

Annual Report

2022-2023



SHIRE OF MURWEH

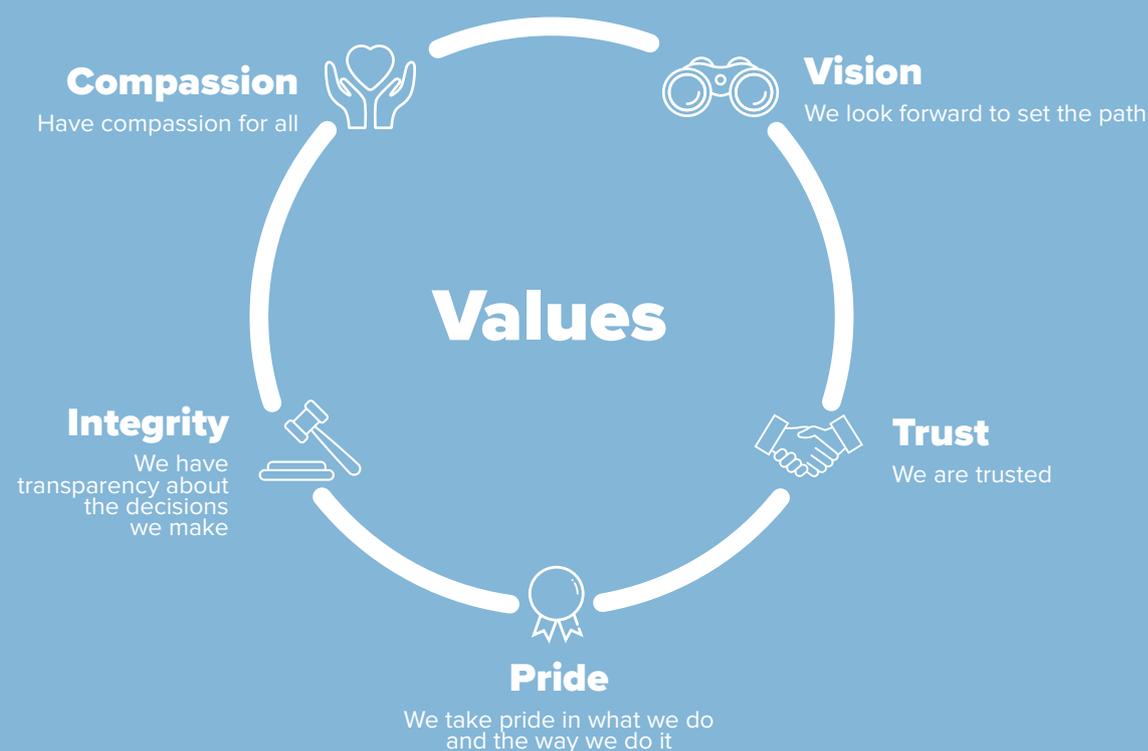
MORVEN - CHARLEVILLE - AUGATHELLA

About Murweh Shire

The Murweh Shire covers 43,905 square kilometres of Queensland's Outback. Over 4,000 people reside in the Shire primarily in the towns of Charleville, Augathella, Morven and Cooladdi. The Shire is situated on the Great Artesian Basin.

Agriculture, Forestry and Fishing is by far the largest industry in terms of business numbers in Murweh Shire accounting for 49.1% of the total businesses in the region. Cattle and sheep production account for most of these businesses.

The Shire enjoys a low unemployment rate of just 2.0% which compares favourably against the State (4.8%) and National (5.1%) averages. The average mean maximum temperature of Charleville ranges from 19.5°C in July to 35.0°C in January. The average mean minimum temperature ranges from 4.1°C in July to 21.7°C in January. Average annual rainfall in Charleville is 490.5 mm per year with January typically being the wettest month (72.9mm).



Towns

**Charleville,
Augathella,
Morven &
Cooladdi**

Population

4000+

Area

43,905 km²

Temperature range

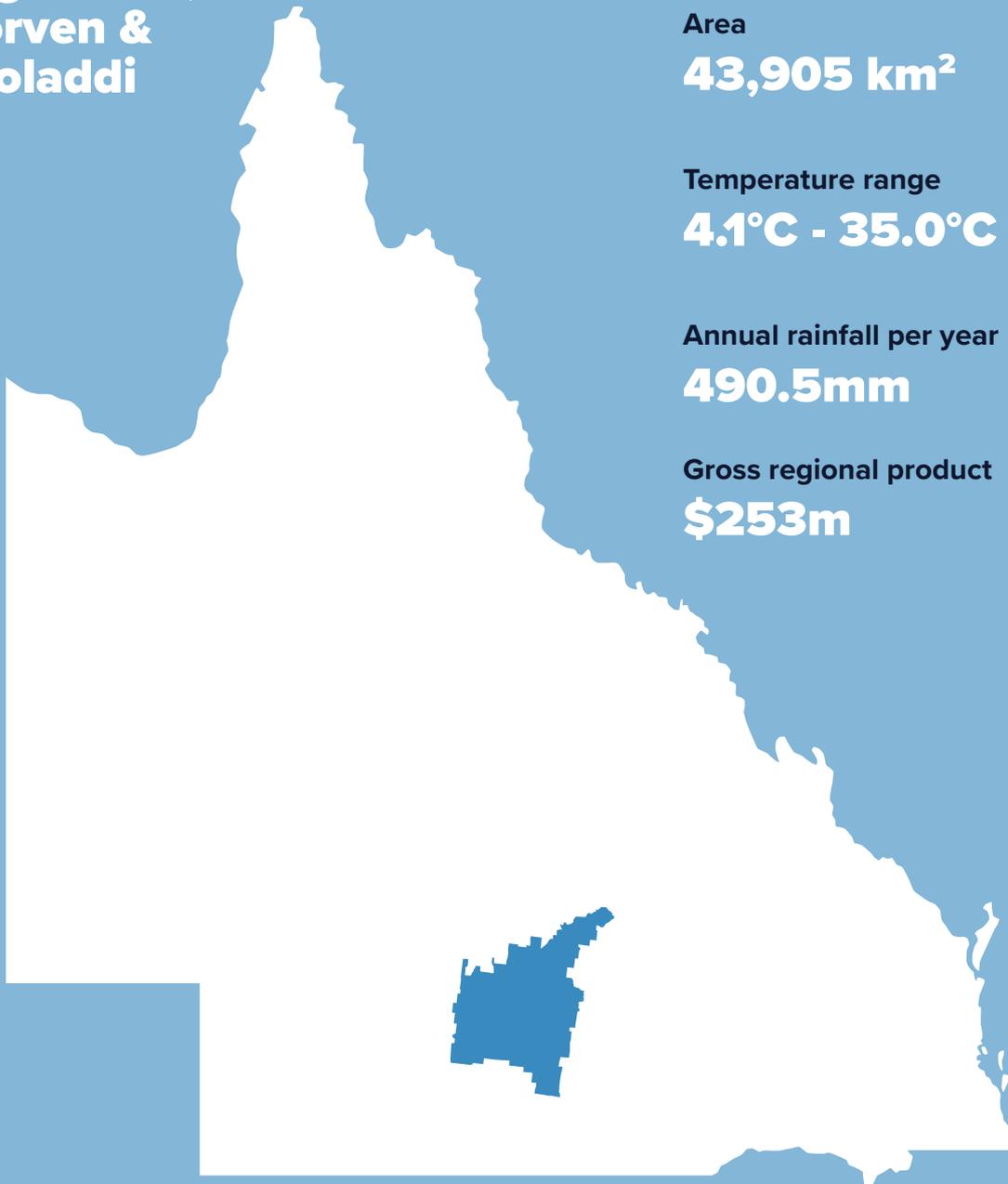
4.1°C - 35.0°C

Annual rainfall per year

490.5mm

Gross regional product

\$253m



Major industries

**Agriculture and
cattle, sheep and
goat production**

Tourism attractions

**Cosmos Centre &
Observatory, Bilby
Experience, Top Secret
World War II Precinct
& Tours**



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Message from the Mayor

2022-23 is my fourth Mayoral message for the Murweh Shire annual report, and I am very pleased to report a positive financial result culminating in a surplus of \$3.3M, an increase of \$1.9M from the previous year. This achievement is most notably due to Council efforts in advocating and working with State and Federal Governments to deliver more funding streams to Regional Councils.

Both capital and operating grants were up over \$8M on the previous year has seen a major injection in the Council's cash position from \$8.4M to \$12.8M an increase of \$4.4M on the previous year.

Significant capital investment of \$8.1M this financial year has again been at the forefront of Council due largely to the additional funding provided by both the Federal and State Governments through the very popular W4Q, LRCIP, Local Government Grants and Subsidies program and Building Better Region Fund. These grants enable the Council to undertake much-needed infrastructure upgrades and renewals such as the Charleville sewerage treatment plant and the Augathella CED scheme.

Continued funding received for mental health and wellbeing helped the council deliver a range of mental health programs and events during the financial year.

Further works, as well as continued improvements to our parks and gardens in the three towns are also great initiatives and is a great result as our three towns look amazing.

These programs and projects have been realised through

the grant process and our communities continue to benefit as a result.

On the tourism front, Council is leading the way in terms of its commitment to continue to build on what's been developed while ensuring our assets are maintained for the enjoyment, use and benefit of our residents and visitors.

This was highlighted with the openings of our BBRF funding projects of the 3rd stage of the WW2 base and also the Augathella experience.

Hosting events is a key element to promotion of our Shire and all it has to offer. Great events such as the Big Base Party hosted in conjunction with Queensland Music Trails, drew a crowd who enjoyed the unique experience.

As Mayor, I feel extremely honoured to represent the Shire Community and to keep pushing forward with vigour and enthusiasm to achieve more than we ever thought we could.

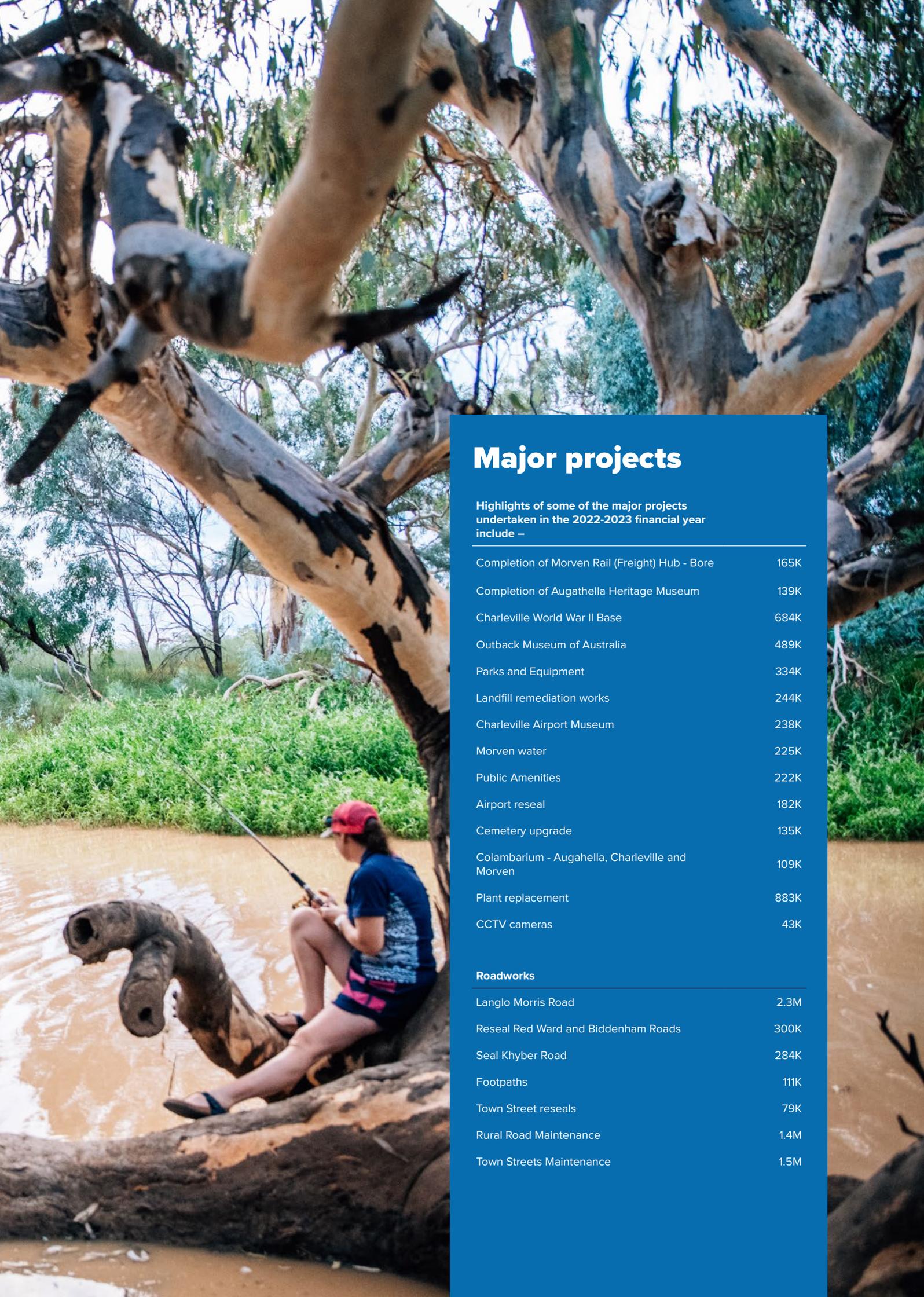
As an organisation the Murweh Shire Council is working together to bring ideas and projects to life that benefit all our residents and to seek new opportunities to take the Shire on a road to continuous improvement.

Council was again pleased to help with many minor projects and events run by the numerous clubs and organisations and their tireless volunteers across the Shire.

I would also like to express my appreciation to our Chief Executive Officer and Council staff for their assistance and efforts during the year as this fine organisation could not run as smooth with out their input.

Cr. Shaun Radnedge

Mayor



Major projects

Highlights of some of the major projects undertaken in the 2022-2023 financial year include –

Completion of Morven Rail (Freight) Hub - Bore	165K
Completion of Augathella Heritage Museum	139K
Charleville World War II Base	684K
Outback Museum of Australia	489K
Parks and Equipment	334K
Landfill remediation works	244K
Charleville Airport Museum	238K
Morven water	225K
Public Amenities	222K
Airport reseal	182K
Cemetery upgrade	135K
Colambarium - Augathella, Charleville and Morven	109K
Plant replacement	883K
CCTV cameras	43K

Roadworks

Langlo Morris Road	2.3M
Reseal Red Ward and Biddenham Roads	300K
Seal Khyber Road	284K
Footpaths	111K
Town Street reseals	79K
Rural Road Maintenance	1.4M
Town Streets Maintenance	1.5M





Chief Executive Officer's Report

Council delivered capital and operational works program for the financial year 2022-23 of around \$ 26.8M of external funding resulting in an overall surplus of \$3.3M.

Present financial position remains stable with cash reserves held of \$ 12.8M significantly above reserves held previously of \$8.4M largely due to the success of both operational and capital grants received from the Australian and Queensland Governments. New borrowings were sought for the financial year of \$1M intended to fund council housing.

Capital expenditure represented a total of \$8.1M with capital grants totalling \$6.0M showing success of Council's grant application programs. Support from both the Australian and Queensland State Governments is as always graciously appreciated with continued funding programs such as the Australian Government's Roads to Recovery and Building Better Regions programs and the Queensland Government's Building our Regions, Works for Queensland programs and Transport Infrastructure Development Scheme (TIDS). These programs enable Council to renew assets and provide enhanced services to the residents and visitors of the Shire.

The last few years of a La Niña weather phase, have seen some heavy rain across the shire with many roads impacted and the activation of Disaster Recovery Funding Arrangements (DRFA) for the reinstatement of these public assets. With the current climate outlook of an El Niño weather phase, our region is most likely heading towards a prolonged drought that will impact on our rural economy and the completion of road works due to the lack of surface water.

The 2022-23 Budget showed Council determining a modest increase in rates and charges of around 2.9% due to the

continued increase in cost of living. But the continuing inflationary impacts post the global COVID pandemic and downward pressures of a constrained workforce will mean Council will be delivering less to the public in the way of services, asset renewal and capital works projects. Council is already seeing the fiscal impacts of the above economic environment with projects priced in 2021-22 planned for delivery in 2023-24 seeing possible 20 per cent increases in the final project costs.

Challenges facing the present and future Councils will be the need to balance asset renewal with the provision of new assets, need for continued social programs and greater community expectations. Councils, particularly smaller regional and remote Councils, have generally become the provider of last resort with the pull back of many private and public services and the cost shift from Commonwealth and State to local government. The increased needs of an aging population, and an increase in chronic disease and disability, and a growing population of international workforce has seen the need for planning for a much more diverse community, dynamic and inclusiveness for multiculturalism.

A wide range of statutory compliance issues were met during the year and again Murweh Shire Council is proud to provide a further unqualified audit opinion for the nineteenth straight year meeting government requirements.

In closing, I extend my congratulations to the Council, Senior Management, and all staff in delivering this major works program. Their continued diligence and dedication on such an improved financial position for the betterment of the council and community is to be commented.

We are looking forward to the challenges ahead.

Bruce Scott
Interim CEO

Welcome

Enjoy your
stay



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Section 1
Legislative
Compliance

Legislative Compliance

Local Government Regulations 2012

Particular resolutions - S185, S250 (1) and S 206 (2)

There were no resolutions made during 2022/23 financial year pertaining to S 185 and S 206 of the Local Government Regulation 2012.

Councillors - S 186 (1) (a) (c)

Statistics of meeting attendance and remuneration for each individual Councillor 2022-2023.

Cr Shaun Radnedge

Ordinary Meetings	12
Special Meetings	1
Remuneration Gross Payment	110,385
Employer Superannuation	13,246

Cr Peter Alexander

Ordinary Meetings	12
Special Meetings	1
Remuneration Gross Payment	55,191
Employer Superannuation	6,623

Cr Robert Eckel

Ordinary Meetings	12
Special Meetings	1
Remuneration Gross Payment	63,683
Employer Superannuation	7,642

Cr Paul Taylor

Ordinary Meetings	12
Special Meetings	1
Remuneration Gross Payment	55,191
Employer Superannuation	6,623

Cr Michael McKellar

Ordinary Meetings	11
Special Meetings	1
Travel Allowance	3,600
Remuneration Gross Payment	57,258





Councillors

Cr Robert Eckel, Deputy Mayor Cr Peter Alexander,
Mayor Cr Shaun (Zoro) Radnedge, Cr Michael McKellar,
Cr Paul Taylor and CEO Bruce Scott.

Cr Michael McKellar

Total	60,858
Employer Superannuation	6,012

S 186 (1) (d) the total number of the following during the financial year -

(i) orders made under section 150I(2) of the Act;	Nil
(ii) orders made under section 150AH(1) of the Act;	Nil
(iii) decisions, orders and recommendations made under section 150AR(1) of the Act; and	Nil

S 186 (1) (e) the total number of the following during the financial year -

(i) the name of each councillor for whom a decision, order or recommendation mentioned in paragraph (d) was made;	Nil
(ii) a description of the unsuitable meeting conduct, inappropriate conduct or misconduct engaged in by each of the councillors;	Nil
(iii) a summary of the decision, order or recommendation made for each councillor; and	Nil

S 186 (1) (f) the number of each of the following during the financial year -

i) complaints referred to the assessor under section 150P(2)(a) of the Act by local government entities for the local government;	Nil
(ii) matters, mentioned in section 150P(3) of the Act, notified to the Crime and Corruption Commission;	Nil
(iii) notices given under section 150R(2) of the Act;	Nil
(iv) notices given under section 150S(2)(a) of the Act;	Nil
(v) decisions made under section 150W(1)(a), (b) and (e) of the Act;	Nil
(vi) referral notices accompanied by a recommendation mentioned in section 150AC(3)(a) of the Act;	Nil

S 186 (1) (f) the number of each of the following during the financial year -

(vii) occasions information was given under section 150AF(4)(a) of the Act;	Nil
(viii) occasions the local government asked another entity to investigate, under chapter 5A, part 3, division 5 of the Act for the local government, the suspected inappropriate conduct of a councillor;	Nil
(ix) applications heard by the conduct tribunal under chapter 5A, part 3, division 6 of the Act about whether a councillor engaged in misconduct or inappropriate conduct.	Nil

Administrative Action Complaints - S 187

The following is a brief summary of the Council adopted policy "Administrative Action Complaints Management Policy and Procedures".

The policy is broken down into three stages:

- (i) Preliminary procedures
- (ii) Complaint process
- (iii) Review by Ombudsman or other complaints entities

It is the Council's intent to provide a level of customer service that does not attract complaints, but acknowledges the rights of persons to provide feedback, both positive and negative, on its services and / or to lodge a complaint about a decision or other action Council takes.

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

Administrative complaints made during the financial year	Nil
Number of complaints resolved under the complaints management process	Nil
Number of complaints not resolved under the complaints management process	Nil
The number of administrative action complaints under paragraph (a) (iii) that were made in a previous financial year.	Nil

Overseas travel - S 188

There was no overseas travel in 2022/2023.

Grant Expenditure to Community Groups - S 189

In accordance with section 189 of the *Local Government Regulation 2012*, the following information is provided concerning expenditure on grants to community organisations. The Council does not operate discretionary funds.

Description	Amount
Expenditure on grants to community organisations	\$174,099
In kind donations and contributions	\$42,827
Total	\$216,926

Other Contents - S 190

Corporate and Operational Plans

Council is required to adopt a Corporate Plan to guide Council's decision making. This document establishes the framework and identifies goals, objectives and strategies to be pursued by Council to meet the aspirations and needs of the community. The plan is developed in consultation with the community and can be revised at any time during the life of the plan to ensure council is following its strategic direction.

The Operational Plan is prepared annually and outlines Council's work program for the next financial year including costs and completion timelines, this document is subject to quarterly reviews and must be consistent with the Council's Corporate Plan.

In accordance with legislative requirements, Council reviewed the operational plan on two occasions relevant to the financial period. Council generally receives a written assessment of the implementation of the operational plan at the end of each quarter.

Other contents - S 190 (1) (a) (b) (c)

The annual report for a financial year must contain the following information

(a) the chief executive officer's assessment of the local government's progress towards implementing its 5-year	Refer to Section 2 Outcomes of the Operational Plan 2022-2023
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(b) particulars of other issues relevant to making an informed assessment of the local government's operations and performance in the financial year;

Refer message from the Mayor and CEO p5 -8

(c) an annual operations report for each commercial business unit;

N/A

d) details of any action taken for, and expenditure on, a service, facility or activity -

(i) supplied by another local government under an agreement for conducting a joint government activity; and

Nil

(ii) for which the local government levied special rates or charges for the financial year;

Nil

Invitation to Change Tenders - S 190 (1) (e)

Council did not issue invitations to change any tenders under section 228(7) of the *Local Government Regulation 2012* during 2022-2023.

Registers and Public Documents - S 190 (1), (f)

Item	Description	Access
Register of personal interests of Councillors and Senior Officials	To record certain financial and other personal interests of relevant individuals.	Councillor's interests are available on Council's website
Investment Register	Record details of Council's investments	Available to any person, included in the monthly financial report, available on Council's website.
Register of Local Planning Policies	To record the current policies as set by Council	Available to any person
Register of Delegations of Authority by Council.	To record all powers delegated by the Local Government or the Chief Executive Officer's delegated powers.	Available to any person
Register of Delegations of Authority by the CEO.	To record all powers delegated by the CEO.	Available to any person
Councillor Conduct Register	To record all Councillor Conduct	Available to any person
Asset Register	To record all assets that Council owned	High level information included in the financial statements. Available to any person
Preferred Suppliers Register	To record Council's Preferred Supplier list	Available to any person
Register of Local Laws	To record all local laws set by Council	Available to any person







Item	Description	Access
Register of Policies	To record the current policies as set by Council	Available to any person
Register of Roads	To record the details of the shire roads.	Available to any person
Contract Register	To record the details of all contracts.	Available on Council's website
Register of Legal Documents	To hold a record of all legal documents.	Available to any person
Register of Cost-Recovery Fees	To record all charges levied by Council.	Available on Council's website
Building Application Register	To record the details of all applications.	Available to any person
Cemetery Register	To record all burial sites	Available to any person
Corporate & Operational Plan	To document the goals and strategies set by Council for the period specified in each plan.	Available on Council's website
Annual Report	To document the financial position and report on attainment of goals specified in the Corporate Plan and Operational Plan.	Available on Council's website

Concessions for Rates and Charges Granted by Council - S 190 (1), (g)

- (i) A 10 % discount on rates and charges excluding interest, fire levy and excess water charges if paid by the due date
- (ii) Age pensioners in receipt of a full pension and having a Commonwealth Government Concession Card receive a remission up to \$380.00 per annum

Council considers requests from Community organisations for the waiver of fees for the use of community facilities

Internal Audit - S 190 (1), (h)

Council extended Crowe Horwath (Australia) Pty Ltd as its provider of internal audit services up to 30 June 2023.

A three year program has been developed and endorsed by Council for 2024-2027. One internal audit was completed during 2022-2023.

Competitive Neutrality - S 190 (1), (i) (j)

Council has not been required to issue any investigation notices in the financial year under section 49 of the competitive neutrality complaints procedures as per the *Local Government Regulation 2012*.

Council has not been required to respond to any Queensland

Productivity Commission recommendations as per section 52 (3).

Senior Staff Remuneration (Local Government Act 2009 S 201)

The total of all remuneration packages payable in 2022-2023 to the senior management of the Council was \$1,033,786.

Band	Number of employees
Under \$100,000	1
\$100,000 to \$200,000	5
\$200,000 to \$300,000	1

Public Sector Ethics Act 1994 - S 23

Council has implemented the code of conduct and undertaken regular education, training and review of procedures.

Local Government Act 2009

Identifying beneficial enterprises - S 41

A local government's annual report for each financial year must contain a list of all the beneficial enterprises that the local government conducted during the financial year.

Nil

Identifying significant business activities - S 45

A local government's annual report for each financial year must—

(a) contain a list of all the business activities that the local government conducted during the financial year; and

Nil

(b) identify the business activities that are significant business activities; and

Nil

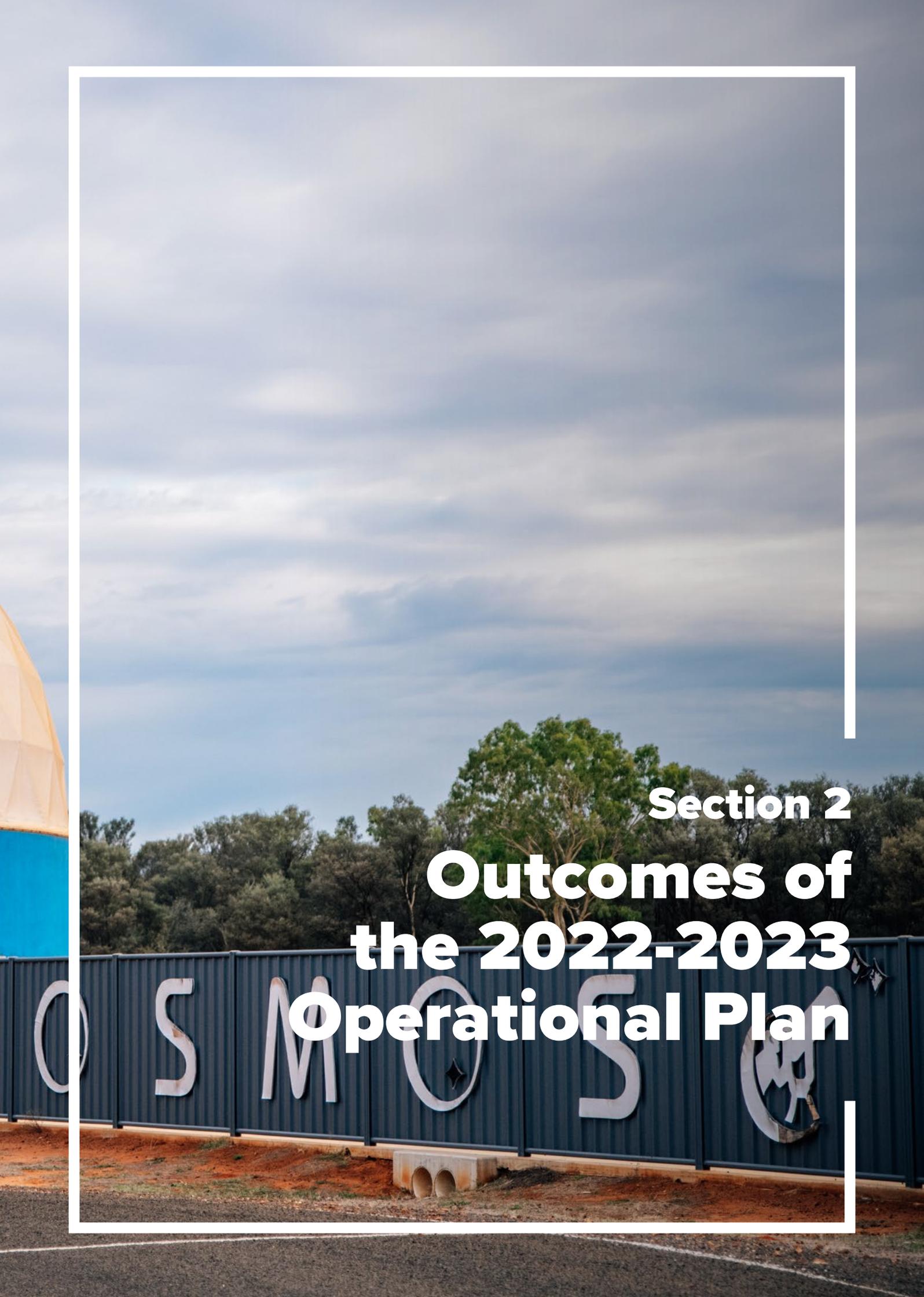
(c) state whether or not the competitive neutrality principle was applied to the significant business activities, and if the principle was not applied, the reason why it was not applied; and

Nil

(d) state whether any of the significant business activities were not conducted in the preceding financial year, i.e. whether there are any new significant business activities.

Nil



A photograph of a blue fence with large letters spelling 'OSMOSIS' and a tree in the background under a cloudy sky. The fence is made of blue corrugated metal and has large, light-colored letters spelling 'OSMOSIS' mounted on it. Behind the fence is a dense line of green trees. The sky is filled with soft, grey clouds. The overall scene is outdoors, possibly at a school or community center.

Section 2
Outcomes of
the 2022-2023
Operational Plan

Outcomes of the 2022-2023 Operational Plan

1. LEADERSHIP & GOVERNANCE

PRIORITY	CORPORATE PLAN GOALS	DELIVERY ACTIONS	IMPACT	UPDATE & OUTPUTS
1.1. STRATEGIC FRAMEWORKS	1.1.1. Council has in place strategic decision-making frameworks to identify, prioritise, and meet current and future needs.	Targeted community consultation sessions.	Increased community engagement and participation rates.	Community Engagement Session held in both Augathella (Feb) and Morven (Mar) this quarter. Bringing the total to 4 (Augathella 2 and Morven 2). Annual Target 100% achieved.
1.2. COMMUNICATION	1.2.1. Council has in place effective whole of community communication and engagement strategies.	Annual Reporting to community a) Corporate Plan Progress and b) Annual Report.	Increased community awareness.	Annual report published in hard copy, and available digitally on MSC website.
		Prepare a Community Communication Plan to deliver an effective, coordinated and targeted approach for engagement, education and awareness regarding strategic and operational matters.	Increased community awareness and participation.	Communication Plan has been drafted by external consultant - awaiting final draft to review with Corporate Plan.
1.3. SYSTEMS AND CAPACITY	1.3.1. Council has in place operational systems and capacity to deliver strategic priorities and core operations.	Monthly Council newsletter for community distribution.	Increased community awareness.	Three more editions of the community newsletter have been produced in Q3, with continued strong positive community feedback.
		Shire promotion and community updates via social media and Mayor weekly updates.	Increased community awareness.	Mayoral updates continue to be key focal point. Supported by Facebook and website Posts
		Rates, charges, subsidies, grants, fees, donations and contributions collected and received within statutory obligations.	"Improved cashflow. Full Compliance."	Rates successfully issued for the 2022-23 financial year.
		Administration of the revenue and debt policies to achieve budget forecasts and minimise borrowing costs, debt collection and bank charges.	Improved financial position.	Monthly tracking of budget undertaken by CFO, and reported at ordinary meetings. Whilst revenue and expenditure are slightly off long-term projection, they are within tolerances. Council Debt policy amended to allow for borrowing of up to \$1M for staff housing.
		10 year Financial Sustainability Report reviewed annually.	Improved financial sustainability.	Completed for 2022-23, reviewed as necessary
		Administrative overheads recovered and distributed over operations through oncost rates applied to job costing system.	Improved financial position.	Overheads are being successfully recovered in line with Council budget and policies
		New financial system adopted and maintained. Staff training conducted. Contract: delivery with IT Vision.	Improved accountability and operational efficiency.	On hold - to be reviewed in 23-24 financial year.
		Internal audit functions provided for.	Full Compliance.	One internal audit review completed



HISTORIC HOUSE

1.LEADERSHIP & GOVERNANCE

	External audit completed.	Full Compliance.	Audit findings have been presented to Council in September 2023 - financial statements signed off and to be incorporated into Annual Report.
	Councillor training and skills development.	Improved Councillor governance skills.	Due Dilligence training conducted
	Customer service standards maintained and processes followed for customer complaints and work services across the organisation.	Improved customer service standards.	Tracking of complaints (Snap, Send, solve) and work flows through Guardian continues, reported to Council through monthly HR report
	Customer service obligations and requirement standards achieved, with staff training implemented according to the training needs analysis.	Improved customer service standards.	New performance management templates have been created by HR & Employee Matters, for review by CEO.
	Administrative functions provided, with staffing, resources and connectivity in place.	Improved customer service standards.	Pinnacle continue to improve connectivity. Particularly in Morven and Augathella as they start to receive NBN to the premise.
	Enterprise Risk Management System is maintained, and Risk Register is reviewed annually.	Improved risk management.	ERM Framework was presented to Council and adopted at January Ordinary Meeting
	WH&S System is maintained, and annual audit undertaken against workplace targets.	"Risk management. No major incidents."	WH&S Committee meeting monthly, audit non-compliance issues are being addressed through agreed actions. Notifiable incidents are reported on an as-needs basis to regulator.
	Accredited Roadworks Quality Assurance System (QRAS) maintained, and audited annually.	"Revenue opportunities."	QA working group is established, awaiting arrival of new asset engineer.
	Enterprise Bargaining Agreement in place and implemented.	"Staff retention. Workforce morale. Financial certainty for Council."	New EBA in place and implemented.
	Human Resource provisions are adequately resourced and staff are well trained and informed.	"Staff retention. Service Standards achieved."	Quartry JCC meetings held
	Retain appropriately qualified and skilled staff to deliver services across all teams.	Fully complemented workforce.	Challenges in filling certain roles
	Staff training framework is maintained and implemented.	Staff capability and skills.	Staff training database is utilised for all training acitivities
	Employment satisfaction survey undertaken twice per annum, and strategies to improve outcomes identified and implemented.	"Staff retention. Staff empowered."	Strategies and outcomes identified and implemented

1. LEADERSHIP & GOVERNANCE

Provide and maintain housing for senior staff.	100% senior staff positions filled.	A review of the housing for senior staff has been completed. Council released one house, with enough being held for the positions.
Asset Management System is maintained and Asset Management Plans implemented for all assets.	"100% compliant assets. Reduced long-term maintenance costs."	AMP for all infrastructure assets will be updated Q1 23-24
Construction plant is adequately resourced and maintained to meet requirements.	Plant availability and hire income maximised.	Procurement is 100% done as per replacement program. Waiting on delivery
Contract civil works for other agencies and funding programs.	"Increased revenue. Maximise use of resources."	Using external resources (contractor), works completed.
Stock control and procurement management standards maintained	Full Compliance.	Effective Stores maintained - Audit Compliant. Fuel bowser maintenance issues have arisen which may result in new bowsers being required

2. CORE SERVICES

PRIORITY	CORPORATE PLAN GOALS	DELIVERY ACTIONS	IMPACT	UPDATE & OUTPUTS	
2.1. DISASTERS	2.1.1. No loss of life or property, critical infrastructure is protected, and economic impacts are minimised from natural disasters.	MSC Disaster Management Plan is reviewed annually and implemented.	Risk management.	Disaster Management Plan is current.	
		SES is adequately funded and resources, training needs analysis undertaken, and training is conducted by the local controller.	SES teams are prepared and in state of readiness.	Regional Training coordinator and SES Regional coordinator position now established in Charleville. Working relationship established.	
		Flood mitigation maintenance of river channels in/around Charleville and Cool Burning Program.		Received funding from QRA and work in progress .	
2.2. PUBLIC LANDS	2.2.1. Stock routes are well maintained for stock movement and regulated use.	Prepare updated Stock Route Management Plan, in conjunction with the Biosecurity Management Plan.	"Full compliance. Improved standards."	Biosecurity & Stock Route Management Plan adopted in February 2023	
		2.2.2. Town reserves and public lands are well maintained for community access and recreational use.	Stock routes maintained and improved for stock movements, and compliance with local laws and regulations enforced for users and adjacent landholders.	Full Compliance.	Due to the prevailing weather conditions, Reserves are low on fodder, with the Rodeo paddock destocked. Concerns for the Augathella Reserve, due to lack of fodder.
		2.2.3. All public lands are actively managed to support riverine and ecosystem health and landscape connectivity.	Continue Replacement Program of solar and water point upgrades for Stock Routes, with funding from Stock Routes Queensland.	Reduced maintenance costs	Capital upgrades completed at the end of June. Five new installation completed.

2. CORE SERVICES

		Town Reserves and riverine areas maintained and hazards reduced. Continue clean up of river channels in/around town as part of flood mitigation. Continue cool burning program.	Hazard and safety impacts minimised.	Spraying of reserves in Morven and Augathella for invasive plant species - Mother of Millions, Parthenium, Harrisia Cactus, Hudson Pear	
2.3.	BIOSECURITY	2.3.1. Stakeholders are informed, knowledgeable and committed to implementing effective and strategic biosecurity management of existing infestations and prevent the introduction, establishment and spread of new weeds and pest animals.	Prepare updated Biosecurity Management Plan, in conjunction with the Stock Route Management Plan.	"Full compliance. Improved standards."	Biosecurity & Stock Route Management Plan adopted in February 2023
			Active management of pest animals in the shire, conducting two Shire-wide coordinated baiting campaigns.	"Minimise impact of pests. Improve sustainable Agriculture."	Planning & preparation for November baiting campaign is completed. Program to commence Monday 13 November with 4400kg of meat being treated for 34 (14%) landholders
			Pursue funding and resourcing opportunities and cost share arrangements for implementation of biosecurity responsibilities and actions.	"Improved implementation. Cost recovery."	Spraying of pest plants in the Cooladdi area - partnership with Southern Queensland Landscapes and Department of Resources
2.4.	ROADS	2.4.1. Road and street infrastructure investment is strategic and effective to accomplish maintenance priorities and development opportunities.	Road and street infrastructure maintenance works carried out according to the works program schedule.	"Improved safety. Cost efficiencies."	Received funding from QRA and work in progress .
			Road and street infrastructure improvement works carried out according to the works program schedule.	"Improved standards. Improved safety."	On going
			Rural Roads upgrade works conducted.	"Improved standards. Improved safety."	Awarded a contract to local contractor, works completed.
			Town Streets upgrades and reseal works conducted.	"Improved standards. Improved safety."	On going
			Bridge structures inspected and assessed on annual basis and event based as required.	"Improved standards. Improved safety."	Inspected based on event basis.
			Culverts and Floodways upgrade works conducted.	"Improved standards. Improved safety."	On going
			Kerb and Channel upgrade works conducted.	"Improved standards. Improved safety."	On going
			Footpaths works conducted.	"Improved standards. Improved safety."	On going
			Levee Bank inspections and annual maintenance works conducted.	"Improved standards. Improved safety."	Received Federal grant and tender document preparation in progress.

2. CORE SERVICES

		New Charleville Weighbridge for public access.	Support local business and industry.	Received quotations. Access road design in progress.
		Prepare policy relating to resource cost share investment for private benefit infrastructure.	Cost share equality.	In consultation with relevant officers
2.5. WASTE	2.5.1. Refuse removal and disposal services provide the highest standard of quality and efficiency and for human and environmental health.	Residential waste collection services maintained with minimal disruptions.	Health and safety.	Ongoing service standards maintained.
	2.5.2. All recoverable resources are diverted from landfill.	Redesigning of Charleville Waste Facility to provide recycling opportunities. Ongoing collaboration with Government for enhancing waste management, recycling and regional processing initiatives	Environmental Health.	Ongoing discussions with all levels of government.
	2.5.3. Community is encouraged and supported to reduce waste, reuse, and recycle.	Award of new tender for landfill operation and maintenance.	Improved waste management facility condition.	Contract Awarded, Operation and Maintenance underway. Test Pit Program has been valuable, showing a considerable amount of clean ground - extending life of site for another possible 15 years.
		Landfill operation and maintenance.	Improved waste management facility condition.	Significant site rehabilitation has occurred. Tip access is altered, new green waste separation is underway, 400 tonne of scrap metal recycled this year.
		Regularly monitoring contractor compliance, performance -curb side collection.	Health and safety.	Curb-side collection services maintained
		Education and communication to the community about the Charleville waste facility upgrades, and recycling programs in the Bi-monthly newsletter and social media.	"Environmental Health. Health and safety."	New signage installed. Numerous educational articles regarding waste management, and tip layout have been draft by Proterra and Cornerstone Sustainability and included in the Community Newsletter.
2.6. WATER AND SANITATION	2.6.1. Water supply and storages are managed to achieve the highest standard of quality, efficiency, delivery, and sustainability.	Storage and supply of urban water maintained, monitoring and inspection schedule conducted of reservoirs, mains and services, and repaired and replaced where required.	"Full Compliance. Health and safety."	Inspected in ground tank, repair the roof, building a chlorine system shed.
	2.6.2. Sewerage treatment and water re-use supply are managed to achieve the highest standard of quality, efficiency, and delivery for human and environmental health.	Upgrade water mains in Morven.	Health and safety.	Completed
	2.6.3. Public access to potable water and sanitation.	Water supply monitoring schedule conducted with testing and treatment levels maintained across major towns.	Full compliance.	Bladder cover fixed, but in poor condition for only 2-3 years old. Sampling continuing. Inline chlorination being installed.

2. CORE SERVICES

Sewerage treatment plant and ponds operating to standard, monitoring and testing schedule conducted and action plan implemented.	Full Compliance.	Tenders preparation in progress
Sewerage reticulation operating efficiently, monitoring and inspection schedule conducted of pump stations, mains and services, and repaired and replaced where required.	Full Compliance.	On going
Upgrade pump stations and mains as per Asset Management Plan.		On going as required

3. COMMUNITY WELLBEING

PRIORITY	CORPORATE PLAN GOALS	DELIVERY ACTIONS	IMPACT	UPDATE & OUTPUTS
3.1. HEALTH AND WELLBEING	3.1.1. Health and wellbeing services and facilities meet community needs and expectations.	Compliance health services maintained for licensed premises, pest control and inspections.	100% compliant premises.	During Q3 and Q4 significant Food Licencing Compliance work has been undertake in the area of Mobile Food licencing. Information sent to all registered food businesses advising 8 December 2023 is the commencement date of new requirements. Copy of all records provided to assist business owners to be compliant.
		Compliance services maintained for keeping and control of animals, including wild dogs.	"Less dog attacks. Reduced community complaints."	Updated SPER codes have been finalised. Council may implement a systematic inspection program 2024.
		Resource and staff immunisation clinics for childhood and other vaccination programs.	100% childhood immunisation.	Service provision continues
		Aged care facilities maintained and operated to a high standard of safety and reflect community expectations.	"Standards maintained. Compliance."	Delta Court termite Issues being addressed. New Ramps required for Alfred St Units, currently scoping up cost for 23-24 Budget. Half-Yearly condition inspections are being conducted during April.
		Maintain service levels and resource libraries in Augathella, Charleville and Morven, and implement initiatives where applicable.	"Increased library use. Increased education under 5."	Staffing levels maintained. Service levels maintained. First 5 continuing. Interest from some people to coordinate regular sessions in Augathella and Morven.
		Arts and culture projects are developed and completed, with two rounds advertised, assessed and delivered in accordance with funding guidelines and Council policy.	Contribute to arts and culture profile.	RADF applications continue to be received.
		Operate the Art Gallery in Charleville, with the Charleville Art Gallery Committee, to coordinate exhibitions and displays.	Contribute to arts and culture profile.	Calendar finalised with only 2 small windows for short exhibitions left. Some of this time may be used to repaint gallery walls.

3. COMMUNITY WELLBEING

		Public Art concepts are considered when presented to council.	Contribute to arts and culture profile.	Ongoing, with Public Art concepts encouraged.
		Community Assistance 2022-23 is offered to community organisations for sponsorship and fee waivers.	Community assistance support.	Ongoing, with in-kind assistance scheduled as required.
		In partnership with Progress Associations, promote, assess applications and distribute funds collected from Donation Boxes to worthy causes in line with Council policy.	Community assistance support.	Ongoing, although requests have been received for council financial assistance when they could have easily been funded from honesty box.
		Maintain and enhance all parks for continued public use and enjoyment.	Increased utilisation.	On going
		Graham Andrews Park new toilet block.	Increased utilisation.	Completed.
		Maintain and enhance sporting facilities and showgrounds to a safe standard for continued public use and enjoyment.	Increased utilisation.	Maintenance - on going
		Upgrade Racecourse in conjunction with Queensland Racing to improve facilities.	"Standards maintained. Increased utilisation."	Quotation received. Work in progress.
		Maintain and enhance the pool condition and operation to a high level of health and safety and reflect community expectations.	"Safety. Standards maintained. Increased utilisation."	Pool operating as per contract. New filters will be required before next season. They are at end of life and losing filter material into the pool.
		Upgrade Swimming Pool infrastructure, including replacement/upgrade of the Toddler Pool.	Increased utilisation.	Almost ready to tender for construction of toddler pool and shade covers.
		Public halls, cultural centre and medical practitioners facilities maintained, with upgrades to Augathella and Morven Halls completed in conjunction with Progress Associations.	Increased utilisation.	Electrical repairs and maintenance activities have been undertaken at Racecourse Stables and Made In Murweh Shop.
		Community housing are maintained and upgraded to an acceptable standard.	Standards maintained.	Re-roofing of Duplex to commence in May.
		Cemeteries maintained and enhanced to a high standard and reflect community expectations.	Standards maintained.	Work in progress
		Charleville Lawn cemetery beams upgrade.	Improved services.	Work in progress and will be completed in Q1 23-24
3.2. SOCIAL PROTECTION	3.2.1. Safety and protection strategies meet community needs and expectations.	Installation of street lighting and cameras for public safety.	Improved public safety.	95% complete

3. COMMUNITY WELLBEING

3.3. EDUCATION	3.3.1. The education needs of the community are represented and pursued.			
3.4. CONNECTION TO COUNTRY	3.4.1. Preservation and recognition of the traditions and cultures of Aboriginal people and their ongoing custodianship of country.	Community liaison with Traditional Owners to support a collaborative, inclusive and respectful relationship. Negotiate Land Tenure relating to Native Title Freehold, protecting Council interests and land management outcomes with respects to cultural heritage.	Improved relationships.	Planning has commenced for NAIDOC week 2023. Surveying to be completed in April/May.

4. EMPOWERED FUTURE

PRIORITY	CORPORATE PLAN GOALS	DELIVERY ACTIONS	IMPACT	UPDATE & OUTPUTS
4.1. GROWTH	4.1.1. Encourage and facilitate targeted population retention and growth, underpinned by liveability and employment opportunities.	Industrial and residential land is developed (as per industrial land below).	Provide for housing development.	Survey Plan for new housing estate to be undertaken in Q4 and Q1 of 23-24
4.2. INDUSTRY	4.2.1. Facilitate certainty and security, underpinned by industry diversity, resilience, and capability.	Planning and building certification services maintained, and development approvals in accordance with regulatory frameworks.	Non compliance issues minimised.	On going
		Regular compliance inspections conducted, and building approvals in accordance with regulatory frameworks.	Non compliance issues minimised.	On going
		In partnership with DSDTI and SWQROC pursue Economic Development Strategies for Murweh Shire that respond to economic drivers and opportunities and guides development.	Economic growth.	Ongoing coordination and strategic cooperation
		Economic Development Officer pursues economic development opportunities, grants and private investment, and support community organisation pursuits and capacity.	Economic growth.	Ongoing applications and cooperation with regional bodies
		Active representation and partnerships with strategic organisations including LGAQ, South West Regional Organisation of Councils (SWROC), and Western Queensland Alliance, and links with Government Departments in relation to emerging trends, economic development outcomes and prospects and tourism.	Economic growth.	Ongoing cooperation and strategic collaboration

4. EMPOWERED FUTURE

Promote campaigns to support local businesses throughout the Shire.	Support local business and industry.	Working with the Commissioner for Small Business and organising regular small business get togethers
Industrial land is developed, available and released for sale in the three communities. Resolve land tenure matters with NRME to free up land for development.	Support local business and industry.	Site survey to be completed in May.
Develop a Tourism Strategy that identifies key drivers and opportunities and guides strategies for tourism market development and value return to the community.		ongoing
Proactively encourage and support other organisations to pursue tourism ventures and products.	Contribute to tourism profile.	Website completed and live. Onboarded 3 new tours/ attractions. Work with potential tourism operators ongoing.
Continued support, development and promotion of the Cosmos Centre.	"Increased visitors. Increased sales."	LRCIP funding allocated for repainting, new flooring and airconditioning. Working with astronomy clubs, planetarium associations and other industry groups to improve offerings.
Maintain service levels and resources for Visitor Information Centres in the three communities.	"Increased visitors. Increased sales."	Continuous improvements being put into place. Charleville Visitor Centre accreditation successful. Accessible Audio Guide being developed for Charleville VIC.
"Charleville VIC renovations completed, including flooring and painting. Project: Works for Queensland \$65,000."	"Safety and compliance standards. Increased utilisation."	QR has maintenance plan in place. Expected to commence in first quarter 2024.
Operate the Bilby Centre in partnership with the Save the Bilby Fund.	Contribute to tourism profile.	Ongoing
"Charleville Airfield Museum is established in partnership with the Charleville Airfield Committee to oversee the build. Project: Building Better Regions Fund for build."	Contribute to tourism profile.	Complete. Working on opening.
Complete the internal fit out of the Augathella Heritage Museum project.		Completed.
Stage 2 completed for Brisbane Line Interpretive building and WWII Interpretive display.	Contribute to tourism profile.	Completed.

4. EMPOWERED FUTURE

		Tourism Precinct continued development from the Tourism Precinct Strategy, in collaboration with Universities. Including the new Outback Museum of Australia.	Contribute to tourism profile.	In progress and on track for completion June 2024
4.3. SUPPLY CHAIN AND SERVICES	4.3.1. Supply chain infrastructure and service meet current and future industry needs and community expectations.	Maintain service levels, staffing and resourcing of aerodromes to accommodate regional passenger airlines in Charleville and sealed light aircraft aerodromes in Augathella.	"High service levels. Increased utilisation."	Staffing levels have been maintained at necessary levels.
		Upgrade the RFDS apron and surrounds, runway and maintenance works, seeking funding from the Remote Airports Program and Local Roads and Community Infrastructure Program.	Safety and compliance standards.	Crack Sealing and reinforcement of pavements and aprones continues.
		Upgrade the main apron including hard stand for aircraft parking, seeking funding from the Remote Airports Program and Building our Regions program.	Safety and compliance standards.	Crack Sealing and reinforcement of pavements and aprones continues.
		Café in the Mulga at the Charleville Airport Terminal is achieving business goals and adequately staffed.	"Service and utilisation of airport facilities. Financial viable business."	Staff levels are being maintained.
		Completion of the Freight Hub project in Morven with the bore installed and commissioned.	Service and utilisation of Freight Hub facilities.	Project complete, final acquittals complete. Repairs to water tank and truck wash hoses complete
		"Finalise rollout of 5 new towers and high speed internet capacity."	Improved mobile and data coverage, accessibility and speeds.	Completed
		Free visitor Wi-Fi access is available in the communities and CCTV camera coverage is extended.	Improved data accessibility.	95% complete
		Radio and television rebroadcast facilities available in communities. Seek funding for VAST at Augathella.	Improved Rebroadcast accessibility.	Installation of VAST in Augathella nearing completion.
4.4. CIRCULAR ECONOMY	4.4.1. Encourage adoption of circular economy principles and practices.			
4.5. ALTERNATIVE ENERGY	4.5.1. Visionary and encouraging approach to enhance alternative energy.	Solar power sources connected to Council building.	Reduced energy costs.	Ongoing
		Actively seek opportunities for alternative energy supply initiatives.	"Reduce emissions. Increase climate resilience."	Ongoing

4. EMPOWERED FUTURE

4.6. CLIMATE CHANGE	4.6.1. Encourage holistic and integrated approaches to climate change action and markets.	Partner to the Climate Resilient Communities Program and pursue opportunities for climate change initiatives.	"Reduce emissions. Increase climate resilience."	Ongoing
		Representation and partnerships with South West Regional Organisation of Councils (SWROC), LGAQ and Western Queensland Alliance in relation to economic outcomes and prospects and tourism.		Ongoing
4.7. LANDSCAPES	4.7.1. Embrace the unique landscape, and its ecosystems.	Support Bilby recovery through arrangements with the Bilby Centre in partnership with the Save the Bilby Fund.	Contribute to biodiversity recovery.	Ongoing partnership and look into putting a contract in place with STBF. Bilby shows running 6 days a week.
		Investigate opportunities to improve Biodiversity management with participation in Biodiversity and Carbon credit trading programs.	"Improved biodiversity. Leveraged resources."	Biosecurity & Stock Route Management Plan adopted in February 2023 outlines opportunities for biodiversity management practices.



1924
SCHOOL OF ARTS

CHARLEY



FROM
1908
TO 2010

MORVEN
HOME OF
THE DOGLINE



LE. TOWN H

AUGATHELLA
MEAT AND CAPITAL

AUGATHELLA
MEAT AND CAPITAL



SHIRE OF MURWEH



SHIRE OF MURWEH
MURVEH - CHARLEVILLE - AUGATHELLA

Section 3 Year in Review

Tourism

In March 2023, Stage 2 of the WWII Secret Base was completed. This stage focused on enhancing the visitor experience and expanding the narrative of Charleville's unique role during WWII. The new additions to the Base include interactive exhibits, personal accounts, and a range of artifacts that provide a deeper understanding of the daily life and challenges faced by those stationed here.

In 2023, the Visitor Information Centre focused on showcasing local products. This was highly successful, with these items being exceptionally popular among visitors, often selling out as quickly as they were stocked.

The Big Base Party, hosted in conjunction with Queensland Music Trails, drew a crowd who enjoyed the unique experience. Among guests were travellers following the music trail, as well as a number of local residents. The event was fantastic for the local community and created increased interest in the Base, coinciding with the completion of stage two.

The Experience Charleville website underwent a significant redevelopment to enhance user accessibility and effectiveness. This led to a surge in website traffic, and an increase in online bookings.

The tourism department attended the Southwest Careers Expo, along with representatives from the Queensland Tourism Industry Council (QTIC). This platform allowed us to showcase the array of career opportunities available in the tourism sector. The event was well attended and drew a range of schools and participants from neighbouring shires.

On 20th and 21st February, the entire Tourism Department participated in a Savannah Guide training workshop. This experience was an excellent opportunity for team building, enhancing collaboration across the department. The workshop also contributed to the enhancement of our tour programs and provided valuable feedback to both our coordinators and tour guides.

The tourism team visited Morven and Augathella to improve their knowledge of attractions and services available in each town. This initiative not only broadened their knowledge, improving customer experience, but contributed to our team building efforts.

Experience Charleville received Best of Queensland experience recognition for the Charleville Bilby Experience, Cosmos Centre, and WWII Secret Base & Tour. The Best of Queensland Experiences program was developed in partnership with Regional Tourism Organisations, the Queensland Tourism Industry Council and the Department of Tourism, Innovation and Sport and is designed to identify and recognise experiences that best bring

the Queensland story to life and deliver exceptional customer experiences. The program is an independent set of criteria that incorporates online customer reviews, responds to customer expectations, and reflects industry best practice. Operators who are identified as a Best of Queensland experience:

- Best of Queensland experiences are included in Tourism and Events Queensland's preferred operator database.
- Best of Queensland experiences receive prioritisation across all Tourism and Events Queensland marketing and activity including on Queensland.com
- Best of Queensland experiences receive a stamp of recognition that operators can use in their own marketing channels and Tourism Events Queensland will display the stamp through Australian Tourism Data Warehouse listings on Queensland.com

Langlo Cemetery Revitalisation: In an effort to honour and preserve our local history, the Council, in collaboration with Jane Wilson of Outback Grave Markers and Nancye Shrapnel from Ambathala Station, successfully completed the initial stage of the Langlo Cemetery revitalisation project. With the assistance of the Workcamp, this project was completed on 30th May 2023 and marks a milestone in our commitment to maintaining and enhancing our local history sites.

Libraries and Art Gallery

The libraries have undergone refurbishment and continue to improve the services offered. The First 5 Forever program has been expanded and now includes regular sessions in Augathella and Morven. The dedicated library staff have arranged presentations from popular Australian authors, and continue to come up with ways to make libraries 'fun'.

The Art gallery has had a very successful year with some excellent local exhibitions and plans are in place to host the Qld Regional Art Awards once again in 2024. The local Art group has gone from strength to strength with exhibitions such as 3 friends (three local artists joined up to put on their first exhibition), with the Masters, and 50 shades of black and white in (conjunction with mental health week) scheduled for the near future. It is also serving as an excellent venue for artistic/cultural workshops and meet & greets.

Council has partnered with other agencies to co-host events as part of NAIDOC week, R U OK day, and the Annual 'Self-care, we care, multicultural' festival.



Animal Control

Council implemented a systematic authorised inspection program for the keeping of dogs within the town area. This program provided residents with updated information regarding keeping of animals within an urban area, as well as Council receiving feedback on a number of impediments that community members experience when registering their animals.

New dog registrations	116
Excess dog applications received	12
SPER tickets issued	48
Non-compliant documents issued	9

As a learning from the program, Council has improved its protocols regarding the keeping of more than two dogs per urban residence. However applicants must go through an approval process prior to a permit being granted. New 'Life time' dog registrations ceased as at 30 June 2023, although this dog registration category will be honoured by Council over the next ten years.

Stock Route

Council in collaboration with key stakeholders have approved a new Bio-Security and Stock Route Management Plan 2023-2027. This plan can be accessed via Council's web site .

The objective of this plan is to prevent and reduce the economic, environmental and social impacts of diseases, contaminants, weeds and pests within the region through:

- Council demonstrates leadership and responsibility and provides strategic direction and information for the community to manage biosecurity risks and impacts.
- Prevent the establishment of new weeds and pests and minimise the spread of current priority weeds and pests against the 2023 mapped extent.
- High value areas and high risk areas are managed for biosecurity risks.
- Council maintains capacity to manage stock routes, road reserves, town reserves and public lands.
- Rural industry biosecurity protection measures and management programs are supported.

Council has received funding of \$234,365.00 from Department of Resources to upgrade five stock route water facilities on the primary stock route. The facilities received a new tank, stock troughs and aprons, solar panels, pumps and fencing – Upgraded Water Facilities included Victoria, Auga Clara, Brunel, Clara Creek and Cunalama. These upgrades are in line with Council's Bio-

Security and Stock Route Management Plan to upgrade water facilities with solar. These upgraded facilities will provide better water for travelling stock.

Feral Animal Control

In partnership with landholders, Council conducted two successful baiting programs over the past twelve months which included aerial delivery October 2022 and June 2023. The next coordinated program is scheduled for November 2023.

Control of noxious weed

Weed spraying is undertaken with an annual program, two full time employees together with a contractor undertaking works on the State controlled roads. Target weeds have been, Mother of Millions (Cooladdi and Augathella infestations), Mimosa, Hudson Pear with much of this work being undertaken in collaboration with Southern Queensland Landscapes.

Aerodromes

Charleville and Augathella airports have had an obstacle limitation surfaces report completed, which provides Council with guidance on the type of obstacles that have the potential to interfere with flight paths and the need to mitigate these items.

Over the twelve month period, 10,000 passengers have used the Charleville terminal which is an increase in numbers from the previous year. However, it is noted that these numbers are approximately 6,000 less than prior years. It is pleasing to note these numbers are still increasing, and with extra tourism flights has the potential continually rise. Council has been lobbying Government for extra flights into Charleville.

The Morven airfield has not been operational over the past twelve months, however Council will be grassing the runway and it will be available for small planes to land.

Charleville Waste Facility

Since October 2022, the transformation of the Charleville Waste facility is major. The site has been extensively cleared, with recycled matter going into respective areas, residual waste buried, tyres collated for future processing and green waste placed in monthly piles for ease of management and reduce known risks.

A test pit program has been completed, providing mapping of where waste has been buried previously as well as providing

information on the expected life of the site. This will be an invaluable resource for future planning of the site.

The Murweh Shire Council Safety Management System has been maintained, and an audit undertaken against workplace targets.

To Demonstrate compliance, and continuous improvement and provide overall actions for reducing the risk of workplace injury, illness, and disease, Murweh Shire Council is in the process of purchasing and installing an updated digital Safety Management System Platform called Safety Champion.

Workplace Health and Safety (WHS)

WHS Audit non-con-conformances that have been actioned:

- Developed and in the process of populating our Risk Register
- Provided Incident Risk Training to Employees
- Conducted regular Fire Evacuation Drills
- Conducted regular Hazard Inspections
- Implemented and monitored our Rectification Action Plan from Hazard Inspections
- Conducted regular WH&S Committee Meetings
- Staff Noise Hearing Testing

WHS ongoing non-conformances that are still in the process of completion:

- Accommodating the need for Numeracy and literacy Deficiencies (Installation of a new Safety Management System)
- WHS Specifications in Procurement Policy
- Due Diligence Training for Senior Management and Supervisors
- Risk/Hazard Training for Supervisors and Staff
- Obligations and Responsibilities Training for Supervisors and Staff

WHS commitment to the Health and Wellbeing of Staff that have been actioned:

- Asbestos Swabbing and Air Monitoring Exposure Rate in old buildings conducted by an Industrial Hygienist
- Silica Respirable Dust Air Monitoring Exposure for staff conducted by an Industrial Hygienist

On an overall review of WHS accomplishments this past year, we are continuously striving to improve, comply, and implement better systems of Workplace Health and Safety.

New tank



New trough design



Revert to solar power to pump water



Economic Development

Economic Development continues to be an important part of Council business and operational functions. It focuses on the Shire's well-being and future sustainability, securing support and funding for projects that help our communities to stay healthy, feel safe and to grow while providing infrastructure and facilities to attract investment, employment, and exports for the shire.

The 2022 -2023 financial year has seen substantial growth in tourism infrastructure, data connectivity, community health, safety, and industrial capacity. They are major projects that could not be delivered without financial assistance from State and Federal Governments. Major projects embarked on, and some completed during the financial year include: -

Tourism

- Completion of the Augathella Experience building and content
- Completion of the new Charleville Airfield museum
- Completion of the Charleville WWII Secret Base and RSL section
- Commencement of the new Outback Museum of Australia at the tourism precinct
- Ongoing maintenance of free public WiFi
- Earth Check Environmental Sustainable Destination Certification

Community Safety

- Distribution and monitoring of cameras around Charleville at strategic points
- Funding for SES infrastructure in preparedness for any regional disasters

Community Health

- Funding for a new Charleville Sewage Treatment Plant to

increase capacity for future growth and increased tourism

- Funding for a new Common Effluent Distribution system in Augathella to replace ageing infrastructure and to prepare for future increase in capacity

Data Connectivity

- The installation and connection of data fibre cable to households in Augathella and Morven for faster internet speeds

Industrial Capacity

- Acquired land to be developed in Augathella







Section 4
Community
Financial
Report
2022-2023

Community Financial Report

(Section 184 Local Government Regulation 2012)

The community financial report aims to simplify Council's official financial statements by providing a visual representation of our financial performance for the period 1 July 2022 to 30 June 2023.

Each report in Council's financial statements provides information on a specific aspect of our financial performance, with the statements collectively providing a profile of the financial performance and wealth of Council.

This community financial report consists of four key statements:

1. Statement of Comprehensive Income

which measures how Council performed in relation to income and expenses during the financial year. This statement illustrates how money received from Council operations is spent.

Council achieved a net result of \$ 3.3 million compared with 2021-22 of \$ 1.4 million. The increase in net result is largely due to 100% receipt of the Financial Assistance Grants (FAGs) and an increase of \$747,000 in capital grants attributable to the delivery of the tourism precinct.

There was an increase in both employee benefits and materials and services due to staffing at the tourism facilities, enterprise bargaining agreement and Mitchell highway recoverable works including inflationary cost increase.

Revenue	2022-2023 \$'000	2021-2022 \$'000
Rates, Levies and Charges	6,947	6,852
Fees and Other Income	3,135	2,789
Interest & Investment Revenue	404	123
Grants & Contributions - Operating	20,831	13,615
Sales & Recoverable Works	5,773	4,659
Total Revenue	37,090	28,038
Expenses		
Employee Benefits	8,910	8,421
Materials and Services	22,643	16,239
Finance Costs	216	265
Depreciation and Amortisation	7,277	7,091
Total Expenses	39,046	32,016
Operating Surplus/(Deficit)	(1,956)	(3,978)
Capital Grant/Other Capital Income	6,014	5,267
Capital Expenses	790	85
Net Result	3,268	1,374

Revenue Sources

- Where does our money come from?

Throughout the 2022-23 financial year Council earned \$ 37.0 million in operating revenues.

The most significant contributors to revenue include

Operational grants, subsidies contributions and donations	\$20.8 million
Rates, levies and utility charges	\$6.9 million
Recoverable works	\$5.8 million

56% of total revenue comes from operating grants and subsidies which includes the Financial Assistance Grants of \$13.6 million.

Operating Expenses

- Where does our money go?

Council incurs operating expenses in the provision of goods and services to our community.

Key operating expenses during the 2022-23 financial year were:

Employee benefits	\$8.9 million (22.8%)
Materials and services	\$22.6 million (58.0%)
Depreciation and amortisation	\$7.3 million (18.6%)

2. Statement of Financial Position

Position measures what we own (our assets), what we owe (our debts) and our net worth at the end of the financial year 30 June 2023.

Total Assets – What we own

The major components of our assets include:

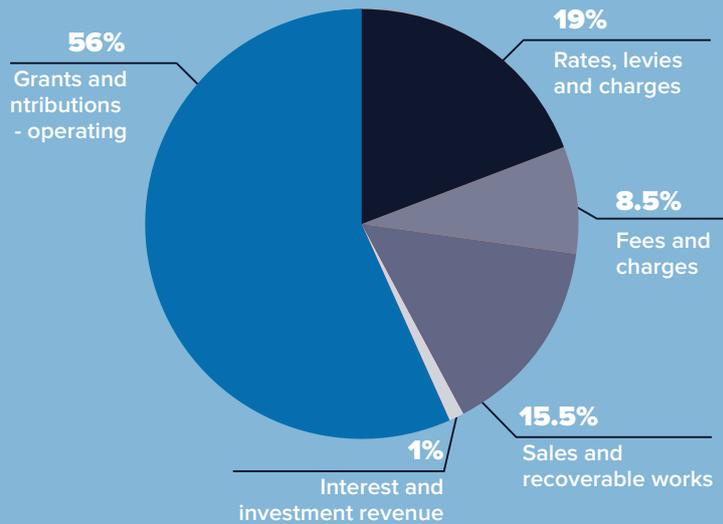
Property, plant and equipment	\$404.9 million
Cash	\$12.8 million
Trade and other receivables & inventories	\$3.7 million

Total Liabilities – What we owe

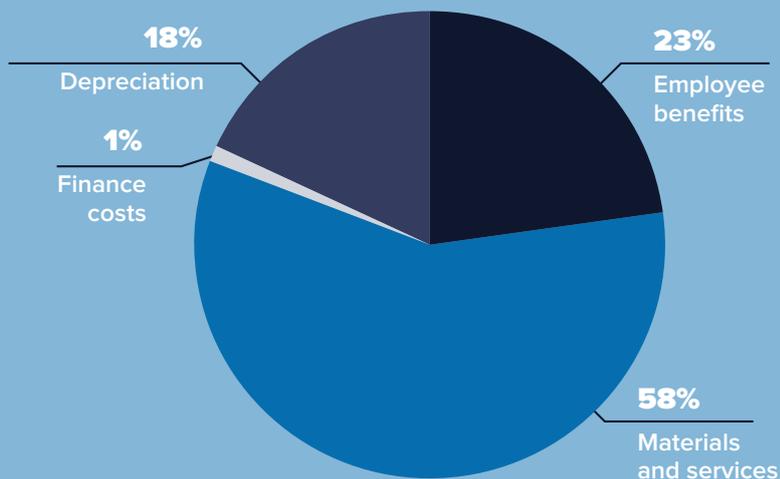
The major components of our liabilities include:

Loans	\$3.6 million
Trade & other payables	\$ 3.3 million
Provisions	\$4.05 million
Contract liability	\$2.7 million

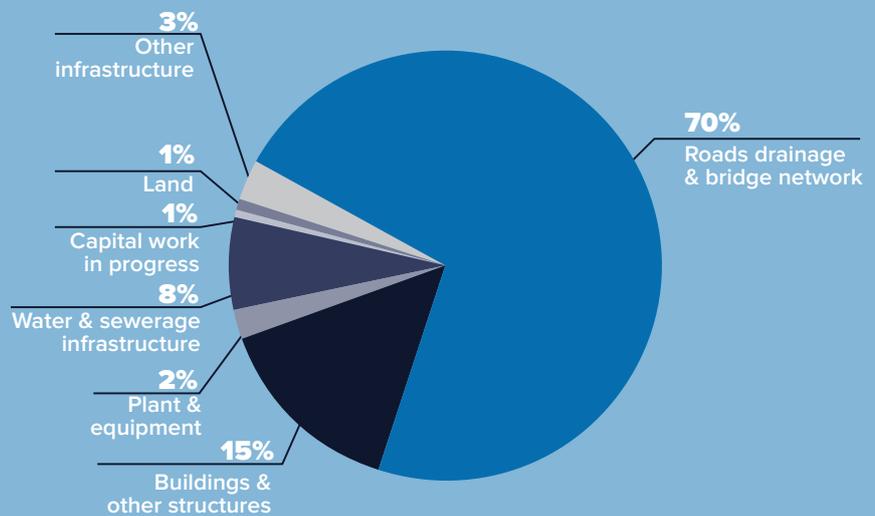
Operating Revenue



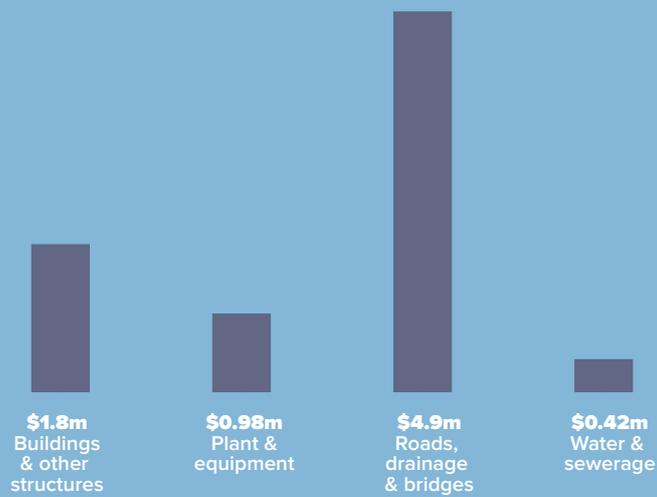
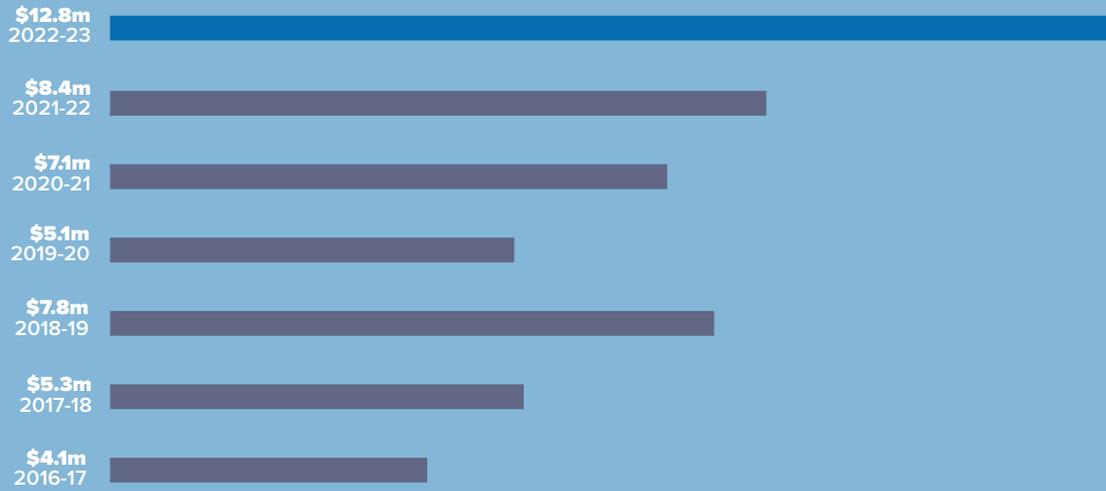
Operating Expenses



Property Plant & Equipment



Cash Balance



Capital Works Completed

During the financial year, total borrowings paid to Queensland Treasury Corporation were \$188,000.

As shown in the graph on page 42, road network assets represents 70 % of Council's total assets followed by water and sewerage of 8%.

3. Statement of Changes in Equity

The statement of changes in equity measures the changes in our net wealth and shows the movements in our retained earnings and asset revaluation surplus. In the 2022-23 financial year council's net worth decreased by \$ 17.9 million, mostly attributable to the comprehensive valuation of roads infrastructure.

4. Statement of Cash Flows

This statement outlines how much cash we received and spent throughout the year. The closing balance reflects how much cash Council had at year end.

The table below shows a comparison of how much we received and paid in each type of activities between 2022-23 and 2021-22 financial years.

Cashflow Summary	2022-2023 \$'000	2021-2022 \$'000
Opening Cash Balance	8,419	7,130
Net Cashflow from Operating Activities	3,037	3,705
Net Cashflow from Investing Activities	540	(2,146)
Net Cashflow from Financing Activities	810	(270)
Closing Cash Balance	12,806	8,419

As shown in the graph on page 43, Council's cash position in 2022-23 have increased by \$ 4.4 million compared to that of prior year.

During the financial year 2022-23, Council have completed capital projects to the value of \$8.1 million. These include:

Road capital projects totalling	\$4.8 million
Water and sewerage projects	\$425,000
Buildings and other structures	\$1.8 million
Replacement of plant and equipment	\$982,000

Council was able to deliver these projects with funding assistance received from Commonwealth and State

governments. In 2022-23, Council recorded capital grants of \$ 6.01 million.

Financial sustainability ratios

Operating surplus ratio

Indicates the extent to which operational revenues raised cover operating expenses.

Target: between 0% and 10%

The ratio for 2022-2023 is a negative 5.3% which is outside of the target range

Asset sustainability ratio

Indicates the extent to which assets are being replaced as they reach the end of their useful lives.

Target: greater than 90%

The ratio for 2022-2023 is 74%.

Net financial liabilities

Ratio indicates the extent to which operating revenue can cover net financial liabilities.

Target: not greater than 60%

Council has a negative 10.8% ratio, which means that Council has the ability to increase its loan borrowing. In the case of this particular ratio, a negative ratio is a strength.





Section 5
Audited
Financial
Statements
2022-2023



COOLADDI

Murweh Shire Council

Financial statements

For the year ended 30 June 2023

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Statement of Comprehensive Income

for the year ended 30 June 2023

	Note	2023 \$ 000's	2022 \$ 000's
Income			
Revenue			
Recurrent revenue			
Rates, levies and charges	3(a)	6,947	6,852
Fees and charges	3(b)	3,135	2,789
Interest received		277	82
Sales revenue	3(c)	5,773	4,659
Other income		127	41
Grants, subsidies, contributions and donations	4(a)	20,831	13,615
Total recurrent revenue		37,090	28,038
Capital revenue			
Grants, subsidies, contributions and donations	4(b)	6,014	5,267
Total revenue		43,104	33,305
Total income		43,104	33,305
Expenses			
Recurrent expenses			
Employee benefits	6	(8,910)	(8,421)
Materials and services	7	(22,643)	(16,239)
Finance costs		(216)	(265)
Depreciation and amortisation			
Property, plant and equipment	10	(7,275)	(7,068)
Right of use assets	16	(2)	(23)
		(39,046)	(32,016)
Capital income/(expenses)	5	(790)	85
Total expenses		(39,836)	(31,930)
Net Result		3,268	1,374
Other comprehensive income			
Other comprehensive income items that will not be reclassified to net result			
Increase/(decrease) in asset revaluation surplus	17	(21,250)	20,109
Total other comprehensive income for the year		(21,250)	20,109
Total comprehensive income for the year		(17,982)	21,484

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

Statement of Financial Position

as at 30 June 2023

	Note	2023 \$ 000's	2022 \$ 000's
Current assets			
Cash and cash equivalents	8	12,806	8,419
Trade and other receivables	9	1,400	1,198
Contract assets	15	2,353	2,103
Inventories	26	854	877
Other assets		253	231
Total current assets		17,666	12,829
Non-current assets			
Property, plant and equipment	10	401,739	422,424
Work in Progress	10	3,259	3,333
Right-of-Use Assets	16	-	2
Total non-current assets		404,998	425,759
Total assets		422,664	438,587
Current liabilities			
Trade and other payables	12	3,317	3,391
Borrowings	13	213	191
Provisions	14	1,095	1,142
Contract liabilities	15	2,670	2,077
Lease liabilities	16	-	2
Total current liabilities		7,295	6,803
Non-current liabilities			
Borrowings	13	3,420	2,630
Provisions	14	2,963	2,186
Total non-current liabilities		6,383	4,816
Total liabilities		13,678	11,620
Net community assets		408,986	426,968
Community equity			
Asset revaluation surplus	17	275,176	296,426
Retained surplus		133,810	130,542
Total community equity		408,986	426,968

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

Statement of Changes in Equity

for the year ended 30 June 2023

	Asset revaluation surplus	Retained surplus	Total
Note	\$ 000's	\$ 000's	\$ 000's
Balance as at 1 July 2022	296,426	130,542	426,968
Net result	-	3,268	3,268
Decrease in asset revaluation surplus	(21,250)	-	(21,250)
Total comprehensive income for the year	<u>(21,250)</u>	<u>3,268</u>	<u>(17,982)</u>
Balance as at 30 June 2023	<u>275,176</u>	<u>133,810</u>	<u>408,986</u>
Balance as at 1 July 2021	276,317	129,168	405,485
Net result		1,374	1,374
Other comprehensive income for the year			
Increase in asset revaluation surplus	20,109		20,109
Total comprehensive income for the year	<u>20,109</u>	<u>1,374</u>	<u>21,483</u>
Balance as at 30 June 2022	<u>296,426</u>	<u>130,542</u>	<u>426,968</u>

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

Statement of Cash Flows

for the year ended 30 June 2023

	Note	2023 \$ 000's	2022 \$ 000's
Cash flows from operating activities			
Receipts from customers		16,643	15,173
Payments to suppliers and employees		<u>(33,146)</u>	<u>(25,045)</u>
		(16,503)	(9,872)
Interest received		277	82
Finance costs		(217)	(120)
Non-capital grants and contributions		19,480	13,615
Net cash inflow from operating activities	21	<u>3,037</u>	<u>3,705</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(8,153)	(7,731)
Proceeds from sale of property, plant and equipment	5(a)	178	320
Capital grants, subsidies, contributions and donations		<u>8,515</u>	<u>5,267</u>
Net cash outflow from investing activities		<u>540</u>	<u>(2,146)</u>
Cash flows from financing activities			
Proceeds from borrowings	13	1,000	-
Repayment of borrowings	13	(188)	(247)
Repayments made on leases (principal only)	16	(2)	(23)
Net cash inflow/(outflow) from financing activities		<u>810</u>	<u>(270)</u>
Net increase in cash held		<u>4,387</u>	<u>1,289</u>
Cash and cash equivalents at beginning of the financial year		8,419	7,130
Cash and cash equivalents at end of the financial year	8	<u>12,806</u>	<u>8,419</u>

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

Notes to the financial statements

for the year ended 30 June 2023

1 Information about these financial statements

1.A Basis of preparation

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

These financial statements comply with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB). Council is a not-for-profit entity for financial reporting purposes and complies with Australian Accounting Standards 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.B Constitution

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

1.C Currency

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

1.D New and Revised Accounting Standards adopted during the year

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

1.E Standards issued by the AASB but 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. None of the standards are expected to have a significant impact for Council.

1.F Estimates and Judgements

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

Valuation and depreciation of property, plant and equipment - Note 10

Provisions - Note 14

Contingent liabilities - Note 18

Financial instruments and financial risk management - Note 23

Revenue recognition - Note 3

Notes to the financial statements

for the year ended 30 June 2023

1 Significant accounting policies (continued)

1.G Rounding and Comparatives

The financial statements are in Australian dollars and have been rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless otherwise stated.

Comparative information is generally restated for reclassifications, errors and changes in accounting policies unless permitted otherwise by transition rules in a new Accounting Standard/Comparative information is prepared on the same basis as prior year.

1.H Volunteer Services

Council currently do not have volunteer services that it receives.

1.I Taxation

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

Notes to the financial statements

for the year ended 30 June 2023

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 :

A Corporate Services

Corporate governance

The objective of corporate governance is for Council to be open, accountable, transparent and deliver value for money community outcomes. This is part of the Corporate Services function and includes strategic and operational planning, risk management, legal and administrative support. The Mayor, Councillors and Chief Executive Officer are included in corporate governance.

Finance and information

Finance and information provides professional finance and information services across all of Council. This function is a part of the Corporate Services function and includes internal audit, budget support, financial accounting and information technology services. The goal is to provide accurate, timely and appropriate information to support sound decision making and meet statutory obligations.

B Engineering Services

Includes construction and maintenance of shire and state controlled roads, stormwater drainage, footpaths, bicycle ways, other private works, street lighting, plant management, engineering development and design.

C Health / Environmental Services

The goal of Health and Environmental Services is to ensure Murweh is a healthy, vibrant, contemporary and connected community. Health and Environmental Services provides well managed and maintained community facilities and ensures the effective delivery of cultural, health, welfare, environmental and recreational services.

The goal of the waste management program is to protect and support our community and natural environment by sustainably managing refuse. The function provides refuse collection and disposal services, mosquito and other pest management programs.

The sub-functions include animal control, pest control, health regulation and compliance, immunisation, environmental monitoring, river management, parks and gardens maintenance, refuse collection and disposal, waste management, swimming pools, racecourse complex, halls and centres, showgrounds, cemeteries, public conveniences, and aged care housing management.

D Water and Sewerage Services

(i) Water Services

The goal of this program is to support a healthy, safe community through sustainable water services.

(ii) Sewerage Services

This function protects and supports the health of our community by sustainably managing sewerage infrastructure.

Notes to the financial statements

for the year ended 30 June 2023

- 2 Analysis of results by function (continued)
 (b) Income and expenses defined between recurring and capital are attributed to the following functions:

Year ended 30 June 2023

Functions	Gross program income						Total income	Gross program expenses		Total expenses	Net result from recurring operations	Net result	Assets
	Recurring		Grants		Capital			Recurring	Capital				
	Grants	Other	2023	2023	2023	2023							
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	2023
Corporate services	9,606	6,786	3,568	-	-	19,960	10,659	790	11,449	5,733	8,511	89,639	2023
Engineering services	10,730	5,871	2,446	-	-	19,047	19,415	-	19,415	(2,814)	(368)	302,380	2023
Environmental health services	489	977	-	-	-	1,466	6,286	-	6,286	(4,820)	(4,820)	-	2023
Water and Sewerage	-	2,631	-	-	-	2,631	2,686	-	2,686	(55)	(55)	30,645	2023
Total Council	20,825	16,265	6,014	-	-	43,104	39,046	790	39,836	(1,956)	3,268	422,664	2023

Year ended 30 June 2022

Functions	Gross program income						Total income	Gross program expenses		Total expenses	Net result from recurring operations	Net result	Assets
	Recurring		Grants		Capital			Recurring	Capital				
	Grants	Other	2022	2022	2022	2022							
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	2022
Corporate services	7,597	6,152	3,075	-	-	16,825	10,457	(85)	10,372	3,292	6,452	79,715	2022
Engineering services	5,934	4,626	2,191	-	-	12,751	14,532	-	14,532	(3,973)	(1,782)	329,441	2022
Environmental health services	84	1,011	-	-	-	1,095	4,953	-	4,953	(3,858)	(3,858)	-	2022
Water and Sewerage	-	2,634	-	-	-	2,634	2,073	-	2,073	562	562	29,431	2022
Total Council	13,615	14,423	5,267	-	-	33,305	32,016	(85)	31,930	(3,977)	1,374	438,587	2022

Notes to the financial statements

for the year ended 30 June 2023

	2023	2022
	\$	\$
	000's	000's
3 Revenue		
(a) Rates, levies and charges		
Rates and annual charges are recognised as revenue when the Council obtains control over the assets comprising these receipts which is the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.		
General rates	4,231	4,111
Water	1,813	1,773
Water consumption, rental and sundries	6	51
Sewerage	1,028	1,020
Garbage charges	641	657
Total rates and utility charge revenue	<u>7,719</u>	<u>7,614</u>
Less: Discounts	(667)	(655)
Less: Pensioner remissions	<u>(105)</u>	<u>(107)</u>
	<u>6,947</u>	<u>6,852</u>

(b) Fees and charges

Revenue arising from fees and charges is recognised at a 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 entry to cosmos centre. 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.

	2023	2022
	\$	\$
	000's	000's
Aerodrome landing and usage fees	387	279
Cemetery fees	54	49
Cosmos centre entry and souvenir sales	718	489
Rental income	269	221
Town planning and building fees	13	11
Agistment fees	71	59
Visitor information and WWII fees	967	881
Miscellaneous	656	801
	<u>3,135</u>	<u>2,789</u>

Notes to the financial statements

for the year ended 30 June 2023

	2023 \$	2022 \$
	000's	000's
3 Revenue (continued)		
(c) Sales revenue		
The sale of goods is recognised at a point in time that the customer obtains control of the goods, generally at delivery. Revenue from services is recognised when the service is rendered.		
Revenue from contracts and recoverable works generally comprises a recoupment of material costs together with an hourly charge for use of equipment and employees. This revenue and the associated costs are recognised by reference to the stage of completion of the contract activity based on costs incurred at the reporting date. Where consideration is received for the service in advance it is included in contract liabilities and is recognised as revenue in the period when the service is performed. There are no contracts in progress at the year end. The contract work carried out is not subject to retentions.		
Rendering of services		
Contract and recoverable works	5,773	4,659
	5,773	4,659

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 the revenue is recognised when each performance obligations is satisfied.

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

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

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

Grant income under AASB 1058

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

Capital grants

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

Donations and contributions

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

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

Physical assets contributed to Council by developers in the form of road works, stormwater, water and wastewater infrastructure and park equipment are recognised as revenue when Council obtains control of the asset and there is sufficient data in the form of drawings and plans to determine the approximate specifications and values of such assets. Non-cash contributions with a value in excess of the recognition thresholds are recognised as non-current assets. Those below the thresholds are recorded as expenses.

Notes to the financial statements

for the year ended 30 June 2023

4 Grants, subsidies, contributions and donations (continued)		2023	2022
		\$	\$
		<u>000's</u>	<u>000's</u>
(a) Operating			
General purpose grants		13,578	9,694
State and commonwealth governments subsidies and grants		7,253	3,921
		<u>20,831</u>	<u>13,615</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.			
Commonwealth and State governments subsidies and grants		6,014	5,267
		<u>6,014</u>	<u>5,267</u>
(c) Timing of revenue recognition for grants, subsidies, contributions and donations			
Revenue recognised at a point in time		12,758	10,662
Revenue recognised over time		14,087	8,219
		<u>26,845</u>	<u>18,881</u>
5 Capital income/(expenses)			
a) Gain/(Loss) on disposal of non-current assets			
Proceeds from the sale of property, plant and equipment		178	320
Less: Written down value of property, plant and equipment		(264)	(173)
Total capital income/(expenditure)		<u>(86)</u>	<u>147</u>
b) Provision for restoration of land			
Adjustments to refuse restoration provision	14	<u>(704)</u>	<u>(62)</u>
Net capital income/(expense)		<u>(790)</u>	<u>85</u>
6 Employee benefits			
Employee benefit expenses are recorded when the service has been provided by the employee.			
Total staff wages and salaries		5,998	5,677
Councillors' remuneration		351	348
Annual, sick and long service leave entitlements		2,101	2,191
Superannuation	19	<u>1,032</u>	<u>988</u>
		9,482	9,203
Less: Capitalised employee expenses		<u>(572)</u>	<u>(782)</u>
		<u>8,910</u>	<u>8,421</u>
Councillor remuneration represents salary, and other allowances paid in respect of carrying out their duties.			
Total Council employees at the reporting date:		Number	Number
Elected members		5	5
Administration staff		48	48
Depot and outdoors staff		102	92
Total full time equivalent employees		<u>155</u>	<u>145</u>

Notes to the financial statements

for the year ended 30 June 2023

7 Materials and services	2023	2022
	\$	\$
	000's	000's
Expenses are recorded on an accruals basis as Council receives the goods or services.		
Advertising, marketing and promotion	74	43
Audit services*	74	84
Communications and IT	808	557
Contractors	1,167	785
Donations paid	281	253
Insurance	404	377
Staff training	153	157
Repairs and maintenance - (Including repairs to flood damaged roads)	14,675	10,923
Lease/Rental housing - operating costs	173	128
Subscriptions and registrations	165	146
Tourism facilities	2,175	2,207
Other materials and services	2,494	579
	22,643	16,239

*Total audit fees quoted by the Queensland Audit Office relating to the 2022-23 financial statements are \$ 72,100 (2022: \$66,900).

8 Cash and cash equivalents

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

National Bank of Australia - operating	362	(7)
Queensland Treasury Corporation	12,441	8,424
Cash on hand	3	3
Balance per Statement of Financial Position	12,806	8,419
Cash and cash equivalents	12,806	8,419
Less: Externally imposed restrictions on cash	15 b 2,670	2,077
Unrestricted cash	10,136	6,343

Council's cash and cash equivalents are subject to a number of external restrictions that limit amounts available for discretionary or future use.

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

Unspent government grants and subsidies	2,670	2,077
Total externally imposed restrictions on cash assets	2,670	2,077

Notes to the financial statements

for the year ended 30 June 2023

9 Trade and other receivables

Receivables are amounts owed to Council at year end. They are recognised at the amount due at the time of sale or service delivery. Settlement of receivables is required within 30 days after the invoice is issued.

Debts are regularly assessed for collectability and an allowance is made, where appropriate, for impairment. All known bad debts are written-off at the end of reporting period. If an amount is recovered in a subsequent period it is recognised as revenue.

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

The impairment loss is recognised in finance costs. The amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated cash flows discounted at the effective interest rate.

	2023	2022
	\$	\$
	000's	000's
Current		
Rateable revenue and utility charges	1,022	835
Other debtors	544	491
Loss allowance	(166)	(128)
	<u>1,400</u>	<u>1,198</u>

Interest is charged on outstanding rates at a rate of 8.17% (2022: 8.03%) per annum. No interest is charged on other debtors.

There is no concentration of credit risk for rates and utility charges, fees and other debtors receivable.

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

Subject to impairment

Not past due	522	488
Past due 31-60 days	14	4
Past due 61-90 days	8	(1)
Total gross carrying amount	<u>544</u>	<u>491</u>
Loss allowance	(166)	(128)
Total	<u>378</u>	<u>363</u>

Not subject to impairment

Rates and Utility charges	<u>1,022</u>	<u>835</u>
	<u>1,400</u>	<u>1,198</u>

Notes to the financial statements

for the year ended 30 June 2023

Council - 30 June 2023

Note

Fair value for basis of measurement

Asset values

Opening gross value as at 1 July 2022

Additions

Disposals/write off

Revaluation adjustment to asset revaluation surplus

Reclassification between asset classes

Transfers between classes

Closing gross value as at 30 June 2023

	Land		Parks		Aerodrome landing strip		Road, drainage and bridge network		Buildings and other structures		Plant and equipment		Water and sewerage infrastructure		Work in progress		Total
	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value	Cost	Cost	Fair value	Fair value	Cost	Cost					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	3,220	-	15,897	366,110	87,648	20,194	58,211	3,333	8,148	8,148	(118)	554,612					
	(95)	-	-	-	-	(621)	-	-	-	-	-	8,148					
		-	(540)	(16,220)	5,652	-	3,446	-	-	-	-	(7,662)					
	-	-	-	-	-	-	-	-	-	-	-	-					
	-	-	-	4,873	1,824	982	425	(8,104)	0								
	3,125	-	15,357	354,763	95,124	20,555	62,082	3,259	554,264								

Accumulated depreciation and impairment

Opening balance as at 1 July 2022

Depreciation expense

Reclassification between asset classes

Depreciation on disposals

Revaluation adjustment to asset revaluation surplus

Accumulated depreciation as at 30 June

	-	-	3,456	56,695	29,313	10,604	28,786	-	128,855
	-	-	240	3,479	1,535	1,035	986	-	7,275
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	(451)	-	-	(451)
	-	-	177	9,638	2,015	-	1,758	-	13,588
	-	-	3,873	69,812	32,863	11,188	31,530	-	149,267

Total written down value as at 30 June 2023

Range of estimated useful life in years

Additions comprise

Renewals

Other additions

Totals

	3,125	-	11,484	284,951	62,261	9,367	30,552	3,259	404,998
Land: Not depreciated	10 - 120	15 - 120	10 - 120	10 - 120	10 - 120	5 - 20	10 - 140	WIP: Not depreciated	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
-	-	182	3,136	872	-	-	425	-	4,615
37	-	65	86	2,234	1,025	-	86	-	3,533
37	-	247	3,222	3,106	1,025	-	511	-	8,148

Notes to the financial statements

for the year ended 30 June 2023

10 Property, plant and equipment (continued)

Council - 30 June 2022

Note	Land	Parks		Aerodrome landing strip		Road, drainage and bridge network		Buildings and other structures		Plant and equipment		Water and sewerage infrastructure		Work in progress		Total	
		Fair value	\$'000	Fair value	\$'000	Fair value	\$'000	Fair value	\$'000	Fair value	\$'000	Cost	\$'000	Fair value	\$'000		Cost
		3,438	2,016	14,579	342,555	81,775	19,583	53,469	3,851	521,267							
		-	-	-	-	-	-	-	7,731	7,731							
5	(5)	-	-	895	21,033	721	(802)	-	-	-							(807)
17	(213)	-	-	-	-	2,016	-	-	-	-							26,420
		-	(2,016)	-	-	2,016	-	-	-	-							-
		-	-	422	2,522	3,134	1,414	758	(8,250)	-							-
		3,220	0	15,897	366,110	87,648	20,194	58,211	3,333	554,612							-

Accumulated depreciation and impairment

Opening balance as at 1 July 2021	-	426	2,898	50,152	26,468	10,288	25,877	-	-	116,110
Depreciation expense	-	-	387	3,265	1,553	950	914	-	-	7,068
Reclassification between asset classes	-	(426)	-	-	426	-	-	-	-	-
Depreciation on disposals	-	-	-	-	-	(634)	-	-	-	(634)
Revaluation adjustment to asset revaluation surplus	-	-	171	3,278	866	-	1,995	-	-	6,310
Accumulated depreciation as at 30 June	-	(0)	3,456	56,695	29,313	10,604	28,786	-	-	128,855

Total written down value as at 30 June 2022

	3,220	(0)	12,440	309,415	58,336	9,590	29,425	3,333		425,757
Land: Not depreciated	10 - 120		15 - 120	10 - 120	10 - 120	5 - 20	10 - 140		WIP: Not depreciated	

Additions comprise

Renewals	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	-	-	77	3,204	1,354	-	561	-	-	5,196
Other additions	-	-	-	47	1,281	1,170	38	-	-	2,536
Totals	-	-	77	3,251	2,635	1,170	599	-	-	7,731

Notes to the financial statements

for the year ended 30 June 2023

10 Property, plant and equipment (continued)

10 (a) Recognition

Plant and equipment, buildings and other structures with a total value of less than \$5,000, and infrastructure assets with a total value of less than \$10,000 are treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised.

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

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

Land under the roads and reserve land which falls under the *Land Act 1994* or the *Land Title Act 1994* is controlled by the Queensland State Government and not recognised in the Council financial statements.

10 (b) Measurement

Property, plant and equipment assets are initially recorded at cost. Subsequently, each class of property, plant and equipment is stated at cost or fair value (as shown in the table above) less, where applicable, any accumulated depreciation and accumulated impairment loss.

Cost is determined as the fair value of consideration plus costs incidental to the acquisition. Direct labour, materials and an appropriate portion of overheads incurred in the acquisition or construction of assets are also included as capital costs.

Property, plant and equipment received in the form of contributions, for significantly less than fair value or as offsets to infrastructure charges are recognised as assets and revenue at fair value.

10 (c) Depreciation

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

Land, work in progress, road formations and formation work associated with the construction of dams, levee banks and reservoirs are not depreciated.

Depreciation, where applicable, is calculated on a straight-line basis such that the cost of the asset less its residual value is recognised progressively over its estimated useful life to Council. Management believe that the straight-line basis appropriately reflects the pattern of consumption of all Council assets.

The useful life of leasehold improvements is the shorter of the useful life of the asset or the remaining life of the lease.

Where assets have separately identifiable components, these components have separately assigned useful lives.

Depreciation methods, estimated useful lives and residual values are reviewed at the end of each reporting period and adjusted where necessary to reflect any changes in the pattern of consumption, physical wear and tear, technical or commercial obsolescence, or management intentions.

Notes to the financial statements

for the year ended 30 June 2023

10 Property, plant and equipment (continued)

The ranges of useful lives adopted for each class of asset are disclosed on the preceding pages.

10 (d) Impairment

Property, plant and equipment held at cost is assessed for indicators of impairment annually. If an indicator of possible impairment exists, the Council determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

10 (e) Valuation

(i) Valuation processes

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

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

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

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

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

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

Notes to the financial statements

for the year ended 30 June 2023

10 Property, plant and equipment (continued)

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)

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

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

10 (e) Valuation

(i) Valuation techniques used to derive fair values

Specific valuation techniques used to value Council assets comprise:

Land (level 2)

Herron Todd White, an independent valuer conducted a desktop market valuation of land assets at 30 June 2023.

Buildings (level 2)

Council's non-specialised level 2 building assets consist of aged care residential premises and two commercial properties. In order to determine the fair value, management sought advice from an independent valuer, Shepherds Services. A review was completed using ABS Indexes, ABS Catalogues, 6427.0 Producer Price Indexes Australia Table 17. Index number 3020 "Non residential building construction" was deemed to be the most appropriate index. The review found that the index was 6.45%, which was subsequently applied to the building assets values at 30 June 2023.

Commercial properties have been generally derived using a combination of sales direct comparison approach and capitalisation of income approach. Fair value has been derived from sales prices of comparable properties after adjusting for differences in key attributes such as property size. The valuers determined a 6.45% cost movement for commercial and industrial properties. As the costs movement is greater than 5%, management applied indexation to the commercial building assets at 30 June 2023.

Buildings (level 3)

At 30 June 2023, the external valuers Shepherds Services provided advice that the construction costs movement between 30 June 2022 to 30 June 2023 was an average of 6.45%. This review was completed using ABS Indexes, ABS Catalogues, 6427.0 Producer Price Indexes Australia Table 17. Index number 3020 "Non residential building construction" was deemed to be the most appropriate index. This figure is considered material for this financial year.

Specialised buildings were valued using the cost approach using professionally qualified registered valuers. The approach is based on determining the replacement cost of the modern equivalent and then adjusting for the level of consumed future economic benefit and impairment. In accordance with the depreciation requirements of the Property, Plant and Equipment standard, "complex assets" are componentised and depreciated separately. These assets were classified as having been valued using level 3 valuation inputs.

Notes to the financial statements

for the year ended 30 June 2023

10 Property, plant and equipment (continued)

Infrastructure assets (level 3)

Shepherd Services conducted a desktop review of water and sewerage infrastructure assets at 30 June 2023 and a comprehensive valuation of roads infrastructure assets. This desktop review comprises the assets current replacement cost (CRC) less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Council first determined the gross cost of replacing the full service potential of the asset and adjusted this amount to take account of the expired service potential of the asset.

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

Roads

Current replacement cost

The full valuation of Council's infrastructure assets was undertaken by independent valuer, Shepherd Services effective 30 June 2023.

Council categorises its road infrastructure into urban and rural roads and the further sub-categorises these into sealed and unsealed roads. Urban roads are managed in segments of 200m, while rural roads are managed in 2km segments. All road segments are then componentised into formation, pavement and seal (where applicable). Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment. Council also assumes a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.

Council categorises its road infrastructure into urban and rural roads and then further sub-categorises these into sealed and unsealed roads. Urban roads are managed in segments of 200m, while rural roads are managed in 2km segments. All road segments are then componentised into formation, pavement and seal (where applicable). Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment. Council also assumes a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.

CRC was calculated by reference to asset linear and area specifications, estimated labour and material inputs, services costs, and overhead allocations. Council assumes that pavements are constructed to depths of 15 cms for high traffic areas and 10 cms for lower traffic locations. Council also assumes that all raw materials can be sourced from the local Quarry. For internal construction estimates, material and services prices were based on existing supplier contract rates or supplier price lists and current labour wage rates. All direct costs were allocated to assets at standard usage quantities according to recently completed similar projects. Where no unit rates could be practically determined for assets, the lump sum current construction costs is used.

Accumulated Depreciation

In determining the level of accumulated depreciation, roads were disaggregated into significant components which exhibited different useful lives. An age-based approach was utilised for assets in average to excellent condition. The condition based approach used a score from excellent or near new condition to asset failure.

Bridges

Current replacement cost

The full valuation of Council's infrastructure assets was undertaken by independent valuer, Shepherd Services effective 30 June 2023. Each bridge is 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.

Accumulated Depreciation

In determining the level of accumulated depreciation, remaining useful lives were calculated based on condition assessments or age-based approach. The condition assessments were made using a condition rating of 0 to 5 where 0 represents "brand new" and 5 "asset failure".

Notes to the financial statements

for the year ended 30 June 2023

10 **Property, plant and equipment (continued)**

Drainage Infrastructure

Current replacement cost

The full valuation of Council's infrastructure assets was undertaken by independent valuer, Shepherd Services effective 30 June 2023. Similar to roads, drainage assets are managed in segments of 200m; pits, pipes and channels being the major components.

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

Accumulated Depreciation

In determining the level of accumulated depreciation, drainage assets were disaggregated into significant components which exhibited different useful lives.

Water and Sewerage

Current replacement cost

The desktop indexation review of Council's water and sewerage assets was undertaken by independent valuer, Shepherd Services effective 30 June 2023. This review was completed using ABS indexes, ABS Catalogues, 6427.0 Producer Price Indexes Australia, Table 17. Index Number 3109 "Other Heavy and Civil Engineering Construction" was deemed to be the most appropriate index. The review found that the estimated index from June 2022 to June 2023 was 5.92%. This figure is considered material for this financial year and accordingly, an indexation adjustment is reflected in the financial statements 30 June 2023.

CRC was calculated based on expected replacement costs. In all cases the assets were disaggregated to component level to ensure a reliable measure of cost and service capacity and deterioration of estimated remaining life based on local operating conditions.

Accumulated Depreciation

In determining accumulated depreciation, assets were inspected onsite to determine remaining useful life. Where site inspections were conducted (i.e. for active assets), the assets were allocated a condition assessment rating of between 1 and 5, which was used to estimate remaining useful life - 1 being excellent with a remaining useful life of 95% and 5 being unserviceable with a remaining useful life of 5%. The higher the condition rating, the lower the fair value.

An age-based approach was used for young assets in determining its remaining useful life. The reason being that in the first 0 to 50% of the life of most infrastructure assets there is often little visible distress. This makes estimating of remaining life unreliable using visual techniques and if age is known then the age-based approach is more reliable.

For wastewater gravity mains the assumption that the pipes will be relined was adopted. The fair value for sewer gravity mains was determined as follows:

*For all pipes, replacement cost was determined based on replacement by trench excavation, useful life was determined as the pipe useful life plus the reline useful life, and the pipe fair value was based on age.

*Where pipes have been relined, the total pipe useful life was determined as the pipe age when the reline occurred plus the reline life.

*The relining of pipes was valued at reline rates and depreciated over the reline life. The reline fair value was based on age.

Notes to the financial statements

for the year ended 30 June 2023

11 Transactions with related parties

(a) Transactions with associates

In 2022-23, Murweh Shire Council paid the amount of \$ 54,598 (2022:\$48,696) membership fee to the South West Regional Organisation of Councils (SWROC). The Council is a controlling member of the organisation.

(b) Transactions with key management personnel (KMP)

Key Management Personnel (KMP) are persons having authority and responsibility for planning, directing and controlling the activities of Council, directly or indirectly. At Murweh Shire Council KMP's are considered to include the Mayor, Councillors, Chief Executive Officer and Directors.

The compensation paid to KMP comprises:

	2023 \$	2022 \$
Short-term employee benefits	1,303,207	1,205,112
Post-employment benefits	133,090	130,935
Long-term benefits	(119,795)	30,301
Total	\$1,316,502	\$1,366,348

(c) Transactions with other related parties

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

Details of transactions between council and other related parties are disclosed below.

(i) Murweh Shire Council purchased materials and services from entities controlled by key management personnel.

These transactions were on arm's length basis and were in the course of normal council operations

Details of Transaction	2023 \$	2022 \$
Purchase of maintenance services	248,933	242,632
Purchase of hardware materials	107,674	52,544
Purchase of printing services	15,746	8,945
Purchase of other goods	31,579	27,621
Total	\$403,932	\$331,742

(ii) All close family members of key management personnel that were employed by Council were employed through an arm's length process. They are paid in accordance with the award for the job they perform.

Council employs 155 (2022: 145) staff, of which none are close family member of a KMP.

Notes to the financial statements

for the year ended 30 June 2023

11 Transactions with related parties (continued)

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

Most of the entities and people that are related parties of council live and operate within the Murweh Shire Council.

Therefore, on a regular basis ordinary citizen transactions occur between Council and its related parties.

Some examples include:

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

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

(e) Outstanding balances

There were no outstanding balances relating to transactions with related parties at year-end.

(f) Loans and guarantees to/from related parties

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

(g) Commitment to/from other related parties

Council had not entered into any contractual commitments with related parties at year end other than remuneration contracts with KMP in their roles as KMP of the Council.

Notes to the financial statements

for the year ended 30 June 2023

	2023 \$ 000's	2022 \$ 000's
12 Trade and other payables		
Creditors are recognised when goods or services are received, at the amount owed. Amounts owing are unsecured and are generally settled on 30 day terms.		
Liabilities are recognised for employee benefits such as wages and salaries, sick, annual and long service leave in respect of services provided by the employees up to the reporting date. The liability is calculated using the present value of remuneration rates that will be paid when the liability is expected to be settled and includes related on-costs.		
As Council does not have an unconditional right to defer settlement of the annual leave beyond twelve months after the reporting date, annual leave is classified as a current liability.		
Current		
Creditors and accruals	1,823	1,860
Prepaid rates	340	298
Accrued employee benefits	1,154	1,234
	<u>3,317</u>	<u>3,391</u>
13 Borrowings		
Borrowings are initially recognised at fair value plus any directly attributable transaction costs by applying the effective interest method. Thereafter, they are measured at amortised cost. Principal and interest repayments are made quarterly in arrears.		
All borrowings are in \$AUD denominated amounts and interest is expensed as it accrues. No interest has been capitalised during the current or comparative reporting period. Expected final repayment dates vary from 2022 to 2036. There have been no defaults or breaches of the loan agreement during the period.		
In accordance with the <i>Local Government Regulation 2012</i> , Council adopts an annual debt policy that sets out council's planned borrowings for the next nine years. Council's current policy is to only borrow for capital projects and for a term no longer than the expected life of the asset. Council also aims to comply with the Queensland Treasury Corporation's borrowing guidelines and ensure that sustainability indicators remain within acceptable levels at all times.		
All borrowing costs are expensed in the period in which they are incurred.		
Current		
Loans - Queensland Treasury Corporation	213	191
	<u>213</u>	<u>191</u>
Non-current		
Loans - Queensland Treasury Corporation	3,420	2,630
	<u>3,420</u>	<u>2,630</u>
Loans - Queensland Treasury		
Opening balance at beginning of financial	2,821	3,068
Loan draw downs during year	1,000	-
Principal repayments	(188)	(247)
Book value at end of financial year	<u>3,633</u>	<u>2,821</u>

The QTC loan market value at the reporting date was \$ 3,241,463 (2022: \$ 2,481,317). This represents the value of the debt if Council repaid it at that date.

No assets have been pledged as security by the Council for any liabilities, however all loans are guaranteed by the Queensland Government. There have been no defaults or breaches of the loan agreement during the 2023 or 2022 financial years.

Notes to the financial statements

for the year ended 30 June 2023

14	Provisions	2023	2022
		\$	\$
		000's	000's

Long Service Leave

The provision for long service leave represents the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The liability is calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. The estimates are adjusted for the probability of the employee remaining in the Council's employment or other associated employment which would result in the Council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value. The interest rates attaching to Commonwealth Government guaranteed securities at the reporting date are used to discount the estimated future cash outflows to their present value. The provision is discounted using the Commonwealth Bond yield rates published on the Department of State Development, Infrastructure, Local Government and Planning website.

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

Refuse dump restoration

A provision is made for the cost of restoring refuse dumps where it is probable the Council will be liable, or required, to do this when the use of the facilities is complete.

The provision for refuse restoration is calculated as the present value of anticipated future costs associated with the closure of the dump sites, decontamination and monitoring of historical residues and leaching on these sites. The calculation of this provision requires assumptions such as application of environmental legislation, site closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from amounts currently provided. Because of the long-term nature of the liability, the most significant uncertainty in estimating the provision is the costs that will be incurred. The provision recognised for dump sites is reviewed at least annually and updated based on the facts and circumstances available at the time. Changes in the provision due to either time, discount rate or expected future costs are treated as a capital expense or capital income in the reporting period to which they relate. Management estimates that all three sites will be closed in 2024 and the restoration works will occur after closure. Post-closure maintenance and on-going monitoring will be carried out over the subsequent 30 years.

Current

Long service leave	1,095	1,142
	<u>1,095</u>	<u>1,142</u>

Non-current

Refuse restoration	2,788	2,019
Long service leave	175	168
	<u>2,963</u>	<u>2,186</u>

Details of movements in refuse provision:

Refuse restoration

Balance at beginning of financial year	2,019	1,939
Increase in provision due to unwinding of discount	66	18
Movement in provision due to increase in discount rate	(82)	(309)
Additional provisions	785	370
Balance at end of financial year	<u>2,788</u>	<u>2,019</u>

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 \$ 000's	2022 \$ 000's
a Contract assets	2,353	2,103

The contract assets mainly relate to the disaster recovery works.

b Contract liabilities

Funds received upfront to construct council controlled assets	266	801
Non-capital performance obligations not yet satisfied (including deposits received in advance)	2,404	1,276
	<u>2,670</u>	<u>2,077</u>

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

Funds received upfront to construct council controlled assets	801	83
Non-capital performance obligations not yet satisfied	1,276	806
	<u>2,077</u>	<u>889</u>

c 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 financial year.

d Significant changes in contract balances

The significant movements in contract assets and contract liabilities that have occurred during the year was due to flood damage works, Building Better Regions and Local Infrastructure and Community funding and Local Government Subsidy Program.

16 Leases

Council has a lease over buildings and equipment. Council has applied the practical expedients to lease accounting for leases of low-value assets and short term leases.

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

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

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

Exceptions to lease accounting

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

Council has no leases at significantly below market value or concessionary leases.

Notes to the financial statements

for the year ended 30 June 2023

16 Leases (continued)

Right of use of assets

	Equipment 000's	Building 000's	Total 000's
Balance at 1 July 2022	2	-	2
Additions during the year	-	-	-
Amortisation charge	(2)	-	(2)
Balance at 30 June 2023	-	-	-
	Equipment 000's	Building 000's	Total 000's
Balance at 1 July 2021	9	16	25
Additions during the year	-	-	-
Amortisation charge	(7)	(16)	(23)
Balance at 30 June 2022	2	0	2

Terms and conditions of leases

Buildings

Council leases two residential houses which are used for executive personnel accommodation. The leases are between 2 to 5 years and does not contain a renewal option.

Equipment

Council leases a number of trackers which are used for heavy plant and motor vehicles which have lease terms up to three years and fixed payments for the term of the leases.

Lease liabilities

The table below shows the maturity analysis of the lease liabilities based on contractual cashflows and therefore the amounts will not be the same as the recognised lease liability in the statement of financial position.

	Total per statement of financial position 000's	< 1 year 000's	1-5 years 000's
2023			
Lease liabilities	-	-	-
2022			
Lease liabilities	2	2	-

Amounts included in the statement of comprehensive income related to leases

	2023 000's	2022 000's
Interest on lease liabilities	-	-
Amortisation of right-of-use of assets	2	23
Total expenses for leases	2	23
Total cash outflows for leases		
Principal	2	23
Interest	-	-
Total	2	23

17 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.

Notes to the financial statements

for the year ended 30 June 2023

17 Asset revaluation surplus (continued)

	2023 \$	2022 \$
	000's	000's
Movements in the asset revaluation surplus were as follows:		
Opening balances	296,426	276,317
Net adjustment to non-current assets at end of period to reflect a change in		
Land	-	(213)
Buildings and other structures	3,638	(145)
Road, drainage and bridge network	(25,859)	17,755
Water and sewerage infrastructure	1,688	1,988
Aerodrome landing strips	(717)	724
Closing balances	<u>275,176</u>	<u>296,426</u>

Asset revaluation surplus analysis

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

Land	716	716
Buildings and other structures	36,684	33,046
Road, drainage and bridge network	199,519	225,378
Water and sewerage infrastructure	25,625	23,937
Aerodrome landing strips	12,632	13,349
	<u>275,176</u>	<u>296,426</u>

18 Contingent Liabilities

Local Government Mutual

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

As at 30 June 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 \$ 216,745 (2022: \$199,794)

19 Superannuation

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

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

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

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

The last completed actuarial assessment of the scheme as required under Superannuation Prudential Standard 160 was undertaken as at 1 July 2022. The actuary indicated that "At the valuation date of 1 July 2022, the net assets of the scheme exceeded the vested benefits and the scheme was in a satisfactory financial position as at the valuation date." The measure of vested benefits represents the value of benefit entitlements should all participating employees voluntarily exit the scheme. The Council is not aware of anything that has happened since that time that indicates the assets of the scheme are not sufficient to meet the vested benefits, as at the reporting date.

Notes to the financial statements

for the year ended 30 June 2023

19 Superannuation (continued)

No changes have been made to prescribed employer contribution 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 2025.

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

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

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

	2023	2022
	\$	\$
	000's	000's
Superannuation contributions made to the Regional Defined Benefits Fund	27	40
Other superannuation contributions for employees	1,005	948
Total superannuation contributions paid by Council for employees	6 1,032	988

20 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

34	107
----	-----

Funds held in the trust account on behalf of outside parties include those funds from the sale of land for arrears in rates, deposits for the contracted sale of land, security deposits lodged to guarantee performance and unclaimed monies (e.g. wages) paid into the trust account by the Council. The Council performs only a custodian role in respect of these monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements.

21 Reconciliation of net operating surplus for the year to net cash inflow from operating activities

Net operating result	3,268	1,374
Non-cash operating items:		
Depreciation and amortisation	7,277	7,091
	7,277	7,091
Investing and development activities:		
Net (profit)/loss on disposal of non-current assets	86	(147)
Capital (income)/expense	790	62
Capital grants and contributions	(8,515)	(5,267)
	(7,639)	(5,352)
Changes in operating assets and liabilities:		
(Increase)/ decrease in receivables	(199)	1,014
(Increase)/decrease in inventory	23	(124)
(Increase)/decrease in contract assets	(468)	(1,322)
Increase/(decrease) in payables	(172)	(308)
(Increase)/ decrease in other assets	(23)	5
Increase/(decrease) in contract liabilities	1,010	1,188
Increase/(decrease) in provisions	(40)	139
	131	591
Net cash inflow from operating activities	3,037	3,705

22 Events after the reporting period

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

Notes to the financial statements

for the year ended 30 June 2023

For the year ended 30 June 2023

23 Financial instruments and financial risk management

Murweh Shire Council has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

This note provides information (both qualitative and quantitative) to assist statement users to evaluate the significance of financial instruments on the Council's financial position and financial performance, including the nature and extent of risks and how the Council manages these exposures.

Financial risk management

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

Council 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. The Council aims to manage volatility to minimise potential adverse effects on the financial performance of the Council.

The Council oversees how management monitors compliance with the Council's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Council. The Council is assisted in its oversight role by the 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 Council.

Murweh Shire Council does not enter into derivatives.

Credit risk

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

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 Murweh Shire Council.

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

		2023	2022
		\$	\$
		000's	000's
Cash and cash equivalents	8	12,806	8,419
Rateable revenue and utility charges	9	1,022	835
Other debtors	9	378	363
Total		14,206	9,617

Notes to the financial statements

for the year ended 30 June 2023

For the year ended 30 June 2023

23 Financial instruments and financial risk management (continued)

Cash and cash equivalents

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

Trade and other receivables

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

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

The Council does not require collateral in respect of trade and other receivables. The Council does not have trade receivables for which no loss allowance is recognised because of collateral.

Liquidity risk

Liquidity risk is the risk that the Council will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Council's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Council's reputation.

Murweh Shire Council is exposed to liquidity risk through its normal course of business and through its borrowings with QTC.

Council manages its exposure to liquidity risk by maintaining sufficient undrawn facilities, both short and long term, to cater for unexpected volatility in cash flows.

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

The sensitivity analysis provided by QTC is currently based on a 1% change but this is subject to change.

		0 to 1 year	1 to 5 years	Over 5 years	Contractual Cash Flows	Carrying Amount
		\$'000	\$'000	\$'000	\$'000	\$'000
2023						
Trade and other payables	12	3,317	-	-	-	3,317
Loans - QTC	13	320	1,244	2,998	4,562	3,633
		3,637	1,244	2,998	4,562	6,950
2022						
Trade and other payables	12	3,391	-	-	-	3,391
Loans - QTC	13	260	881	2,280	3,421	2,821
		3,651	881	2,280	3,421	6,212

Notes to the financial statements

for the year ended 30 June 2023

For the year ended 30 June 2023

23 Financial instruments and financial risk management (continued)

Market risk

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

Interest rate risk

Murweh Shire Council is exposed to interest rate risk through investments and borrowings with QTC and NAB. The Council has access to a mix of variable and fixed rate funding options through QTC so that interest rate risk exposure can be minimised.

Sensitivity

Sensitivity to interest rate movements is shown for variable financial assets and liabilities based on the carrying amount at reporting date.

The following interest rate sensitivity analysis depicts what effect a reasonably possible change in interest rates (assumed to be 100 basis points or 1% p.a.) would have on the net result and equity, based on the carrying values at the end of the reporting period. The calculation assumes that the change in interest rates would be held constant over the period.

	Net carrying	Effect on Net Result		Effect on Equity	
	amount	1% increase	1% decrease	1% increase	1% decrease
	\$'000	\$'000	\$'000	\$'000	\$'000
Council					
2023					
QTC cash fund	12,441	124	(124)	124	(124)
NAB cash account	362	4	(4)	4	(4)
Loans - QTC	(3,633)	(36)	36	(36)	36
Net total	9,170	92	(92)	92	(92)
2022					
QTC cash fund	8,424	84	(84)	84	(84)
NAB cash account	(7)	(0)	0	(0)	0
Loans - QTC	(2,821)	(28)	28	(28)	28
Net total	5,596	56	(56)	56	(56)

24 Reconciliation of liabilities arising from finance activities

		As at 30 June 2022	New loans	Cash flows principal and interest	As at 30 June 2023
		\$'000	\$'000	\$'000	\$'000
Borrowings	13	2,821	1,000	(188)	3,633
Lease liability	16	2	-	(2)	-
		2,823	1,000	(190)	3,633
		As at 30 June 2021	New loans	Cash flows principal and interest	As at 30 June 2022
Borrowings	13	3,069	-	(247)	2,822
Lease liability	16	25	-	(23)	2
		3,094	-	(270)	2,824

Notes to the financial statements

for the year ended 30 June 2023

For the year ended 30 June 2023

25 Commitments for expenditure

	2023 \$'000	2022 \$'000
Contractual commitments		
Contractual commitments at end of financial year but not recognised in the financial statements are as follows:		
Garbage collection contract and IT Services		
- Within one year	-	280
- One to five years	-	-
	<u>-</u>	<u>280</u>

The garbage contract expired at 30 June 2023 and was not renewed until after year end.

Capital commitments

Commitment for the purchase of plant and construction of the following assets contracted for reporting date but not recognised as liabilities:

Plant replacement	2,169	-
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26 Inventory

Stores and merchandise items are valued at the lower of cost and net realisable value and include, where applicable, direct material, direct labour and an appropriate portion of variable and fixed overheads. Costs are assigned on the basis of weighted average cost except for land where the costs are allocated to the relevant parcel.

Inventories held for distribution are:

- goods to be supplied at nil or nominal charge and
 - goods to be used for the provision of services at nil or nominal charge.
- These goods are valued at cost, adjusted, when applicable, for any loss of service potential.

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

Council developed the Industrial Land Estate which was completed in the 2020/21 financial year. The main purpose of this initiative is not to gain profits but rather stimulates the general economic activity in the shire.

Land held for resale	1,156	1,127
Less: Provision for obsolescence	<u>(679)</u>	<u>(650)</u>
	477	477
Stores and materials	<u>377</u>	<u>400</u>
	<u>854</u>	<u>877</u>

Notes to the 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.

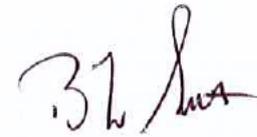
In accordance with Section 212(5) of the Regulation we certify that:

- (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
- (iii) the general purpose financial statements as set out on pages 1 to 33 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.



Councillor S Radnedge
Mayor

Date: 23, 10, 2023



Bruce Scott
Interim Chief Executive Officer

Date: 23, 10, 2023

INDEPENDENT AUDITOR'S REPORT

To the councillors of Murweh Shire Council

Report on the audit of the financial report

Opinion

I have audited the financial report of Murweh 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 Interim 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 Murweh 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 determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

Report on other legal and regulatory requirements

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

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

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Local Government Act 2009*, any other Act 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

23 October 2023

Queensland Audit Office
Brisbane

Current financial sustainability statement

for the year ended 30 June 2022

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

	<u>How the measure is calculated</u>	<u>Actual</u>	<u>Target</u>
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	-5.3%	Between 0% - 10%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by the depreciation expense	74%	Greater than 90%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	-10.8%	Not greater than 60%

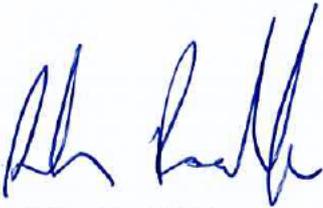
Note 1 Basis of preparation

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

Certificate of Accuracy
For the year ended 30 June 2023

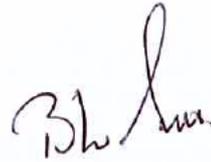
This current-year financial sustainability statement has been prepared pursuant to section 178 of the *Local Government Regulation 2012* (the Regulation).

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



Councillor S Radnedge
Mayor

Date: 23, 10, 2023



Bruce Scott
Interim Chief Executive Officer

Date: 23, 10, 2023

INDEPENDENT AUDITOR'S REPORT

To the councillors of Murweh Shire Council

Report on the current-year financial sustainability statement

Opinion

I have audited the accompanying current-year financial sustainability statement of Murweh 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 Interim 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 Murweh 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 Murweh 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.

A handwritten signature in blue ink that reads "Lisa Fraser".

Lisa Fraser
as delegate of the Auditor-General

23 October 2023

Queensland Audit Office
Brisbane

Notes to the financial statements

for the year ended 30 June 2023

Council's budgeted performance against key financial ratios and targets

Year ending 30 June 2023	Actuals at 30 June	Projected for years ended 30 June									
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Operating surplus ratio	Target Net result (excluding capital items) divided by total operating revenue (excluding capital items) Between 0% - 10%	-5.3%	-7%	-7%	-7%	-6%	-5%	-5%	-4%	-2%	-2%
Asset sustainability ratio	Target Capital expenditure on the replacement of assets (renewals) divided by the depreciation expense Greater than 90%	74%	92%	92%	101%	112%	115%	114%	108%	118%	122%
Net financial liabilities ratio	Target Total liabilities less current assets divided by total operating revenue (excluding capital items) Not greater than 60%	-10.8%	-6%	-13%	-18%	-21%	-24%	-27%	-37%	-43%	-43%

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.

Notes to the financial statements

for the year ended 30 June 2023

Certificate of Accuracy For the year ended 30 June 2023

This unaudited 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.



Councillor S Radnedge
Mayor

Date: 23, 10, 2023



Bruce Scott
Interim Chief Executive Officer

Date: 23, 10, 2023



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