requirements of the *Local Government Act 2009*, the *Local Government Regulation 2012* and Australian Accounting Standards and Interpretations. They have also been audited by the Queensland Audit Office.

This community financial report provides a summary of the financial statements with the aim of providing understandable information to the members of our community. The financial statements include the following:

- **Statement of Comprehensive Income** – includes Council's operating and capital revenue, operating expenses, capital income and capital expenses for the period.
- **Statement of Financial Position** – provides details of Council's current and non-current assets and liabilities.
- **Statement of Changes in Equity** – identifies movements in Council's Equity balance.
- **Statement of Cash Flows** – shows the movement in Council's cash position during the period and excludes all non-cash items such as depreciation.
- **Notes to the Financial Statements** – provide details of significant accounting policies and supporting information relating to the major statements, including a detailed breakdown of property, plant and equipment.
- **Measures of Financial Sustainability** – provide three sustainability indicators designed to help monitor the current and long-term sustainability of Council.

Financial statements for the period 1 July 2022 to 30 June 2023, at a glance

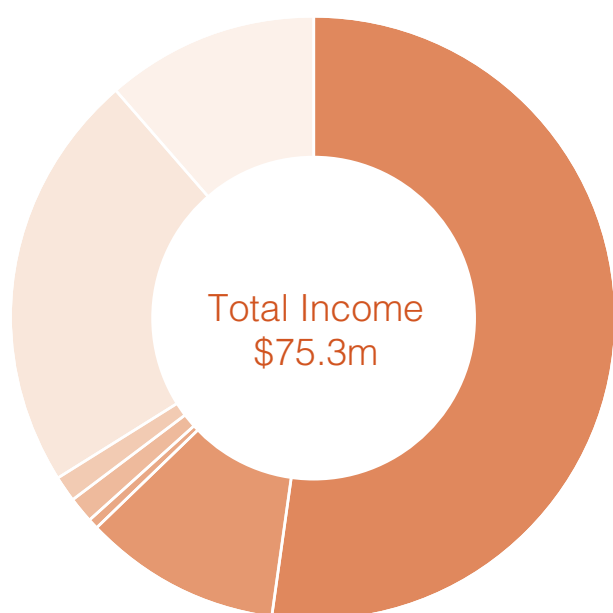
Operating Revenue	\$56,768,544
Operating Expenses	\$54,420,355
Operating Position	\$2,348,189
Capital Revenue	\$18,526,487
Capital Expenses	(\$1,747,608)
Net Result	\$19,127,068
Current Assets	\$37,836,854
Non-Current Assets	\$504,261,811
Total Assets	\$542,098,665
Current Liabilities	\$12,646,024
Non-Current Liabilities	\$4,819,240
Total Liabilities	\$17,465,264
Net Community Assets (Equity)	\$524,633,402



Statement of Comprehensive Income

Income

The following graph and table show the composition of Council's income for the reporting period.



● Rates, levies and charges	\$39.5m
● Fees and charges	\$7.9m
● Rental income	\$0.3m
● Interest received	\$1.1m
● Other recurrent revenue	\$1.0m
● Grants, subsidies, contributions and donations	\$17.1m
● Other capital income	\$8.4m

Income by percentage	
Rates, levies and charges	52.45%
Fees and charges	10.51%
Rental income	0.39%
Interest received	1.4%
Other recurrent revenue	1.38%
Grants, subsidies, contributions and donations	22.7%
Other capital income	11.17%
	100.00%

Grants, subsidies, contributions and donations

Includes capital grants, subsidies, contributions and donations of which \$2.1 million was for footpath and bike tracks, \$732,000 for natural disaster remediation and \$2.0 million for assets contributed by developers.

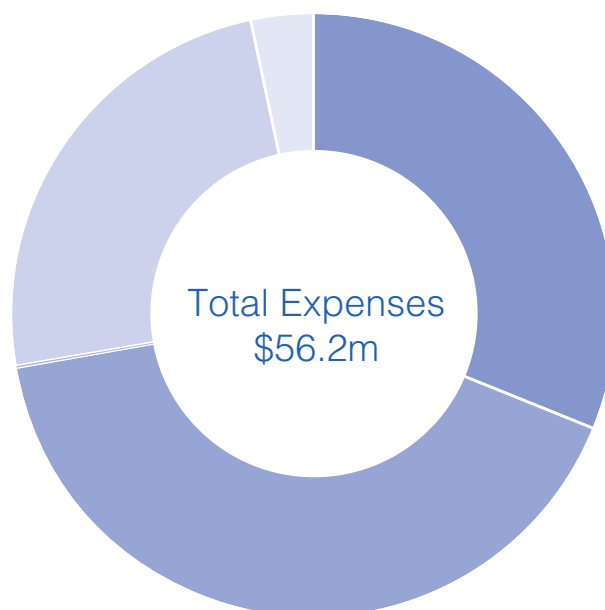
Other capital income

Includes landfill provision adjustments and revaluation up of property, plant and equipment.

Further details can be located in notes 3 to 5 of the financial statements.

Expenses

The following graph and table show the composition of Council's expenses for the reporting period.



● Employee benefits	\$17.5m
● Materials and services	\$23.1m
● Finance costs	\$0.1m
● Depreciation and amortisation	\$13.7m
● Capital expenses	\$1.8m



Expenses by percentage	
Employee benefits	31.21%
Materials and services	41.09%
Finance costs	0.1%
Depreciation and amortisation	24.49%
Capital expenses	3.11%
	100.00%

Further details can be located in notes 6 to 9, note 13 and 14 of the financial statements.

Operating Position

Council's operating position reflects its ability to meet day-to-day operating costs from its operating revenue. This includes its ability to fund the depreciation of assets.

It is determined by deducting operating expenses from operating revenue and shows an operating surplus of \$2.35 million, compared to a revised budgeted operating deficit of \$0.665 million. This is the first operating surplus Council has reported since de-amalgamation.

This variance of \$3 million is mainly due to a number of items of operating revenue and expenditure that were not anticipated when the revised budget was adopted:

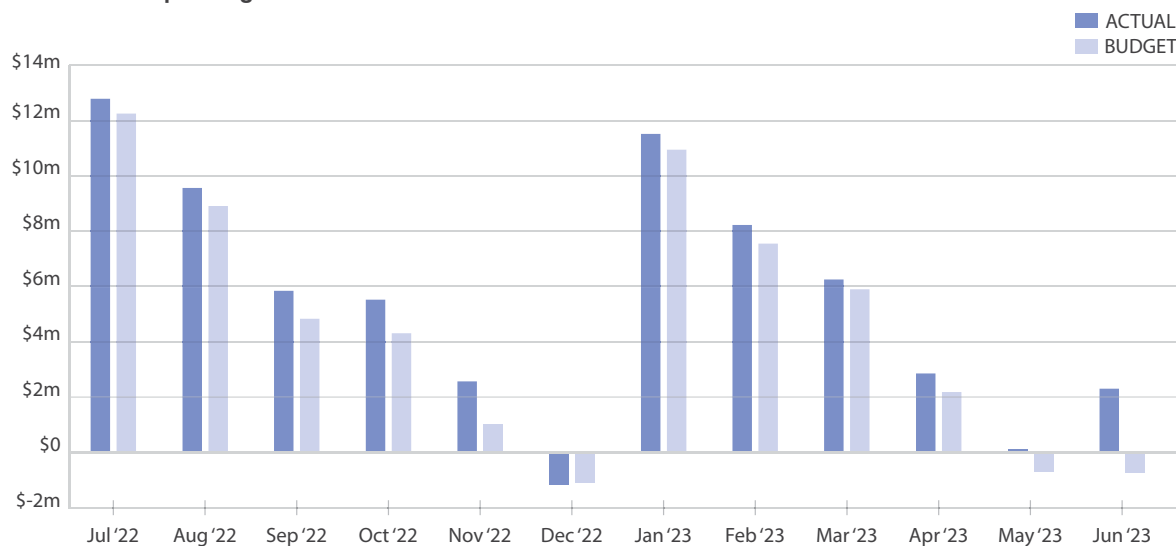
- Net rates and utility charges are \$505,000 over budget primarily due to more than anticipated Water revenue.
- Fees and Charges are under budget \$99,000.
- Grants and subsidies received were \$2.7 million ahead of budget. This includes an increase in the Financial Assistance Grant and the full prepayment of the 23/24 grant.
- Interest received was ahead of budget by \$324,000 primarily due to the ongoing increases in interest rates.
- Other recurrent income is \$118,000 ahead of budget.
- Employee benefits were behind budget \$723,000. This was primarily due to unfilled position which has been offset in Materials and Services.
- At 30 June 2023, Council had engaged 173 full-time, 27 part-time, 19 casual employees and 5 elected members.
- Materials and services expenditure were ahead of budget by \$1.1 million. This variance is primarily due to the use of temporary staff to replace unfilled positions and inflationary pressures.
- Finance costs behind budget by \$67,000 due to a change in the discount rate relating to Landfill sites.
- An increase in depreciation expenditure of \$214,000 is primarily due to the requirement to perform a revaluation/indexation of all asset classes due to inflation.

The following table provides details of Council's budgeted operating result compared to the actual result for the reporting period.

Douglas Shire Council Budget vs Actuals for the 2022-2023 Financial Year	Budget	Actuals 2022-2023 Audited Financial Statements
	\$	\$
Operating Revenue		
Net rates and utility charges	38,996,699	39,501,502
Fees and charges	8,008,782	7,909,851
Grants and subsidies	4,302,488	6,973,824
Interest received	727,937	1,051,833
Other recurrent income	1,213,218	1,331,534
Total Operating Revenue	53,249,124	56,768,544
Operating Expenses		
Employee benefits	18,251,821	17,528,373
Materials and services	22,001,120	23,083,853
Depreciation	13,540,429	13,754,079
Finance costs	121,550	54,049
Total Recurrent Expenses	53,914,920	54,420,355
Operating Result	(665,796)	2,348,189

The following graph shows Council's budgeted year to date operating result compared to its actual year to date operating result on a month by month basis for the reporting period.

Year-to-date Operating Result 2022-2023



Net Result

Council's net result is determined by deducting total expenses (operating expenses and capital expenses) from total income (total revenue and capital income).

The overall net result is a positive \$19.1 million.

This result includes some items of revenue which are restricted as follows:

- Developer contributions – cash contributions made by developers to fund future infrastructure assets have restrictions placed on their use and are constrained.

- Other constrained revenue – raised from other sources, for example grant funds provided for a specific purpose.

It also includes non-monetary values such as:

- Gain / Loss on disposal / write-off of non-current assets.
- Adjustments to the value of Council's landfill restoration provision – as a result of a re-estimation of the future cost to restore the landfill sites.
- Non-current asset revaluation decreases and increases offsetting previous decreases – which occur when asset values are adjusted as part of a comprehensive revaluation.

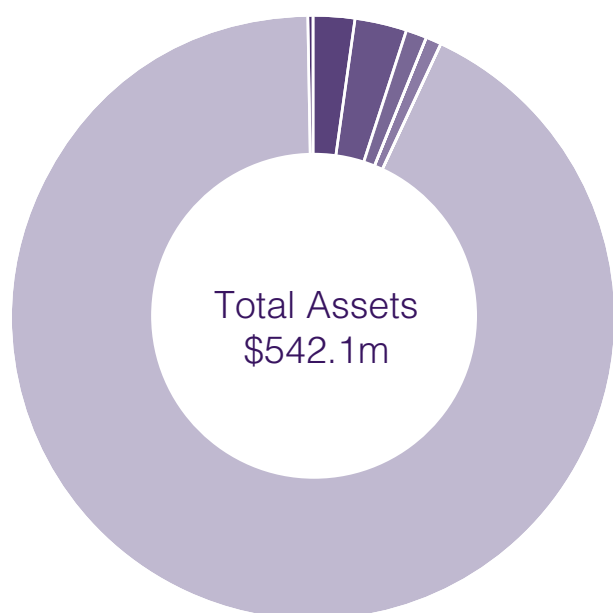
Statement of Financial Position

Assets

Council assets as at 30 June 2023 total \$542.1 million. This includes \$37.8 million of current assets (cash and other assets that are expected to be converted to cash or consumed within a year) and \$504.3 million of non-current assets. Property, plant and equipment makes up 93% of total assets.

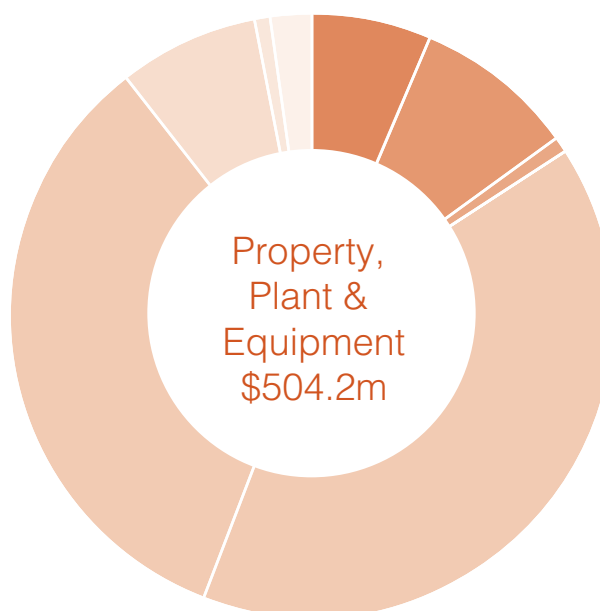
Current assets consist of cash and cash equivalents, investments (short term deposits), trade and other receivables, and assets held for sale. Non-current assets consist of long-term assets like property, plant and equipment, including capital works in progress.

The following graph shows the composition of Council's assets.



● Cash and cash equivalents	\$13.4m
● Investments	\$15.1m
● Trade and other receivables	\$4.8m
● Pre-payments	\$0.4m
● Contract assets	\$4.0m
● Inventories	\$0.1m
● Property, plant and equipment	\$504.2m
● Intangible assets	\$0.1m

The following graph shows the composition of property, plant and equipment.



● Land and land improvements	\$32.4m
● Buildings and other structures	\$43.3m
● Plant and equipment	\$4.6m
● Office furniture and fittings	\$0.04m
● Transport assets	\$202.5m
● Water, sewerage and solid waste disposal	\$169.1m
● Drainage	\$37.3m
● Marine	\$3.9m
● Work in progress	\$11.0m

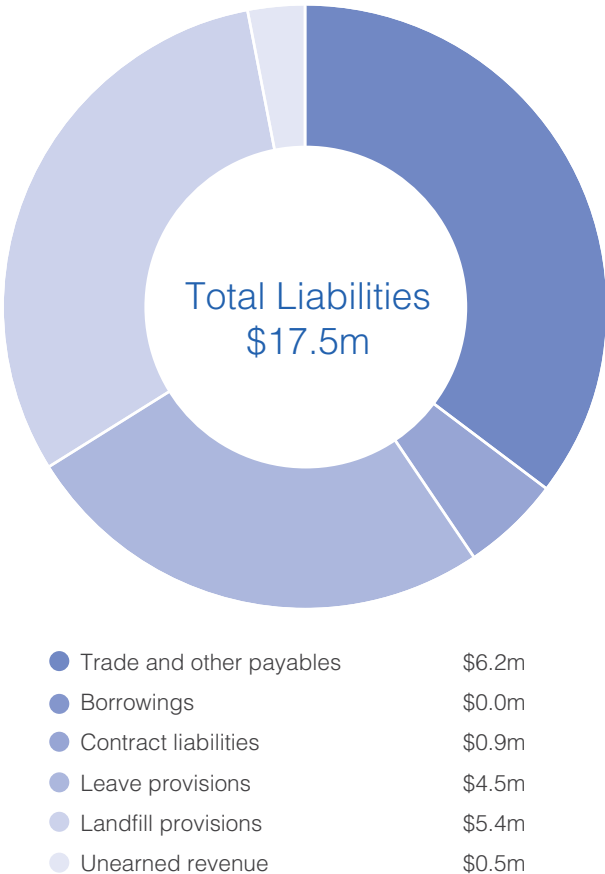
Further details can be located in notes 10 to 15 of the financial statements.

Liabilities

Total liabilities as at 30 June 2023 are \$17.5 million.

This includes \$12.7 million of current liabilities (due to be settled within twelve months) and \$4.8 million of non-current liabilities. Liabilities mostly consist of amounts owing to suppliers, amounts owing to employees for leave entitlements and provision for the future cost of restoring landfills.

The following graph shows the composition of Council's liabilities.



Further details can be found in notes 15 to 17 of the notes to the financial statements.

Community Equity

Council's total community equity as at 30 June 2023 is \$524.6 million and represents Council's asset revaluation surplus of \$104.1 million (increase in values of property, plant and equipment as a result of comprehensive revaluations) and retained surplus of \$420.6 million. This is determined by deducting the value of total liabilities from the value of total assets.

Further details can be found in note 18 of the notes to the financial statements.

Borrowings and Repayments

During the period Council did not apply for any new loans, therefore the loans balance as at 30 June 2023 is \$0 and Council's debt per rateable property is \$0.

Measures of Financial Sustainability

The following ratios are designed to provide a measure of the performance of Council against key financial sustainability criteria.

Ratio	What the ratio provides	How the ratio is calculated	Actual result	Target result
Operating surplus ratio	An indication of the extent to which revenues raised cover operational expenses only or are available for capital funding purposes or other purposes.	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	4%	between 0% and 10%
Asset sustainability ratio	An approximation of the extent to which the infrastructure assets managed by Council are being replaced as they reach the end of their useful lives.	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	94%	greater than 90%
Net financial liabilities ratio	An indicator of the extent to which the net financial liabilities of Council can be serviced by its operating revenues.	Total liabilities less current assets divided by total operating revenue (excluding capital items)	-36%	not greater than 60%

For the first time since de-amalgamation, Council has met all 3 of the Sustainability ratios. The operating surplus ratio has improved compared to the budgeted ratio as a result of an operating surplus. The asset sustainability ratio is less than the budgeted ratio due to funded capital works for new and upgraded assets. The net financial liabilities ratio has improved due to a greater than anticipated current assets balance. This ratio indicates that Council is in a very healthy position to service its existing liabilities.

Further information

Further detail can be found in Council's financial statements which are included at the end of this Annual Report.



Financial Statements

For the year ended 30 June 2023



Douglas Shire Council
Statement of Comprehensive Income
For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Income			
Revenue			
Recurrent revenue			
Rates, levies and charges	3(a)	39,501,502	37,498,388
Fees and charges	3(b)	7,909,851	6,674,190
Rental income		291,623	269,988
Interest income	3(c)	1,051,833	299,492
Other revenue	3(d)	1,039,911	1,583,525
Grants, subsidies, contributions and donations	4(a)	6,973,824	3,169,668
Total recurrent revenue		<u>56,768,544</u>	<u>49,495,250</u>
Capital revenue			
Grants, subsidies, contributions and donations	4(b)	10,119,558	17,420,101
Other capital income	5	8,406,929	8,906,956
Total capital revenue		<u>18,526,487</u>	<u>26,327,057</u>
Total income		<u>75,295,031</u>	<u>75,822,307</u>
Expenses			
Recurrent expenses			
Employee benefits	6	(17,528,373)	(16,676,678)
Materials and services	7	(23,083,853)	(20,029,758)
Finance costs	8	(54,049)	(82,450)
Depreciation and amortisation	13&14	(13,754,079)	(13,308,172)
		<u>(54,420,355)</u>	<u>(50,097,058)</u>
Capital expenses	9	(1,747,608)	(5,832,350)
Total expenses		<u>(56,167,963)</u>	<u>(55,929,408)</u>
Net result		<u>19,127,068</u>	<u>19,892,898</u>
Other comprehensive income			
Items that will not be reclassified to net result			
Increase in asset revaluation surplus	18	34,280,047	12,821,267
Total other comprehensive income for the year		<u>34,280,047</u>	<u>12,821,267</u>
Total comprehensive income for the year		<u>53,407,115</u>	<u>32,714,165</u>

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

Douglas Shire Council
Statement of Financial Position
as at 30 June 2023

	Note	2023 \$	2022 \$
Current assets			
Cash and cash equivalents	10	13,425,500	13,016,606
Investments	11	15,060,000	10,000,000
Trade and other receivables	12	4,847,404	5,066,722
Prepayments		366,491	324,859
Contract assets	15(a)	3,987,269	3,208,965
Inventories		150,190	93,356
Total current assets		37,836,854	31,710,508
Non-current assets			
Property, plant and equipment	13	504,209,177	457,043,657
Intangible assets	14	52,634	93,800
Total non-current assets		504,261,811	457,137,457
Total assets		542,098,665	488,847,965
Current liabilities			
Trade and other payables	16	6,185,882	5,754,012
Provisions	17	5,554,800	5,562,177
Contract liabilities	15(b)	905,342	1,069,630
Total current liabilities		12,646,024	12,385,819
Non-current liabilities			
Provisions	17	4,310,595	4,774,883
Unearned Revenue		508,645	460,977
Total non-current liabilities		4,819,240	5,235,860
Total liabilities		17,465,264	17,621,679
Net community assets		524,633,402	471,226,286
Community equity			
Asset revaluation surplus	18	104,064,721	69,784,674
Retained surplus		420,568,680	401,441,612
Total community equity		524,633,402	471,226,286

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

Douglas Shire Council
Statement of Changes in Equity
For the year ended 30 June 2023

		Asset revaluation surplus	Retained Surplus	Total
	Note	\$	\$	\$
Balance as at 1 July 2022		69,784,674	401,441,612	471,226,286
Net result		-	19,127,068	19,127,068
Other comprehensive income for the year				
Increase in asset revaluation surplus	18	34,280,047	-	34,280,047
Total comprehensive income for the year		34,280,047	19,127,068	53,407,115
Balance as at 30 June 2023		104,064,721	420,568,680	524,633,401
Balance as at 1 July 2021		56,963,407	381,548,713	438,512,121
Net result		-	19,892,898	19,892,898
Other comprehensive income for the year				
Increase in asset revaluation surplus	18	12,821,267	-	12,821,267
Total comprehensive income for the year		12,821,267	19,892,898	32,714,165
Balance as at 30 June 2022		69,784,674	401,441,612	471,226,286

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

Douglas Shire Council
Statement of Cash Flows
For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Cash flows from operating activities			
Receipts from customers		48,676,619	45,922,670
Payments to suppliers and employees		(40,869,994)	(36,230,067)
		<u>7,806,625</u>	<u>9,692,602</u>
Interest received		1,051,833	299,492
Rental income		291,623	269,988
Non capital grants and contributions		7,058,944	3,180,863
Borrowing costs		(64,837)	(61,808)
Net cash (outflow) inflow from operating activities	22	<u>16,144,188</u>	<u>13,381,136</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(17,344,668)	(26,127,102)
Payments for assets donated		(616,050)	-
Proceeds from sale of property plant and equipment		215,104	69,787
Purchase of investments		(5,060,000)	(10,000,000)
Grants, subsidies, contributions and donations		7,070,321	11,595,177
Net cash (outflow) inflow for Investing activities		<u>(15,735,294)</u>	<u>(24,462,138)</u>
Net (decrease)/increase in cash and cash equivalent held		<u>408,894</u>	<u>(11,081,002)</u>
Cash and cash equivalents at the beginning of the financial year		13,016,606	24,097,607
Cash and cash equivalents at the end of the financial year	10	<u>13,425,500</u>	<u>13,016,606</u>

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

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2023

1 Information about these financial statements

1.1 Basis of preparation

Douglas Shire Council (the Council) is constituted under the Queensland *Local Government Act 2009* and is domiciled in Australia.

These general purpose financial statements are for the year from 1 July 2022 to 30 June 2023. They are prepared in compliance with the requirements of the *Local Government Act 2009* and the *Local Government Regulation 2012*.

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

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

1.2 New and revised Accounting Standards

Council adopted all standards which became mandatorily effective for annual reporting periods beginning on 1 July 2022, none of the standards had a material impact on reported position, performance and cash flows.

1.3 Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2023. These standards have not been adopted by Council and will be included in the financial statements on their effective date. These standards are not expected to have a material impact on Council's financial statements.

1.4 Estimates and judgements

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

Valuation, impairment and depreciation of property, plant and equipment - Note 13

Provisions - Note 17

Contingent liabilities - Note 20

Financial instruments and financial liabilities - Note 24

Revenue recognition - Note 3

1.5 Rounding and comparatives

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

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

1.6 Taxation

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

2. Analysis of Results by Function

2(a) Components of Council functions

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

Corporate and Community

The objective of Corporate and Community is to provide efficient, effective and accountable financial and administrative services to Council and the communities it serves. The core functions include Governance, Finance, Libraries, Information Services, Community and Economic Development.

Infrastructure

The objective of Infrastructure is to provide essential transport, drainage and parks infrastructure, maintenance, construction and operational services to Council's communities.

Development and Environment

The objective of Development and Environment is to encourage sustainable development whilst protecting the character and natural environment of the Council area. This function includes Development Assessment, Environmental Assessment, Planning Strategies and Local Laws administration.

Water and Waste

The objective of Water and Waste is to manage the treatment and provision of water, wastewater and solid waste services to consumers throughout the Council area.

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2023

2 Analysis of results by function

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

Year ended 30 June 2023

Functions	Gross program income						Total income	Gross program expenses		Total expenses	Net result from recurrent operations	Net Result	Assets	
	Recurrent			Capital										
	Grants	Other	2023	Grants	2023	Other								
								2023	2023					2023
Corporate and Community	6,180,307	18,794,174		-			24,974,481	(11,905,451)	(15,268)	(11,920,719)	13,069,030	\$	69,993,064	
Infrastructure	693,131	6,837,893		8,538,142	7,807,722		23,877,889	(26,322,366)	(1,135,150)	(27,457,516)	(18,791,341)	(3,579,628)	296,333,712	
Development and Environment	100,386	921,517		-	-		1,021,903	(2,514,111)	-	(2,514,111)	(1,492,208)	(1,492,208)	-	
Water and Waste	-	23,241,136		1,580,416	599,207		25,420,758	(13,678,427)	(597,190)	(14,275,616)	9,562,709	11,145,142	175,771,889	
Total Council	6,973,824	49,794,720		10,119,558	8,406,929		75,295,031	(54,420,355)	(1,747,608)	(56,167,963)	2,348,180	19,127,069	542,098,666	

Year ended 30 June 2022

Functions	Gross program income						Total Income	Gross program expenses		Total expenses	Net result from recurrent operations	Net Result	Assets
	Recurrent			Capital				Recurrent	Capital				
	Grants	Other	2022	Grants	Other	2022							
	\$	\$	\$	\$	\$	\$	2022	2022	2022	\$	\$	\$	
Corporate and Community	2,281,001	17,316,003		215,653	30,491	19,843,148	(11,597,145)	-	(11,597,145)	7,999,859	8,246,003	62,452,295	
Infrastructure	559,417	5,950,679		15,382,057	8,426,137	30,328,489	(23,845,442)	(4,478,700)	(28,324,142)	(17,325,147)	2,004,346	269,059,327	
Development and Environment	312,086	1,035,167		-	-	1,347,253	(2,133,720)	-	(2,133,720)	(766,467)	(766,467)	-	
Water and Waste	17,184	22,013,534		1,822,390	450,329	24,303,417	(12,620,750)	(1,353,650)	(13,874,400)	9,509,948	10,429,017	157,336,343	
Total Council	3,168,668	46,325,582		17,420,101	8,906,956	75,822,307	(50,097,058)	(5,832,350)	(55,929,408)	(601,808)	19,892,899	488,847,965	

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2023

	2023 \$	2022 \$
3 Revenue analysis		
Rates, levies and annual charges are recognised as revenue at the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.		
(a) Rates, levies and charges		
General rates	17,898,367	17,072,154
Water	8,928,323	8,290,631
Sewerage	7,961,591	7,622,488
Waste	5,322,285	5,060,349
Less: Pensioner remissions, concessions and financial assistance	(609,064)	(547,234)
Net rates, levies and utility charges	<u>39,501,502</u>	<u>37,498,388</u>
(b) Fees and charges		
Revenue arising from fees and charges are recognised at the point in time when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.		
The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases, the customer is required to pay on arrival, for example caravan parks. There is no material obligation for Council in relation to refunds or returns.		
Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than the term of the licence.		
Revenue from infringements is recognised on issue of infringement notice after applying the expected credit loss model relating to impairment of receivables for initial recognition of statutory receivables.		
Building and property fees	442,105	656,091
Caravan Parks and Camping Grounds	740,351	714,903
Ferry	4,584,086	3,256,077
Communication towers	128,850	181,454
Permits, licences & registrations	591,119	556,794
Markets	314,259	259,968
Refuse & transfer stations	472,220	419,371
Water & sewerage applications	246,913	307,203
Other fees and charges	389,947	322,328
	<u>7,909,851</u>	<u>6,674,190</u>
(c) Interest income		
Interest income from bank and term deposits is accrued over the term of the investment.		
Investments	959,931	186,533
Overdue rates and utility charges	91,902	112,959
	<u>1,051,833</u>	<u>299,492</u>
(d) Other revenue		
Revenue from contracts and recoverable works generally comprises a recoupment of material costs together with an hourly charge for use of equipment and employees. This revenue and the associated costs are recognised by reference to the stage of completion of the contract activity at the reporting date. Where consideration is received for the service in advance it is included in other liabilities and is recognised as revenue in the period when the service is performed. The contract work carried out is not subject to retentions.		
Contract and recoverable works	615,119	1,104,158
Commissions	33,609	33,431
Sundry revenue	391,184	445,936
	<u>1,039,911</u>	<u>1,583,525</u>

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2023

4 Grants, subsidies, contributions and donations

Grant income under AASB 15

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

The performance obligations are varied in each agreement but include events and employment terms. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

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

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

Grant Income under AASB 1058

Where Council receives an asset for significantly below fair value, the asset is recognised at fair value. Council considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

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

Capital grants

Where Council receive funding under an enforceable contract to acquire or construct a specified item of property, plant and equipment which will be under Council's control on completion, revenue is recognised as and when the obligation to construct or purchase is completed. For construction projects, this is generally as the construction progresses in accordance with costs incurred.

Donations and contributions

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

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

Non-cash contributions with a value in excess of the asset capitalisation recognition thresholds, as per Note 13, 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 roadworks, stormwater, water and wastewater infrastructure and park equipment are recognised as revenue when Council obtains control of the asset and there is sufficient data in the form of drawings and plans to determine the approximate specifications and value of such assets. All non-cash contributions are recognised at the fair value of the contribution received on the date of acquisition.

Developers pay infrastructure charges for trunk infrastructure, such as pumping stations, treatment works, mains, sewers and water pollution control works. These infrastructure charges are not within the scope of AASB 1058 because there is no performance obligation associated with them. Consequently, the infrastructure charges are recognised as income when received.

	2023 \$	2022 \$
(a) Operating		
General purpose grants	5,993,739	2,114,803
State government subsidies and grants	980,085	1,054,865
	<u>6,973,824</u>	<u>3,169,668</u>
(b) Capital		
Capital Revenue includes grants and subsidies received which are tied to specific projects for the replacement or upgrade of existing non-current assets and/or investment in new assets. It also includes non-cash contributions which are usually infrastructure assets received from developers.		
Government/statutory authority subsidies and grants	7,115,728	13,191,045
Donations and contributions	982,305	790,443
Assets contributed by developers at fair value	2,021,525	3,438,613
	<u>10,119,558</u>	<u>17,420,101</u>

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2023

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

	2023		2022	
	Revenue recognised at a point in time	Revenue recognised over time	Revenue recognised at a point in time	Revenue recognised over time
Grants and subsidies	6,675,207	7,414,346	2,595,782	13,764,931
Donations and Contributions	982,305	-	790,443	-
Assets contributed by developers at fair value	2,021,525	-	3,438,613	-
	<u>9,679,037</u>	<u>7,414,346</u>	<u>6,824,837</u>	<u>13,764,931</u>

	Note	2023 \$	2022 \$
5 Capital income			
Provision for restoration of land			
Decrease in restoration provision - Newell	17	48,286	-
		<u>48,286</u>	
Revaluations			
Revaluation up of property, plant and equipment reversing previous revaluation expense	13	8,358,643	8,906,956
Total capital income		<u>8,406,929</u>	<u>8,906,956</u>

6 Employee benefits

Employee benefit expenses are recorded when the service has been provided by the employee.

Staff wages and salaries		14,005,744	13,585,373
Councillors' remuneration		394,165	383,819
Termination benefits		77,862	190,000
Annual, sick and long service leave entitlements		2,808,520	2,664,381
Superannuation	21	1,916,230	1,826,366
		<u>19,202,521</u>	<u>18,649,939</u>
Other employee related expenses		31,393	47,084
		<u>19,233,914</u>	<u>18,697,023</u>
Less: Capitalised employee expenses		<u>(1,705,541)</u>	<u>(2,020,345)</u>
		<u>17,528,373</u>	<u>16,676,678</u>

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

Total Council employees at the reporting date:

	No. employees	No. employees
Elected members	5	5
Administration staff	91	95
Depot and outdoors staff	106	107
Total full time equivalent employees	<u>202</u>	<u>207</u>

7 Materials and services

Expenses are recorded on an accruals basis as Council receives the goods or services.

Audit of annual financial statements by the Auditor-General of Queensland	123,400	110,700
Consultancy	896,250	991,298
Contractors	7,735,604	6,909,338
Communications and IT	907,784	843,428
Donations	589,071	580,053
Electricity	1,053,579	951,692
Insurances	958,298	870,524
Legal	409,364	212,406
Repairs and maintenance	8,620,714	7,019,433
Other materials and services	1,789,789	1,540,887
	<u>23,083,853</u>	<u>20,029,758</u>

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2023

		2023	2022
	Note	\$	\$
8 Finance costs			
Bank charges		64,837	61,808
Landfill sites - change in present value over time		(10,788)	20,642
		<u>54,049</u>	<u>82,450</u>
9 Capital expenses			
Property restoration: Landfill sites			
Adjustment to refuse restoration provision - Killaloe	17	214,734	707,049
Adjustment to refuse restoration provision - Sanitary Depot	17	5,479	140,023
Adjustment to refuse restoration provision - Newell Beach	17	-	231,055
		<u>220,213</u>	<u>1,078,127</u>
Revaluation decrement			
Revaluation down of property, plant and equipment	13	-	4,221,107
Gain / Loss on disposal of non-current assets			
Proceeds from the sale of property, plant and equipment		(215,104)	(69,787)
Less: Carrying value of property, plant and equipment disposed of		1,038,708	602,904
		<u>823,604</u>	<u>533,116</u>
Total gain/loss on disposal of non-current assets		<u>823,604</u>	<u>533,116</u>
Donated assets			
Donated assets		616,050	-
Loss on write-off			
Loss on write-off of assets damaged by natural disaster	13	87,740	-
Total capital expenses		<u>1,747,608</u>	<u>5,832,350</u>

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2023

	2023 \$	2022 \$
10 Cash and cash equivalents		
Cash and cash equivalents in the statement of cash flows 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.		
Cash at bank and on hand	13,425,500	8,016,606
Term deposits	-	5,000,000
Balance per Statement of Cash Flows	<u>13,425,500</u>	<u>13,016,606</u>
Cash and cash equivalents	13,425,500	13,016,606
Less: Externally imposed restrictions on cash	<u>(1,413,987)</u>	<u>(1,530,607)</u>
Unrestricted cash	<u>12,011,514</u>	<u>11,485,999</u>
Council's cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include:		
Externally imposed expenditure restrictions at the reporting date:		
Unspent government grants and subsidies	905,342	1,069,630
Waste levy refund received in advance	508,645	460,977
Total unspent externally restricted cash	<u>1,413,987</u>	<u>1,530,607</u>
Internally imposed expenditure restrictions at the reporting date:		
Future constrained works	1,790,656	1,243,009
Total unspent internally restricted cash	<u>1,790,656</u>	<u>1,243,009</u>
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	663,464	875,288
	<u>663,464</u>	<u>875,288</u>

In accordance with the *Local Government Act 2009* & the *Local Government Regulation 2012*, a separate trust bank account and separate accounting records are maintained for funds held on behalf of outside parties. Funds held in the trust account on behalf of outside parties include those funds from the sale of land for arrears in rates, deposits for the contracted sale of land, security deposits lodged to guarantee performance and unclaimed monies (e.g. wages) paid into the trust account by the Council. The Council performs only a custodial role in respect of these monies and because the monies cannot be used for Council purposes they are not considered revenue nor brought to account in these financial statements since the Council has no control over the assets.

11 Investments		
Term deposits in excess of three months are reported as investments with deposits of less than three months being reported as cash equivalents (refer Note 10).		
Current fixed short term investments		
Unrestricted	15,060,000	10,000,000
	<u>15,060,000</u>	<u>10,000,000</u>

All cash investments are in Australian dollars. Investments are held in accordance with Council's Investment Policy and are considered to be low risk investments.

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2023

	2023 \$	2022 \$
12 Trade and other receivables		
Receivables are amounts owed to Council at 30 June. They are recognised at the amount due at the time of sale or service delivery. Settlement is required within 30 days after the invoice is issued.		
The collectability of receivables is assessed periodically and if there is objective evidence that Council will not be able to collect all amounts due, the carrying amount is reduced for impairment. The impairment loss is recognised in finance costs.		
All known bad debts were written-off at 30 June. If an amount is recovered in a subsequent period it is recognised as income.		
As Council is empowered under the provisions of the <i>Local Government Act 2009</i> to sell an owner's property to recover outstanding rate debts, Council does not impair any rate receivables.		
Current		
Rateable revenue and utility charges	2,946,833	3,142,713
Other debtors	259,507	345,842
Less impairment	(49,287)	(49,287)
Accrued revenue	1,207,164	1,037,052
GST recoverable	483,186	590,403
	<u>4,847,404</u>	<u>5,066,722</u>
Interest is charged on outstanding rates (8.17% per annum from 1 July 2022, previously 8.03% per annum). No interest is charged on other debtors.		
Impairment of receivables is not material.		
Ageing of receivables and the amount of any impairment is disclosed in the following table:		
Subject to impairment		
Not past due	119,967	247,042
Past due 31-60 days	96	33,281
Past due 61-90 days	7,352	4,044
More than 90 days	25,866	39,475
Total gross carrying amount	<u>153,281</u>	<u>323,842</u>
Impairment	<u>(49,287)</u>	<u>(49,287)</u>
	<u>103,994</u>	<u>274,555</u>
Not subject to impairment		
Rates and Charges	2,946,833	3,142,714
Grants	106,227	22,000
GST recoverable/accrued income (less contract assets)	1,690,350	1,627,454
	<u>4,743,410</u>	<u>4,792,168</u>
	<u>4,847,404</u>	<u>5,066,723</u>

Douglas Shire Council

13 Property, plant

30 June 2023

Land and land improvements	Buildings and other structures		Plant and equipment	Office furniture and fittings		Transport assets		Water, Sewerage and Solid waste disposal		Drainage		Marine		Work in Progress		Total
	Fair Value	Fair Value		Cost	Level 3	Fair Value	Level 3	Fair Value	Level 3	Fair Value	Level 3	Fair Value	Level 3	Cost		
Level 2 & 3	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
31,512,844	61,705,207	8,085,378	42,640	244,018,494	260,880,694	46,556,736	6,274,687	18,945,983	10,366,194	19,366,184	(3,121,341)	44,692,623	12,493,013	(325,412)	-	-
(21,249)	(270,805)	(664,446)	-	(1,014,189)	(1,024,857)	-	(44,801)	-	-	-	-	-	-	-	-	-
1,033,656	4,937,013	-	-	17,414,523	18,463,591	1,043,941	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	1,120,364	1,272,760	3,499,822	600,037	-	-	-	-	-	-	-	-	-
-	-	-	-	(325,412)	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	1,199,740	-	-	-	-	-	(1,199,740)	-	-	-	-	-	-
-	-	-	-	375,710	627,078	1,018,739	-	-	-	(2,021,525)	-	-	-	-	-	-
1,468,803	2,132,414	1,400,485	47,106	8,277,111	6,041,506	1,447,407	1,432,120	(23,245,963)	(2,021,525)	-	-	-	-	-	-	-
34,793,954	68,603,828	8,801,417	89,745	278,066,342	287,241,000	52,305,913	8,262,052	11,043,689	749,107,941	-	-	-	-	-	-	-

1,977,194	21,541,480	4,195,836	42,537	54,668,791	199,510,301	13,106,675	3,716,393	-	218,959,207
287,208	1,941,104	633,659	4,025	4,711,386	6,307,171	688,976	259,385	-	13,712,914
(18,782)	(150,491)	(595,455)	-	(663,162)	(556,972)	(24,170)	(33,601)	-	(2,082,632)
177,469	1,062,636	-	-	4,666,269	3,193,498	312,714	-	-	10,412,576
-	-	-	-	-	-	-	-	-	-
-	-	-	-	1,969,696	721,859	1,048,378	374,427	-	4,134,370
-	-	-	-	-	-	-	-	-	-
-	-	-	-	(237,672)	-	-	-	-	(237,672)
-	-	-	-	20,343	-	(20,343)	-	-	-
2,423,099	25,194,730	4,234,040	46,562	75,555,651	118,135,858	14,992,231	4,316,604	-	244,898,764

32,370,855	43,308,099	4,567,377	43,184	202,510,691	159,105,143	37,313,682	3,915,448	11,043,589	604,209,177
-	-	1,458,624	-	-	-	-	-	-	1,458,624
10 - 100	5 - 60	3 - 20	5 - 10	10 - 100	10 - 150	10 - 100	4 - 60	-	-

\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
-	-	-	-	-	-	-	-	12,894,907	12,894,907
-	-	-	-	-	-	-	-	6,471,287	6,471,287
-	-	-	-	-	-	-	-	19,366,194	19,366,194

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Notes

Accumulated depreciations

Total written down value as at 30 June 2022

Additions compared:

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2023

13 Property, plant and equipment

a) Recognition

The capitalisation thresholds for Council are set at \$1 for land, \$1 for network assets, \$5,000 for plant and equipment and \$10,000 for all other assets. Any expenditure below these thresholds is expensed in the period in which it is incurred.

Network assets are an aggregate of interrelated assets that perform a specific service and which individually are likely to be below the capitalisation threshold levels but collectively are above the capitalisation threshold for their class. Network assets include components of infrastructure assets.

b) Measurement

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

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

c) Valuation

Land and improvements, buildings and all infrastructure assets are measured at fair value. Other plant and equipment, office furniture and fittings, other assets and work in progress are measured at historic 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 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 the valuer 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, management performs a desktop valuation on each asset class. A desktop valuation involves management assessing the condition and cost assumptions associated with each asset class and considering the movements in the Road and Bridge Construction Index and the Non-residential Building Construction Queensland Index as published by the Australian Bureau of Statistics (March rates of the relevant financial year have been used for 2023 indexation purposes). Together these are used to form the basis of the desktop valuation.

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 changes in the estimated remaining useful life.

(i) Recognised fair value measurements

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)

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

(ii) Valuation techniques used to derive fair values

Excluding land assets, valuation unit rates (for current replacement costs) include 20% to allow for Council project overheads including survey, environmental and investigation (6%), engineering design (5%), engineering supervision (3%) and project management (6%).

Accumulated depreciation

In determining the level of accumulated depreciation, the assets were disaggregated into significant components which exhibit different useful lives. Remaining useful lives were calculated based on condition assessments. The condition assessments were made using a five point scale with 1 being the lowest and 5 being the highest. A condition assessment of 1 indicates an asset with a very high level of remaining service potential (95%). A condition assessment of 5 represents an asset that is unserviceable with a limited remaining useful life (5%).

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2023

Valuation - dates of revaluations and reviews

Asset Class	Valuation Approach	Last Full Valuation date	Valuer Engaged	Key Assumptions and Estimates	Cumulative indexation	Index applied
Land (level 2)	Market value	30 June 2021	Stantec Pty Ltd*	Sales prices of comparable land sites in close proximity were adjusted for differences in key attributes such as property size.	5.00%	Market selling price - State Valuation Service (SVS); The Economic Statistics Section, Queensland Government Statistician's Office, Queensland Treasury and Trade. The Queensland Government Statistician's website.
Land improvements (level 3)	Current replacement cost	30 June 2021	Stantec Pty Ltd*	Replacement costs calculated primarily by reference to actual costs for similar construction in the Far North Queensland region.	8.00%	ABS PPI Building 3020 Non-residential building construction Queensland
Buildings and Other Structures (level 3)	Current replacement cost	30 June 2021	Stantec Pty Ltd*	Replacement costs calculated primarily by reference to actual costs for similar construction in the Far North Queensland region. The valuation process involved the collection and review of asset information, condition based assessment and scoring, review and update of unit rates, application of adjustment factors as well as the review of asset useful and remaining useful lives.	8.00%	ABS PPI Building 3020 Non-residential building construction Queensland
Transport Assets						
- Road assets (level 3)	Current replacement cost	30 June 2020	Stantec Pty Ltd*	Council categorises its road assets into geographical regions and then further sub-categorises these into sealed and unsealed roads. All road segments are then componentised into formation, pavement and seal (where applicable). Unit rates for construction were developed using: Industry standard cost guides, project costs from recently completed projects, manufactured specifications and other data.	10.00%	ABS PPI 3101 Road and bridge construction Queensland
- Bridge assets (level 3)	Current replacement cost	30 June 2020	Stantec Pty Ltd*	Each bridge was assessed individually, with the valuation varying according to the material type used for construction, the deck area, condition and size. Construction estimates were determined on a similar basis to roads.	10.00%	ABS PPI 3101 Road and bridge construction Queensland

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2023

- Other transport assets (level 3)	Current replacement cost	30 June 2020	Stantec Pty Ltd*	Construction estimates were determined on a similar basis to roads.	10.00%	ABS PPI 3101 Road and bridge construction Queensland
Water, Sewerage and Solid Waste Disposal						
- Water (level 3)	Current replacement cost	30 June 2021	Stantec Pty Ltd*	Unit rates were based on a combination of actual contract data obtained from various Queensland local governments and water utilities over the past few years as well as actual supply/installation costs from suppliers and contractors. The valuation process involved the collection and review of asset information, condition based assessment and scoring, review and update of unit rates, application of adjustment factors as well as the review of asset useful and remaining useful lives.	9.00%	ABS PPI 3101 Road and bridge construction Queensland
- Sewerage (level 3)	Current replacement cost	30 June 2023	Stantec Pty Ltd*	Unit rates for construction were developed using: Industry standard cost guides, project costs from recently completed projects, manufactured specifications and other data. The valuation process involved the collection and review of asset information, condition based assessment and scoring, review and update of unit rates, application of adjustment factors as well as the review of asset useful and remaining useful lives.	0.00%	Nil - revaluation performed
- Solid Waste Disposal (level 3)	Current replacement cost	30 June 2022	Stantec Pty Ltd*	Unit rates for construction were developed using: Industry standard cost guides, project costs from recently completed projects, manufactured specifications and other data.	10.00%	ABS PPI 3101 Road and bridge construction Queensland
Drainage (level 3)	Current replacement cost	30 June 2022	Stantec Pty Ltd*	Unit rates for construction were developed using: Industry standard cost guides, project costs from recently completed projects, manufactured specifications and other data.	10.00%	ABS PPI 3101 Road and bridge construction Queensland
Marine (level 3)	Current replacement cost	30 June 2022	Stantec Pty Ltd*	Unit rates for construction were developed using: Industry standard cost guides, project costs from recently completed projects, manufactured specifications and other data.	10.00%	ABS PPI 3101 Road and bridge construction Queensland

Stantec Pty Ltd were previously named Cardno (QLD) Pty Ltd

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2023

d) Capital and operating expenditure

Wages and materials expenditure incurred for the acquisition or construction of assets are treated as capital expenditure. Routine operating maintenance, repair costs and minor renewals to maintain the operational capacity of a non-current asset are expensed as incurred, while expenditure that relates to replacement of a major component of an asset to maintain its service potential is capitalised.

e) Capital work in progress

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

f) 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 to write-off the value of each depreciable asset, less its estimated residual value (where applicable), progressively over its estimated useful life to Council. The straight-line basis is considered to appropriately reflect the pattern of consumption of all Council assets.

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

Where assets have separately identifiable significant 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.

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 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. The condition assessments performed as part of the comprehensive revaluation process for assets measured at current replacement cost are used to estimate the remaining useful lives of these assets at each reporting date. Generally all above ground assets are individually inspected during a revaluation and a statistically significant sample of below ground assets are inspected in accordance with industry standards. Details of the range of estimated characteristic useful lives for each class of asset are shown in the table earlier in this note.

g) impairment of non-current assets

Property, plant and equipment is assessed for indicators of impairment annually. If an indicator of possible impairment exists, 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.

14 Intangible assets

Software

Opening gross carrying value

Additions

Disposals

Closing gross carrying value

Accumulated amortisation

Opening balance

Amortisation in the year

Disposals

Closing balance

Net carrying value at the end of the financial year

	2023 \$	2022 \$
Opening gross carrying value	196,043	196,043
Additions	-	-
Disposals	-	-
Closing gross carrying value	196,043	196,043
Opening balance	102,243	61,076
Amortisation in the year	41,166	41,167
Disposals	-	-
Closing balance	143,408	102,243
Net carrying value at the end of the financial year	52,634	93,800

Software has a finite life estimated at 5 years. Straight line amortisation has been used with no residual value.

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2023

15 Contract balances

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

	2023	2022
	\$	\$
a Contract assets	3,987,269	3,208,965
b Contract liabilities		
Funds received upfront to construct Council controlled assets	707,898	923,311
Non-capital performance obligations not yet satisfied	197,443	146,319
	905,342	1,069,630

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

Funds to construct Council controlled assets	923,311	1,629,915
Non-capital performance obligations (including deposits received in advance)	146,319	108,954
	1,069,630	1,738,869

Satisfaction of contract liabilities

The contract liabilities in relation to capital grants relate to funding received prior to the work being performed since revenue is recognised as Council constructs the assets. Council expects to recognise the contract liability as income in the next 1 year.

16 Trade and other 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.

Council has an obligation to pay sick leave on termination to certain employees and therefore a liability has been recognised for this obligation. This liability represents an accrued expense.

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

	2023	2022
	\$	\$
Current		
Creditors and accruals	3,876,710	3,466,714
Accrued wages and salaries	366,114	309,211
Unearned revenue	236,800	405,407
Prepaid rates	1,303,412	1,203,700
Sick leave	332,822	305,171
Other entitlements	70,025	63,811
	6,185,882	5,754,012

17 Provisions

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

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

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

Restoration Provision

A provision is made for the cost of restoration of assets and other future restoration costs where it is probable Council will be liable, or required, to incur such a cost on the cessation of use of the facility.

The provision is measured at the expected cost of the work required discounted to current day values using an appropriate rate. The current Queensland Treasury Corporation ("QTC") lending rate is considered an appropriate rate.

Restoration on land not controlled by Council

Where the restoration site is on State reserves which Council does not control, the cost of the provision for restoration of these sites has to be treated as an expense in the reporting period the provision is first recognised. Changes in the provision due to time, discount rate or expected future cost are treated as an expense or income in the reporting period in which they arise.

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2023

Restoration on land controlled by Council

Where the restoration site is on Council controlled land, the cost of the restoration provision is added to the cost of the land as an improvement and amortised over the expected useful life. Changes in the provision, not arising from the passing of time, are added to or deducted from the asset revaluation surplus for solid waste disposal. 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.

Long Service Leave

A liability for long service leave is measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The 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 Council's employment. 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.

Where employees have met the prerequisite length of service and Council does not have an unconditional right to defer settlement of long service leave beyond twelve months after the reporting date, long service leave is classified as current. Otherwise it is classified as non-current.

	2023 \$	2022 \$
Current		
Landfill restoration	1,543,736	1,484,371
Annual leave	2,018,959	2,048,641
Long service leave	1,992,105	2,029,165
	<u>5,554,800</u>	<u>5,562,177</u>
Non-current		
Landfill restoration	3,856,266	4,378,634
Long service leave	454,329	396,249
	<u>4,310,595</u>	<u>4,774,883</u>

Details of movements in provisions:

	2023 \$	2022 \$
Property restoration: Landfill sites		
Balance at the beginning of the financial year	5,863,005	5,161,944
Increase in provision due to unwinding of discount	(10,788)	20,642
Increase / (decrease) in provision for future cost	171,927	1,078,127
Provision expended to date	(624,141)	(397,709)
Balance at the end of the financial year	<u>5,400,004</u>	<u>5,863,005</u>

Council has two landfill sites located at Newell Beach and Killaloe and a Sanitary Depot. The provision is stated at the present value of the estimated cost of restoring the landfill sites to a standard required under licensing conditions. The provision decreased during the year as a result of a re-estimation of restoration costs at the landfill sites. The Killaloe site is due for its final capping in the 2024 financial year (with post closure monitoring until the 2054 financial year). Newell Beach landfill is due for final capping in the 2025 financial year (with post closure monitoring until the 2055 financial year). A site investigation is underway at the Sanitary Depot to determine any future capping requirements and submission to the regulator for removal from licensing requirements.

18 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.

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2023

	2023 \$	2022 \$
Movements in the asset revaluation surplus were as follows:		
Balance at the beginning of the financial year	69,784,674	56,963,407
Net adjustment to non-current assets at end of period to reflect a change in current fair value:		
Land and land improvements	1,656,087	1,088,827
Buildings and other structures	3,074,377	3,560,696
Transport assets	12,548,254	-
Water, Sewerage and Solid waste	16,270,103	8,171,744
Drainage	731,226	-
Marine	-	-
Balance at the end of the financial year	<u>104,064,721</u>	<u>69,784,674</u>
Asset revaluation surplus analysis		
The closing balance of the asset revaluation surplus comprises the following asset categories:		
Land and land improvements	2,744,914	1,088,827
Buildings and other structures	24,464,119	21,389,742
Transport assets	12,548,254	-
Water, Sewerage and Solid waste disposal	63,576,208	47,306,105
Drainage	731,226	-
	<u>104,064,721</u>	<u>69,784,674</u>
19 Commitments for expenditure		
Capital expenditure		
Not later than 1 year	<u>4,023,857</u>	<u>4,664,556</u>
	<u>4,023,857</u>	<u>4,664,556</u>

20 Contingent liabilities

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

Local Government Mutual

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 being 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 to the total pool contributions in respect to any year that a deficit arises.

As at 30 June 2023 the financial statements 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 \$542,993.

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2023

21 Superannuation

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

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

Any amount by which the scheme is over or under funded may affect future benefits and result in a change to the contribution rate obligations, but has not been recognised as an asset or liability of the Council.

Technically Council can be liable to the scheme for a portion of another local government's obligations should that local government be unable to meet them. However the risk of this occurring is extremely low and, in accordance with the LGAsuper trust deed, changes to council's obligations will only be made on the advice of an actuary.

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

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

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

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

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

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

	Note	2023 \$	2022 \$
The amount of superannuation contributions paid by Council to the scheme in this period for the benefit of employees was:	6	1,916,230	1,826,366

22 Reconciliation of net result for the period to net cash inflow (outflow) from operating activities

Net result	19,127,068	19,892,898
Non-cash items:		
Depreciation and amortisation	13,754,079	13,308,172
Revaluation adjustments	(8,358,643)	(4,685,850)
Loss on asset write-off	87,740	-
Change in future rehabilitation and restoration costs	161,139	1,098,769
	5,644,316	9,721,091
Investing and development activities (non-cash):		
Net profit or loss on disposal of non-current assets	823,604	533,116
Capital grants and contributions	(10,119,558)	(17,420,101)
Donated assets	616,050	-
	(8,679,904)	(16,886,984)
Changes in operating assets and liabilities:		
(Increase)/decrease in receivables	219,318	(214,491)
(Increase)/decrease in inventory	(66,835)	12,475
(Increase)/decrease in prepayments	(41,632)	(79,019)
(Increase)/decrease in contract assets (recurrent grants)	33,995	(26,170)
Increase/(decrease) in payables	(192,270)	302,514
Increase/(decrease) in contract liabilities (recurrent grants)	51,124	37,365
Increase/(decrease) in other provisions	(8,662)	161,380
Increase/(decrease) in unearned revenue	47,668	460,977
	52,707	654,131
Net cash inflow from operating activities	16,144,188	13,381,136

23 Events after the reporting period

No significant events have occurred since year-end.

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2023

24 Financial instruments and financial risk management

Financial assets and financial liabilities

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

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

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

The Douglas Shire Council Audit Committee oversees how management monitors compliance with Council's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by Council. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Douglas Shire Council Audit Committee.

Council does not enter into derivatives.

Credit risk

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

Exposure to credit risk is managed through regular analysis of credit counterparty ability to meet payment obligations. The carrying amount of financial assets represents the maximum credit exposure.

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

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

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

Liquidity risk

Liquidity risk is the risk that Council will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Council is exposed to liquidity risk through its normal course of business. Council manages its exposure to liquidity risk by maintaining sufficient cash deposits to cater for unexpected volatility in cash flows.

Council is exposed to liquidity risk in relation to its financial liabilities, being trade and other payables, which are expected to be settled within 12 months.

Market risk

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

Currency risk

Council is not exposed to currency risk as all investments are held in Australian currency.

Price risk

Council is not exposed to price risk as investments are held with financial institutions, rather than shares or stocks.

Interest rate risk

Council is exposed to interest rate risk through investments with financial institutions.

Sensitivity

Interest rate sensitivity analysis evaluates the outcome on financial result if interest rates would change by +/- 1 percent from the year-end rates applicable to Council's financial assets and financial liabilities. With all other variables held constant, Council would have a financial result and equity increase/(decrease) of \$284,855 (2022: \$230,166).

Douglas Shire Council
Notes to the financial statements
For the year ended 30 June 2023

25 Transactions with related parties

(a) Transactions with key management personnel (KMP)

KMP include the Mayor, Councillors, Council's Chief Executive Officer and some executive management. The compensation paid to KMP comprises:

	2023	2022
	\$	\$
Short-term employee benefits	1,711,099	1,629,094
Post-employment benefits	190,512	198,381
Long-term benefits	17,844	46,139
Termination benefits	-	190,000
Sub-Total	1,919,455	2,063,614
Provision of KMP provided by agency	123,196	-
Total	2,042,651	2,063,614

Detailed remuneration disclosures are provided in the annual report.

(b) Transactions with other related parties

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

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

Details of Transaction	Additional information	2023	2022
		\$	\$
Purchase of materials and services from entities controlled by key management personnel or their close family members.	25(b)(i)	195,301	170,575
Employee Expenses for close family members of key management personnel	26(b)(ii)	162,045	33,041

(i) During the year one entity controlled by KMP provided materials and services to Council. A further two entities controlled by close family members of KMP provided services to Council during the year. All transactions occurred through an arm's length process under normal terms and conditions. There were no other material transactions with other related parties during the year. All transactions with other related parties occurred at arm's length and under Council's normal terms and conditions.

(ii) Two close family members of key management personnel were employed through an arm's length process (In 2022 there was one). They are paid in accordance with the Award for the job they perform.

(c) Outstanding balances

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

Receivables	Amounts owed by entities controlled by KMP	Amounts owed by entities controlled by KMP
	2023	2022
Current	\$ -	\$ 1,021
Total owing	\$ -	\$ 1,021
Payables	Amounts owed to entities controlled by KMP	Amounts owed to entities controlled by KMP
	2023	2022
Current	\$ 1,457	\$ -
Total owing	\$ 1,457	\$ -

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

(d) Loans and guarantees to/from related parties

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

(e) Transactions with related parties that have not been disclosed.

Most of the entities and people that are related parties of Council live and operate within the Douglas Shire. Therefore, on a regular basis ordinary citizen transactions occur between Council and its related parties. Some examples include:

- Payment of rates
- Use of the swimming pool
- Dog registration
- Borrowing books from a Council library

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

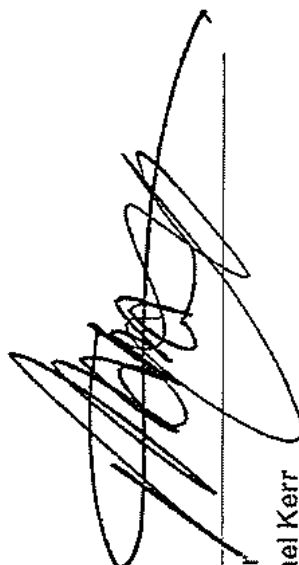
Douglas Shire Council
Financial statements
For the year ended 30 June 2023

Management Certificate
For the year ended 30 June 2023

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

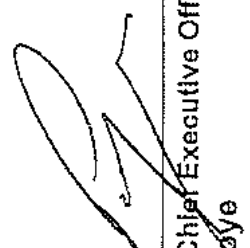
In accordance with section 212(5) of the Regulation we certify that:

- (i) the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulation 2012* for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the general purpose financial statements 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
Michael Kerr

Date: 10, 10, 2023



Acting Chief Executive Officer
Paul Høye

Date: 10, 10, 23

INDEPENDENT AUDITOR'S REPORT

To the Councillors of Douglas Shire Council

Report on the audit of the financial report

Opinion

I have audited the financial report of Douglas Shire Council.

In my opinion, the financial report:

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

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

Basis for opinion

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

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

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

Other information

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

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

The councillors are responsible for the other information.

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

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

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

Responsibilities of the councillors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

Report on other legal and regulatory requirements

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

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

Prescribed requirements scope

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



Lisa Fraser
as delegate of the Auditor-General

12 October 2023

Queensland Audit Office
Brisbane

Douglas Shire Council
Current-year Financial Sustainability Statement
For the year ended 30 June 2023

Measures of Financial Sustainability

	How the measure is calculated	Actual - Council	Target
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	4% between 0% and 10%	
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	94% greater than 90%	
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	-36% not greater than 60%	


Council's performance at 30 June 2023 against key financial ratios and targets:


Note 1 - Basis of Preparation

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

Certificate of Accuracy
For the year ended 30 June 2023

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
Michael Keay
Date: 10, 10, 2023


Acting Chief Executive Officer
Paul Hoyer
Date: 10, 10, 23

INDEPENDENT AUDITOR'S REPORT

To the Councillors of Douglas Shire Council

Report on the Current-Year Financial Sustainability Statement

Opinion

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

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

Basis of opinion

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

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

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

Emphasis of matter – basis of accounting

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

Other Information

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

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

The councillors are responsible for the other information.

My opinion on the current year financial sustainability statement does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

However, as required by the Local Government Regulation 2012, I have formed a separate opinion on the general purpose financial report.

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

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

Responsibilities of the councillors for the current year financial sustainability statement

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

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

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

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

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

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

- Evaluate the overall presentation, structure and content of the statement, including the disclosures, and whether the statement represents the underlying transactions and events in a manner that achieves fair presentation.

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



Lisa Fraser
as delegate of the Auditor-General

12 October 2023

Queensland Audit Office
Brisbane

Douglas Shire Council
Long-Term Financial Sustainability Statement - Unaudited
Prepared as at 30 June 2023


Measures of Financial Sustainability	Measure	Target	Actuals at 30 June 2023	Projected for the years ended										
				30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028	30 June 2029	30 June 2030	30 June 2031	30 June 2032	30 June 2033	
Operating surplus ratio	Net result divided by total operating revenue	between 0% and 10%	4%	0%	0%	1%	1%	1%	1%	1%	1%	2%	2%	
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	greater than 80%	94%	81%	90%	90%	90%	91%	91%	91%	90%	81%	92%	
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue	not greater than 60%	-36%	-19%	-20%	-21%	-21%	-21%	-21%	-21%	-21%	-21%	-20%	

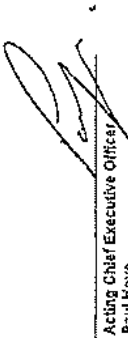
Douglas Shire Council's Financial Management Strategy

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

Certificate of Accuracy
For the long-term financial sustainability statement prepared as at 30 June 2023

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
Michael Kerr
Date: 10/10/2023


Acting Chief Executive Officer
Paul Hoyer
Date: 10/10/2023

