Contents

Governance Services 10
Corporate Services 18
Community and Cultural Services 24
Infrastructure Services 36
Other Content 43
Financial Statement 46
Message from the Mayor

It’s a privilege to report on another year in the life of Longreach Regional Council – one in which our whole organisation can take pride.

As Mayor it is gratifying to look back on a set of achievements this year that will make a lasting contribution to our communities. The outcomes achieved are many and varied, but each of them adds to the livability of our region.

Projects like the installation of CCTV in Longreach has already reduced vandalism and improved safety for businesses in the main street. There’s also the delivery of free WiFi on Eagle Street, and at key locations in the region, that is improving visitor experiences and driving length-of-stay.

I was generously sponsored to visit Zhangjiajie in China and attend the Silk Road Business Summit. At the summit I delivered a keynote to local government officials and investment bankers from across Europe, Asia and the Middle East. While there I signed an agreement for our region to join the Silk Road Urban Alliance, formalising our commitment to international cooperation.

A highlight of the past twelve months was hosting the Western Queensland Local Government Association annual conference in Longreach. We deliberately made the conference a symposium on regional diversification and managed to attract world-class speakers such as Professor Ross Garnaut.

Delegates were full of praise, with many remarking it was the best they’d ever attended. It was an honour to chair the association for 2019 and I wish the incoming president, Mayor John Wharton of Richmond, all the best for his tenure.

We made practical improvements such as the merger of bounded localities and renaming of rural road names in our region to make wayfinding easier. The work of our Rural Lands Advisory Committee was pivotal in enacting these important reforms. We delivered free-to-air television to Isisford, fulfilling a commitment made at last year’s community consultation forums. We completed our undercover carpark project in Emu Street – Teamsters’ Rest – and the facility has been an instant success. We also managed to find a permanent home for the Longreach Library, at the same time investing in new equipment to improve the service offered to our community.

We established our Advancing Agriculture Advisory Committee to drive the growth and diversification of our agriculture industry. We completed a new bore and reverse-osmosis/desalination plant at Ilfracombe, meaning the community will never again face the prospect of running out of water. This significant milestone was achieved with assistance from state and federal governments who we have worked with positively again this year.

Collaboration with neighbouring councils has been a focus, as evidenced in our Longreach and Winton Sub-Region Tourism Activation Plan, developed in partnership with Winton Shire Council.

This landmark strategic document will inform the way both councils work together to promote our region – I look forward to seeing its implementation in years to come.

My Councillors and I are fortunate to be assisted in our efforts by a dedicated staff, and I’d like to pay tribute to them for their considerable hard work in the past twelve months. This year we bade farewell to departing Chief Executive Officer, Ian Bodill; and conducted a thorough search for his successor, Mitchell Murphy. I thank my colleagues for their assistance and counsel this year – together we make a collegial and high functioning team.

Most importantly, I’d like to thank our community for the good faith they’ve shown in us. It is an honour to be your Mayor and lead such a positive and productive Council.

Cr Ed Warren

Ed Warren
Chief Executive Officer’s Report

This annual report, details the achievements of Council as measured against its annual operational plan for the 2018/2019 financial year.

It’s a pleasure to present this report to you, despite only recently taking on the Chief Executive Officer role at Council. Many of the achievements listed in this report took place during the tenure of my predecessor, Ian Bodill, and I would like to acknowledge his contribution to the organisation not only this year, but during his four years at the helm.

Ian graciously made himself available to conduct a thorough handover with me and it was an ideal way to begin my tenure. Indeed, the entire organisation has made me very welcome and I’m impressed with the enthusiasm and know-how present in our ranks.

The long list of delivered projects and services illustrated in this report shows me that I have joined a progressive and results-driven organisation.

It is with pleasure that I dedicate myself to continuing this record of achievement and continually improving outcomes for our community. I am thrilled to have joined such a forward-thinking Council.

Like many rural and remote local governments we face our fair share of challenges. I do not shirk from these, and look forward to working on timely responses that strike a balance between delivering services efficiently and sustaining our regional economy. I will also, like my predecessor, continue to advocate for broad-scale financial reform of the local government sector.

I’ve set a goal for our team that I believe will define our efforts in the coming years. It’s simple, and it’s our promise to you. I call it the three Cs. They are: Collaboration; Communication; and, Continuous Improvement.

If we get these three things right, we’ll be living up to our mission: to deliver decisive leadership in making locally-responsive, informed and responsible decisions, providing the highest-quality services and facilities to all communities of the Longreach Region.

Even though I’ve only recently got my feet under the desk, it is exciting to present this report to you and reflect on the accomplishments listed.

I look forward, with confidence, to a long future working for this wonderful region and its communities.

Mitchell Murphy
Community Financial Report

**Income 2018-19**

Council received 54% of its total income through grants, subsidies, contributions and donations and 26% through rates, levies and charges. Council relies on grants, subsidies, contributions and donations due to the low rates revenue base which is not able to be influenced by council in the future as there is little likelihood of a significant increase in the available properties on which to raise levies.

Council has ongoing projects for which the revenue was received in 2017-18 and expended in 2018-19. Additionally, funding for some projects in 2019-20 was received in 2018-19.

**Expenditure 2018-19**

Materials and services, plus employee costs make up 84% of Council’s total operating costs. Materials and services include the costs of providing services such as roadwork materials, electricity, information technology, fleet and tourism administrative expenses.

Depreciation accounts for 15% of Council’s operating expenditure.
Level of Borrowings

This year Council reduced its loan portfolio through repayments with no new borrowings secured during 2018-19. The graph below discloses a continued reduction in Council’s discretionary loan value from 2017. The Longreach Wild Dog Exclusion Fence Scheme Loans are disclosed below and participating landholders will repay this debt over time via a special levy on their rates.

Cash

At the end of the financial year Council had a cash position of $21,965,753 which will act as a strong springboard for future financial sustainability.

Assets

Council manages assets totaling $354,843,286 with property, plant and equipment making up $317,613,650 of this total and the below chart provides a breakdown by asset type.

Council has increased the capital budget in relation to replacement assets following asset management plan analysis identifying that some programs had fallen behind. This increased asset spend has reflected a decrease in cash held and it is planned that the additional replacement asset spend will be completed in the 2019-20 financial year.
Councillors

Remuneration, including superannuation contributions, paid to Councillors

Councillor remuneration and Ordinary Meeting attendance – 1 July 2018 to 30 June 2019.

<table>
<thead>
<tr>
<th>Councillor</th>
<th>Meeting Attendance*</th>
<th>Meeting Fees and Allowances</th>
<th>Travel costs</th>
<th>Superannuation Paid</th>
<th>Total Remuneration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cr Ed Warren</td>
<td>103,000.03</td>
<td>52.00</td>
<td>9,785.10</td>
<td>112,837.13</td>
<td></td>
</tr>
<tr>
<td>Cr Leonie Nunn</td>
<td>51,000.03</td>
<td>5,943.00</td>
<td>4,845.10</td>
<td>61,788.13</td>
<td></td>
</tr>
<tr>
<td>Cr Tony Emslie</td>
<td>12</td>
<td>42,999.84</td>
<td>4,085.00</td>
<td>47,084.84</td>
<td></td>
</tr>
<tr>
<td>Cr Trevor Harris</td>
<td>12</td>
<td>42,999.84</td>
<td>4,085.00</td>
<td>47,084.84</td>
<td></td>
</tr>
<tr>
<td>Cr Tony Martin</td>
<td>11</td>
<td>41,805.40</td>
<td>3,971.52</td>
<td>45,776.92</td>
<td></td>
</tr>
<tr>
<td>Cr Tony Rayner</td>
<td>11</td>
<td>41,805.40</td>
<td>3,971.52</td>
<td>45,776.92</td>
<td></td>
</tr>
<tr>
<td>Cr Trevor Smith</td>
<td>11</td>
<td>41,805.40</td>
<td>3,971.52</td>
<td>45,776.92</td>
<td></td>
</tr>
</tbody>
</table>

*Total Meetings held = 12

Expense Reimbursement Policy

Council provides a range of facilities to Councillors in accordance with its Expenses Reimbursement and Provision of Facilities for Mayor and Councillors Policy No. 2.21. This policy is available from Council’s website and outlines the entitlements of Councillors in their role such as training, travel costs, meals and use of Council facilities. During this period, Council incurred costs of $53,659 for such expenses.

Pursuant to section 185 of the Local Government Regulation 2012, it is reported that in September 2018, Council reviewed its Expenses Reimbursement and Provision of Facilities for Mayor and Councillors Policy No. 2.21. Council passed a resolution pursuant to section 250(1) of the Regulation; however, no additional entitlements or provisions were added to the policy.

Council also passed a resolution to adopt the Asset (Accounting) Management Policy No. 1.4 on 13 December 2018. This policy sets the Asset Recognition Thresholds for the different asset classes of Land, Improvements, Buildings, Plant and Equipment. A copy of the policy is available from Council’s Website/Portal.

All reasonable expenses incurred in attending approved meetings, conferences, seminars, workshops, inspections and the like will be paid (or reimbursed) by Council.

Council takes out workers’ compensation cover over elected members with Local Government Workcare each year.
**Conduct and Performance of Councillors**

In accordance with section 186(d) of the *Local Government Regulation 2012*, the following is provided involving disciplinary action for misconduct taken by a regional conduct review panel:

<table>
<thead>
<tr>
<th>Description</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>The total number of orders and recommendations made under section 180(2) or (4) of the Act</td>
<td>Nil</td>
</tr>
<tr>
<td>Total number of orders made under section 181 of the Act</td>
<td>Nil</td>
</tr>
<tr>
<td>The name of each Councillor for whom an order or recommendation was made under section 180 of the Act or an order was made under section 181 of the Act</td>
<td>Nil</td>
</tr>
<tr>
<td>A description of the misconduct or inappropriate conduct engaged in by each of the Councillors</td>
<td>N/A</td>
</tr>
<tr>
<td>A summary of the order or recommendation made for each Councillor</td>
<td>N/A</td>
</tr>
</tbody>
</table>

In accordance with section 186(f) of the *Local Government Act 2009*, the following is provided involving disciplinary action for misconduct taken by a regional conduct review panel:

<table>
<thead>
<tr>
<th>Description</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>The number of complaints about the conduct or performance of Councillors for which no further action was taken under section 176C(2) of the Act</td>
<td>Nil</td>
</tr>
<tr>
<td>The number of complaints referred to the department’s Chief Executive under section 176C(3)(a)(ii) of the Act</td>
<td>Nil</td>
</tr>
<tr>
<td>The number of complaints referred to the mayor under section 176C(3)(a)(ii) or (b)(ii) of the Act</td>
<td>Nil</td>
</tr>
<tr>
<td>The number of complaints referred to the department’s Chief Executive under section 176C(4)(a) of the Act</td>
<td>Nil</td>
</tr>
<tr>
<td>The number of complaints assessed by the Chief Executive Officer as being about official misconduct</td>
<td>Nil</td>
</tr>
<tr>
<td>The number of complaints heard by a regional conduct review panel</td>
<td>Nil</td>
</tr>
<tr>
<td>The number of complaints heard by the tribunal</td>
<td>Nil</td>
</tr>
<tr>
<td>The number of complaints to which section 176C(6) of the Act applied</td>
<td>Nil</td>
</tr>
</tbody>
</table>

**Administrative Action Complaints**

In accordance with section 187 of the *Local Government Regulation 2012*, Council makes a genuine commitment to dealing fairly with administrative action complaints. This is achieved through the adoption of policies and procedures designed to provide confidence in Council’s ability to provide feedback and deal with complaints in a fair and equitable manner. Council provides training to all staff who undertake a customer service role within Council and provides a report to the Executive Management Team on administrative action complaints made on a monthly basis.

<table>
<thead>
<tr>
<th>Description</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of administrative action complaints made to the local government</td>
<td>27</td>
</tr>
<tr>
<td>Total number of administrative action complaints resolved by the local government under the complaints management process</td>
<td>27</td>
</tr>
<tr>
<td>Total number of administrative action complaints not resolved by the local government under the complaints management process</td>
<td>O</td>
</tr>
<tr>
<td>Total number of administrative action complaints under paragraph (a)(iii) that were made in a previous financial year</td>
<td>O</td>
</tr>
</tbody>
</table>

**Overseas Travel**

In accordance with section 188 of the *Local Government Regulation 2012*, the following information is provided concerning overseas travel:

<table>
<thead>
<tr>
<th>Description</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>The name of a Councillor who undertook overseas travel</td>
<td>Cr Warren</td>
</tr>
<tr>
<td>The name of, and position held by, a local government employee who undertook overseas travel</td>
<td>Mr Ian Bodill</td>
</tr>
<tr>
<td>The destination and purpose of the overseas travel</td>
<td>Guest Speakers for the 2018 Silk Road Business Summit, Zhangjiajie China.</td>
</tr>
<tr>
<td>The cost of the overseas travel (both persons)</td>
<td>$52,977.47</td>
</tr>
</tbody>
</table>
Office of the Chief Executive Officer and Mayor

The Governance section of Council is responsible for the development and management of Council policy, media and communications, human resource management, economic development and tourism, as well as emergency services.

The section ensures that good governance provides an environment where political, economic, and social development occurs with positive outcomes.

Good governance at Longreach Regional Council is achieved by having efficient and effective decision-making processes and systems. The use of appropriate policy and accountability frameworks enable councils to focus on strategic rather than operational issues.

The governance section provides elected members with the opportunity to receive training and development in all aspects of local government and to receive information and advice that will assist in making fully informed decisions.

Bi-annual Community consultation forms were held in October 2018 and March 2019 across the four communities in the Longreach Regional Council area. These forums assist in providing regular liaison with those communities, and provide a platform to assist in communication between these townships and council on all matters relating to those areas. Information provided at these forums have assisted in the lead up to future budgets and to ensure that important matters raised are dealt with in a timely manner.

Regional Coordination

Council has continued to engage with regional partners and stakeholder organisations during 2018-19.

Western Queensland Local Government Association Annual Conference

Council was chair/secretariat for the association in the 2018-19 financial year, hosting the Annual Conference, incorporating the organisation’s Annual General Meeting. Council took the opportunity to make the conference a symposium on Regional Diversification and Economic Development; featuring 15 speakers over two full days of plenary and workshop sessions.

The event attracted 180 delegates to our region, benefiting the regional economy and showcasing our region to decision makers from around Queensland and interstate.

Remote Area Planning And Development (RAPAD) Board – Regional Organisation of Councils (ROC)

Council recorded 100% attendance at RAPAD board meetings during the financial year. In addition, Council was an active participant in the RAPAD Air Services and RAPAD Tourism Forums held in Brisbane.

Intergovernmental Relations

Council fostered ongoing engagement with intergovernmental stakeholders in 2018-19, having ministerial and departmental consultations with nine separate government departments.
Media and Communications

Council is committed to continual engagement with its community through a variety of methods. Where possible our external communication is written in plain English, avoiding unnecessary jargon and using a tone of voice that is friendly and engaging; while at the same time aligning with our key messages:

- Services Council provides
- Ways Council is improving itself
- Council consulting with stakeholders/partners
- Council planning for the future.

We keep our community informed via a broad mix of media and communications channels.

Social Media

**Facebook**

571,928 impressions on during the 2018–19 financial year.

3,026 average reach of unique users per post.

Average of 3.63 posts per week, generating 31,902 unique interactions.

On Twitter we generated 82,192 impressions, averaging 6849 per month – while on LinkedIn we garnered 11,228 impressions. Our YouTube channel was launched, achieving 1,717 minutes of watch time across 14 videos.

Traditional Media

Council issued 30 media releases during the financial year, and logged 57 interviews with media outlets. In addition, the Mayor logged 26 appearances on Radio 4LG for his fortnightly interview feature. In addition to local coverage, Council has contributed to stories in a variety of regional and national news outlets including:

- ABC Sydney
- ABC Landline
- 4TO Townsville
- Courier Mail
- Queensland Country Life
- Rural Times
- Today Show (Channel Nine)
- Seven News Queensland
- WIN News Rockhampton
- Radio 2GB

Website Redevelopment

Council undertook a full redevelopment of its website in the 2018-19 financial year, migrating to the new JADU content management system, unlocking a range of accessibility and navigation improvements. For the first time, the site is mobile-responsive, and a comprehensive review of the content and menu structure has improved the user experience, making things easier to find and new functionality.

Human Resources

The Human Resources department set down to achieve five strategic activities in the 2018-19 Annual Operational Plan which were to:

- Hold an annual ‘Big Day In’
- Negotiation of a new Enterprise Bargaining Agreement
- Determine and establish a process to meet Verification of Competency requirements by July 2020
- Advocate Council’s Workplace of Choice Policy
- Ensure all staff undertake and complete an annual performance appraisal process.

Council was able to successfully negotiate a new four year Enterprise Bargaining Agreement (EBA) which was certified in November 2018. Following on from the successful EBA certification Council’s Annual Big Day In was held on 29 January 2019, with full staff participation. The HR team has determined training requirements and is in the process of organising this to ensure the Verification of Competency are met by July 2020. All Council employees required to undertake an annual performance appraisal successfully completed this, however at the 30 June 2019 there were 13 outstanding appraisals which were received in mid July 2019. All appraisal letters were issued to staff by August 2019.

Council’s turnover rate was 21% at the end of 2019. Council had 198 (166 full-time equivalent) staff at the end of the year.
Economic Development

The Economic Development team seeks to enhance Council’s role of facilitating, supporting and advocating for development and building relationships with corporations and government departments with a stake in Longreach’s future.

This team reports directly to the Chief Executive Officer showing how important the securing of the Longreach Region’s economic sustainability is for its residents.

A major focus this financial year was facilitating farming resurgence to build resilience in agriculture through the establishment of an Advancing Agriculture Advisory Committee and delivering the 2019 Western Queensland Local Government Association Annual Conference.

In addition to every day procedures, the Economic Development team also secured a $10,000 grant from Qld Museum’s Inspiring Australia for STEM initiatives and assisted in securing funding through Building Our Regions (BoR) Round 4 for the WQLX - Cramsie Railway Siding Extension project.

The Department assisted with regional events events such as the Outback Paddle Regatta Festival, Yellowbelly Classic Fishing Competition and continuing sponsorship to the Vision Splendid Outback Film Festival. We also provided tourism operators and external departments with letters of support and assisted with their funding applications.

Highlighted accomplishments in concurrence with Council’s Annual Operational Plan 2018-19 and Longreach Regional Council Corporate Plan, 2017-27 are detailed below.

Economic Development and Tourism Mayoral Luncheon Working Group

Mayoral Luncheons continued with three meetings held for the 2018-19 financial year.

The luncheons included discussions with a range of business people on potential ideas that will attract further or expand on existing business and tourism opportunities.

Identified ‘Key Actions’, from these meetings assisted in shaping Council’s ongoing work. This led to attendance and involvement with the Regional Skills Investment Strategy CWQ Reference Group and support for the Longreach Regional Enterprise.

Advancing Agriculture Advisory Committee (AAAC)

The Advancing Agriculture Advisory Committee held their inaugural meeting 12 October 2018. The committee came about in partnership with the Department of Agriculture and Fisheries to provide momentum in the agricultural industry through improving traditional practices in sheep and beef and exploring new to region opportunities in horticulture.

Five committee meetings were held in the 2018-19 financial year which in turn developed and delivered two major community meetings. The first of these being the AGvancing Western Queensland Community Workshop, held in February 2019, which strategically reviewed our natural resources, explored opportunities and ascertained gaps in agriculture and the Agribusiness. The Agtech and Agribusiness Brunch was held in May 2019, which ran in conjunction with the Longreach show to collate further ideas in diversifying and developing current agricultural practices.

The participation and collaboration of multi-regional organisations and participants to the two public workshops held, helped prioritise identified opportunities and concepts to explore. A draft document of preliminary findings was presented to Council.

Economic Development Queensland – Industrial Land Use Study

Consultants Economic Associates delivered an economic and community needs analysis for the Longreach region as part of a Land Use Study. This report was undertaken in collaboration between Economic Development Queensland to investigate growth options for Longreach Region focusing on the availability of Industrial and Commercial land.

This Land Use Study was adopted in August 2018 and was followed up with a workshop for Councillors conducted November 2018 to discuss the findings of the Longreach Economic and Community Needs Assessment. A summary of the key recommendations from the report were discussed in the areas of tourism, retail, commercial office, community facilities provisions and industrial opportunities within Longreach.

Approaches have been made by State Government and private proponents, investigating the availability of commercial parcels of land to develop enterprises in the Longreach Region including Unmanned Aerial Vehicles, large scale Solar Generation Plants and agricultural grade water tanks.

Members of the Advancing Agriculture Advisory Committee.
Air Services and Partnerships

Meetings continued in relation to current air services contracts, arrangements and improved services. We have maintained positive partnerships with relevant stakeholders to prepare a strategy to leverage Longreach Airport as a key economic asset for the region, in particular Queensland Airports Limited (QAL) who continue to be an active partner in the region.

Community Aviation Consultation Group (CACG) meetings were attended and additional meetings held with QAL Longreach Manager to discuss upgrade of welcome signage at the Airport precinct including both airside and landside display boards.

The Birds of Longreach images were an initiative of our department in conjunction with a local photographer which secured funding from QAL to print the bird images and subsequently hung in Longreach and Townsville Airport terminals for display.

In progressing Air Service discussions the Mayor, Chief Executive Officer and Economic Development and Tourism Manager attended two Air Services Forums in Brisbane, where a working group formed from RAPAD to develop a response and proposed solution for the new contract period. This group includes representatives of South West RED and North West ROC for an overall rural remote Queensland solution.

Council also participated in the Northern 1 Air Services Stakeholder Consultation Forum with attendance from the Department of Transport & Main Roads, Winton Shire Council, Longreach Regional Council, ICPA, and REX.

Asia Opportunities

Council sought to further our international tourism and investment engagement in the Asian market with specific focus on China with the Mayor and Councillors attending ASIALink training organised by RAPAD and LGAQ in November 2018.

In addition to this the Mayor Ed Warren and Chief Executive Officer Ian Bodill attended the 2018 Silk Road Business Summit in Zhangjiajie, October 2018. It was here that membership and signing of the Silk Road Urban Alliance Agreement was made. The Silk Road Chamber of International Commerce (SRCIC) promote economic and trade cooperation, friendly and cultural exchanges in the Silk Road region.

The SRCIC contributes significantly to the implementation of the “Urban Alliance” initiative in which Council are now a member. It promotes an understanding between cultures and the creation of direct links between institutions and organisations and encouraging greater educational and commercial links.

A Longreach Regional Council Tourism Infrastructure Investment Prospectus summary was also presented to the Silk Road Chamber of International Commerce.

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A Longreach Regional Council Tourism Infrastructure Investment Prospectus summary was also presented to the Silk Road Chamber of International Commerce.

Mayor Ed Warren alongside Liu Ge’an, Mayor of Zhangjiajie Municipal Government.

Trade Investment Queensland’s Trade Commissioner for Hong Kong, Julie Anne Nichols and General Manager Queensland Operations Richard Watson, visited Longreach in October 2018 with discussions on Tourism Infrastructure Investments, Renewable Energy, Agriculture and protein requirements and International traveler expectations.

The Economic Development team will continue to cooperate, work jointly, and exchange knowledge and expertise in the economic, educational, cultural, and art spheres through the signed Urban Alliance initiative and hopes to implement a regional familiarisation with the Asia market and look at an international tourism strategy with specific focus on China.
Alternative Renewable Energy Feasibility and Sustainability

Council is actively seeking and supporting as a member of RAPAD, options to progress renewable energy generation projects.

Discussions on community based renewable options for towns and communities in the RAPAD region continues with options including mixed infrastructure builds shared amongst private and public facilities to ensure supply maintains capacity and capability in the region.

Further work will be undertaken by RAPAD and member Councils, Consultants and DNRME in the 2019-20 financial year to establish a business case and position for the Central West in relation to affordable and reliable renewable energy requirements for the future.

The Economic Development and Tourism Manager attended a Renewable Energy meeting held in Melbourne, August 2018 with Simec ZenEnergy. Preparation continues for a needs analysis to be conducted by Simec Zen Energy where the analysis will inform a feasibility and business case, for the development of a future renewable energy solution based on the individual needs of the RAPAD region and their communities.

RAPAD consultants visited the Central West in November 2018 to undertake community consultation. Consultation focused on community resilience being enhanced by accessing reliable cost effective energy to re-establish community independence. Building on that consultation RAPAD and Barcaldine Regional Council representatives met in December 2018 to further discuss renewable options for Western Queensland.

Tourism

The Tourism department’s priority is to promote the role of Council as a lead agent of tourism promotion and development, to prepare and implement a tourism strategy, establish a solid foundation and a clear direction for the future development of tourism within the Longreach Region.

Our department supports and maintains collaborative strategic relationships and effective communication with a wide range of external Tourism Industry parties including government, business and tourism industry groups in the ‘Outback’ promotion and destination management.

Our role is to identify and prioritise development of improved visitor facilities throughout the region and to operate Council’s Visitor Information Centre (VIC) to the highest possible standard.

Highlighted accomplishments in concurrence with the Annual Operational Plan 2018-19 and Longreach Regional Council Corporate Plan, 2017-27 are detailed below.

The final Sub Regional Tourism strategy was endorsed at the March 2019 Council meeting with projects from the action plan to be implemented over the next 1-5 years.

Mayor Ed Warren and Winton Shire Mayor Gavin Baskett

Develop and Implement a Sub Regional Tourism Strategy

The Longreach and Winton Tourism Infrastructure Audit and Sub Regional Tourism Strategy was designed from a mutual need to strengthen and enhance both regions economic and tourism endeavors. An MOU was signed in June 2018 with Tilma Group Pty Ltd appointed as consultant for the sub regional tourism strategy between Winton and Longreach. The project team was made up of consultants from Tilma Group, JJ Strategic Consulting and Aphacrane Intercultural Specialists.

The final Sub Regional Tourism strategy was endorsed at the March 2019 Council meeting with projects from the action plan to be implemented over the next 1-5 years.

Engage with Federal, State and Local Government and relevant Tourism Stakeholders on behalf of Region

To help assist in the promoting of our region it is imperative that communication between Tourism, surrounding Local Governments and external stakeholders continues.

Engagements were had with Tourism Events Queensland, Outback Queensland Tourism Association, Visit Queensland, Austrade and AusIndustry, where opportunities for collaboration were discussed including tourism infrastructure investment options.

Our department continues to work with RAPAD who led a Tourism Forum held in Brisbane. The Tourism forum discussed the current tourism environment, looked at identifying new iconic regional opportunities that will
deliver new and improved products. Following on from the forum we supported RAPAD in a funding application for the collection of tourism data inline with existing strategies.

Via Trade Investment Queensland (TIQ), the Trade Commissioner for Hong Kong Julie Anne Nichols and General Manager Queensland Operations visited Longreach to discuss Tourism Infrastructure Investments and International traveler expectations and requirements. An invitation was made by TIQ to link with other Trade Commissioners to discuss investment and opportunities to build capacity in the region.

Additional support was provided the Isisford community, to see the completion of the Isis Downs Display Lathe Machinery Shed. A volunteer group will start assembling the old lathe in the shed and once completed, wire caging will be installed along with signage.

Isis Downs Display Lathe Machinery Shed

To ensure Tourism staff stay up to date on the latest Industry information select workshops were attended in conjunction with regional tourism operators. These workshops encompassed digital readiness and visibility for tourism businesses in regional Queensland.

The Tourism Team Leader attended the Tourism Officers meeting in Longreach delivered by Outback Queensland Tourism Association (OQTA) along with several other shires to discuss developments within tourism from an OQTA and Tourism Events Queensland perspective. Tourism Events Queensland then ran a strategic marketing session focusing on what the Outback’s message would be over the next 5 years. This session was led by Brand Experts and attended by 10 regional tourism industry operators and representatives. Enhancing the promotion of Tourism was also achieved in the financial year with membership in the Matilda Way Working Group and the Barcoo Way Working Group. Achievements made in these areas included Barcoo Way website activation and brochures distributed at travel trade shows and events. Other achievements include Big Sky Tagalong Tours successfully packaging a 9 day Barcoo Way adventure and the Barcoo Way was successful with a funding application for directional/Barcoo Way branded signage.

New Matilda Way Banner displayed proudly by Visitor Information Centre by Customer Service Officers Fiona Greer and Michelle Ballard with Tourism Team Leader Leigh Hook.

Enhanced Promotion of Tourism and Support Tourism Operators

The Visitor information Centre continues to be a popular booking location for Cemetery Tours, Cruises, Cobb & Co rides and Big3 passes supporting our Tourism & Business Operators in our region.

The Tourism department promotes its facilitation role to support tourism operators and other key stakeholders such as Queensland Rail to discuss options around a Tourist Train for Central West. Rolling stock was identified and support letter sent for a local tourism operator’s submission to access funding to develop the business opportunity.

Their application was successful to secure funding for a tourist train operation based out of Longreach for travel to Winton and Barcaldine/Emerald. This operation is anticipated to launch mid 2020 once rolling stock has been secured through Queensland Rail.

Support was provided to the Longreach Archival Society to preserve Longreach history including digitising historic photos of the Powerhouse Museum and updating the Cemetery grave listing.
Actively Promote the Region Outside the Region

Promoting tourism in a given destination, demands a creative and unique approach. Our marketing consistently puts forward the best possible image of our region whilst maintaining positive Tourism Partnerships.

This was achieved by attending Tourism and Travel Trade Shows such as the Melbourne 4x4 Outdoors, Fishing and Boating Expo, Townsville Caravan, 4x4 and Outdoor Adventure Expo, Destination Q Conference- Gold Coast and the Adelaide Caravan and Camping Show.

The region's tourism experiences were promoted through the Visit Longreach Region Visitors Guide 2019, Outback Queensland Travelers Guide 2019 and the Matilda Country Magazine 2019. Furthermore, there were two editorials in the R.M. Williams Outback Magazine, mentions in the online Free Range Camping site and Tourist Radio FM88.

Promotion of our region does not stop with publications and radio. The Outback Queensland Masters Golf event was supported by the Tourism department in the provision of funding and delivery of the Longreach portion of the event in conjunction with Golf Queensland. Financial and in-kind support was also provided for a feature film screenplay on John Flynn and the Royal Flying Doctors story. Locations were discussed including Isisford, Morella and Longreach having the potential to promote the region extensively during filming.

Tourism Connector Events – Community Engagement, Consultations and Presentations

Connector events are held at the beginning and ending of a Tourism season. This provides operators, tourism partners and businesses from the Longreach Region the opportunity to meet new staff, discuss new tourism initiatives and share stories on the past and upcoming tourism seasons.

Visitor Information Centres

The Longreach Visitor Information Centre (VIC) is an accredited facility, managed by Council (LRC) since 1988. This includes management of the Outer Barcoo Interpretation Centre (OBIC) and Cafe at Isisford under the Tourism and Visitor Information Centre department as an Information Centre, Museum and Cafe.

The key objective of the Tourism and VIC teams is to create a visitor experience through efficient customer service with knowledgeable and friendly staff to create a wide awareness of the Longreach Region and surrounds. Both of these Centre's offer an important community service, providing up-to-date information on attractions relating to the town and surrounding areas. A wide range of brochures are on display promoting the outback encouraging visitors to extend their stay in the region.

The Longreach VIC team and Outer Barcoo Interpretation Centre and Cafe are led by a Tourism Team Leader who is responsible for the effective and efficient management and leadership of the tourism function across the region.

Throughout the financial year, both centers provided information and shared their local knowledge to more than 24,000 visitors. Unfortunately not all in region visitors can be captured, however in July 2018 alone there were 5,738 visitors registered into the VIC being an increase of more than 1,600 from the previous year. Apex Riverside Park Camping Area had 2339 more campers than the same period in 2017.

Operations and Management of Visitor Information Centres

The Visitor Information Centre is managed in a highly cost effective manner and implements safe work practices. It remains a sustainable service for all residents and visitors to Longreach. An annual onsite audit by Visit Queensland was conducted to maintain the Golden ‘l’ status which shows compliance with Visit Queensland VIC Guidelines and Regulations.

Likewise the OBIC Cafe maintained compliance with the Foods Act 2006; Standards 3.2.2 and 3.2.3 of the Australian New Zealand Food Standards Code; and holds a current Food Business License.

Museums

The Powerhouse Museum and the Outer Barcoo Interpretation Centre are managed by Longreach Regional Council under the Tourism Department.

Ilfracombe’s Lynn Cameron Machinery Mile, Wellshot Centre, Langenbaker House and the Isisford Museums remain popular attractions for visitors to the region, with the support of volunteers from Ilfracombe and Isisford Historical Societies these members help preserve the past and present displays for our visitors to enjoy.

Highlights for the Outer Barcoo Interpretation Centre and Cafe include new Internet connection, computers and a printer for staff and hosting and catering for Council
Meetings, pop up Libraries, Senior’s Week, Queensland Health meetings, International Women’s Day morning tea and the Isisford Sheep and Wool Show Society meeting.

Highlights for the Powerhouse Museum include the upgrading of the catalogue system and displays in the Social History Building and Nogo Cottage by the Longreach Archival and Historical Research Group and assistance from RESQ who volunteered time at the Powerhouse cleaning up the grounds.

Increase Patronage of Museums

Museum operations are managed in a cost effective manner ensuring entry costs remains affordable and in turn increasing the numbers of both the Longreach Powerhouse Museum and Outer Barcoo Interpretation Centre.

New advertising in the 2019 Tours and Attraction Guide helped promote the museums, seeing a visitor number increase for 2018-19 year with the Longreach Powerhouse and Historical Museum obtaining 151 more visitors than the previous year. Signage was also completed promoting the historical Nogo Cottage located at the Powerhouse Museum.

The Outer Barcoo Interpretation Centre (OBIC) and Café saw 5,080 visitors through their doors for the financial year with 864 of those visitors going through the museum.

The OBIC acquired a new dinosaur fossil that is yet to be displayed. The University of Queensland will complete their research prior to final installation. Next stage is an official announcement and reveal.

Disaster Management

The Longreach Regional Council Local Disaster Management Plan (LDMP) and Sub-plans were reviewed by the Local Disaster Management Group prior to its Meeting held in October 2018. Only minor changes were made to the plan through this review which included updates to the contact lists, Risk Treatment Plan status and the airport runway length for Longreach. The Local Disaster Management Group met in both October 2018 and April 2019 to maintain regular contact with its member agencies. Training has continued to be offered as new members are appointed, to ensure their awareness and obligations in accordance with the Queensland Disaster Management Arrangements Guidelines and Framework.

In 2018-19 Council received funding of $9,700 (exc GST) through the Queensland Reconstruction Authority’s “Get Ready” Program. This funding was used to assist in providing awareness sessions to the local communities on how to be prepared during the lead up to the storm season, and advice on what local emergency services are available in the community.

Activities included a 20/20 Cricket match between Council and the Queensland Fire and Emergency Services (which incorporated stalls by different Emergency Departments), and an Awareness Stall at the Longreach Christmas Street Party which provided packs of information relating to being prepared for a variety of Disaster Events, in particular floods which affect our region.

In 2018 the Longreach Regional Council, in conjunction with other RAPAD Councils, received funding to appoint a Disaster Management Coordinator across the District. The establishment of this position was to assist Councils in their role in Disaster Management and to further ensure our obligations under the Queensland Disaster Management Framework are being met. The incumbent of this position has worked closely with the Queensland Reconstruction Authority, along with the relevant Councils and community members, to gather important local information in regards to flood areas and its effects in these communities historically. The information obtained through these workshops will assist in preparing additional subplans to include in future Plans.

State Emergency Services (SES) Operations

Council continues to liaise with and support the local State Emergency Services (SES) operations within its communities. Volunteers from all four (4) communities continue to be trained on a needs basis with base facilities provided for their use. The upgrade of the Isisford SES building was completed in December 2018, along with the completion of the Miner Road SES site in Longreach which the SES volunteers and Lake Eyre Rangers cohabitate. Further funding will be sought to assist with additional requirements to complete the internal fit out of this facility.
Corporate Services provides a wide range of support services for council activities covering management of Isisford and Ilfracombe Branch offices, customer services, internal IT support, procurement and stores, finance and payroll, insurance and risk, grant management, management of council properties and commercial activities, records management and local laws and rural lands services.

Financial Management

Council has completed its first full year in a new finance management system SynergySoft. From this system Council can produce monthly financial reports, quarterly reviews and end of year financial statement in a timely manner with more reports customized at a management level to be developed in 2019-20. Council has received no adverse external audit opinions in their interim audit in June 2019 and final audit in September 2019.

Council BAS and PAYG Lodgment continue to be processed in the appropriate timeframes. To assist with improved financial management, in 2018 Council implemented a new Project Decision Framework to ensure rigorous evaluation of options and assessment of whole of life costs for projects over $200,000.

Debtors invoicing processes have continued to be improved during 2018-19 with an increased focus on collection of overdue amounts. Implementation of the SynergySoft system has enabled fully electronic control of supplier processes from requisition to purchase order approval, invoice processing and approval and payment of accounts. System functionality has enhanced internal controls and separation of duties across procurement activities. Some suppliers have requested shorter payment terms and Council is currently reviewing its policy in this area.

Audit and Risk Management

Risk Management within Council is overseen by the Audit and Risk Committee which consists of Councillors and independent external member charged with providing assurance, oversight and advice to Council and the CEO in relation to the operations of the Council.

In early 2019, Council’s corporate and fraud risk management system was migrated to the Altus Risk Management Module. A full risk review was undertaken at the end of the 2018-19 financial year and responsible managers assessed effectiveness of current risk treatments. The bulk of risk treatments are effective, however a number of treatments were identified as having room for improvement and specific activities are planned to implement these improvements.
Payroll

Council employees are paid fortnightly with five weeks annual leave. The payroll function has now been fully implemented to the Synergy Soft system. Work continues on the implementation of online leave and online timesheets which will be finalized in 2019-20 providing significant operational efficiencies.

Rates

Council aims to deliver timeliness and accuracy for rates and utility notices issued to ratepayers. During 2018-19 Council was proactive in recovery of overdue rates to minimise bad debts. Council did not seek compulsory sale of any properties during the year.

During the year Council formed in excess of 190 payment plans to assist ratepayers in meeting their obligations and reducing our overall rates receivables to $1.1 million as at 30 June 2019. No complaints for rating charges were received.

During 2018-19 Council undertook a Rating review with the assistance of an independent consultant. Council proposes to make some changes to rates and utility charges to improve equity between communities in the region. In addition, the Valuer General released new land valuations which saw some significant movements in property values. Residential and Commercial properties in Longreach and Ilfracombe fell by around 45% on average.

Council proposes to maintain total rating revenue from the residential sector at similar levels to previous years plus appropriate increases to reflect rising costs. There were significant changes for some rural property valuations also however this was a mixture of increases and decreases in value. Rural property owners will see their rates vary in close alignment to valuation changes.

Customer Services

During 2018-19 no complaints were received in relation to the Customer Service department. Implementation of the new Synergy Soft Customer Request module has allowed significantly improved tracking of incoming customer requests. Since implementation of the module in February 2019, 1422 service requests were received A total of 85% of all calls received were handled and resolved by the call centre at first point of contact.

Records Management

Council’s Records team continuously monitor and maintain incoming emails and correspondence to Longreach Regional Council with a maximum action timeframe of 2 business days. In the 2018-19 financial year, records disposed of over 30 archive boxes from both the Longreach and Ilfracombe Branches in line with the retention and disposal schedule and legislative requirements. To further develop Council’s record keeping processes, our records staff participated in training hosted by Winton Shire Council in May 2019. A review of the Administrative Actions Complaints and Information Management Policy/Directive was undertaken and completed. Over 20 training sessions were conducted within Council for those who use Council’s records system.
Information Technology

Council continues to monitor IT equipment to ensure it is functional for its intended use, equipment and applications are available as per service levels, equipment is purchased and utilized in the most cost effective way and the IT help desk is available during business hours. The IT department has been responsible for the delivery of several projects and ongoing deliverables for Council, these have included;

- Configuration and installation of 34 new laptops and desktops as part of the annual IT replacement plan.
- Sinefa units have been installed to monitor and warn of any issues with network congestion and issues with staff usage to ensure that the network is functional and has the highest possible uptime for core business functions. Environmental monitoring devices have also been installed into the server room and the depot and will be deployed into locations that may have ongoing issues with regards to environmental concerns.
- Working closely with the Tourism team to complete the installation of public Wi-Fi and camera systems. This has been an ongoing project and has now concluded with the entire Main Street (Eagle Street) now covered by public Wi-Fi as well as Apex Park, located beside the river. Over the last year Council’s Wifi network has had over 2000 unique visitors with an average of 126 per day.
- Introduction of a mobile device management system to allow Council to more effectively manage and control mobile device usage. This continues to be an ongoing project with all mobile devices to be managed via this solution.
- As part of the IT help desk service, the IT team has been customizing and updating the service desk solution utilized for the creation of job tickets. Over the past financial year the IT department has closed 1060 tickets. Over that period surveys have been sent to every person whom opened a ticket, to date the IT department has a rating of 98% satisfaction.

Stores

The Stores Team successfully maintained a stock variance at or below 2%. Throughout the financial year, fortnightly reviews were put in place and changes were made to the way stock is managed in order to keep on top of our target. Ongoing training has taken place to refresh our knowledge of best practice in relation to procurement of stock, as well as continued compliance with legislative and policy requirements.

Working hard as a team has ensured internal customers are ready for all tasks and in turn to support the community. Stores has sought to anticipate needs and transfer ownership of some purchasing tasks over to certain departments, with Stores support, to enable independence and build confidence in Council staff following Councils procurement policy.

Procurement

Procurement has continued to remain compliant with legislation and best practice set forth by the Procurement Policy. Changes have been made to council’s procurement practices to encourage competition between suppliers and ensure that competitive quotes are obtained whilst ensuring that local providers are given the opportunity to quote for work. Council renewed its pre-qualified panel for a two year period. The panel has been used many times throughout the last year. Council will offer suppliers the opportunity to apply to join the panel as part of a panel refresh in the second half of 2019. Our Procurement Officer has assisted many council officers in procurement of items over $3000, to ensure staff are following best practice.

Many large purchases have been made by Council this year and with many projects utilising multiple local businesses. Working alongside all departments ensured best practice and continued support through ongoing education for all employees.
**Wild Dog Exclusion Fence Scheme**

The Longreach Wild Dog Exclusion Fence Scheme (LWDEFS) is progressing towards completion. The majority of applicants have completed construction and are ensuring no wild dogs are located within their fenced areas. Mapping of these new fences continues to be a priority to ensure all information is captured and recorded. This data will allow Council to create a local map that shows all private, LWDEFS and RAPAD funded exclusion fences. Future opportunities for further funding may be identified with the use of this map, associated Property Pest Management Plans (PPMP) and Monitoring, Evaluation, Reporting and Improvement (MERI) data.

**Local Laws**

Compliance targets are being met within allocated timeframes.

Annual dog registrations were distributed to customers. In conjunction with these notices, social media has been used to alert the community of pending dates for registration.

Processing times for reviews relating to Animal Management, removal of reported abandoned vehicles from public places and overgrown or unsightly allotments have all been met. Implementation of new SynergySoft modules has allowed easy access to view animal registrations and infringement notice data.

**Rural Lands**

The Central West Regional Pest Management Group has been reinvigorated this year with improved relationships between participating Councils. Three collaborative projects have been identified as necessary by councils’ respective Rural Lands Officer’s (RLO’s). These projects will promote pest weed and animal awareness/identification, target emerging or established pest weed infestations and create a regional pest weed map to assist in securing future funding and collaboration between RAPAD councils.

Data sampling has been undertaken to determine the extent of Sticky Florestina infestations in Longreach region. This will extend to other council areas that are affected as well. All data collected will be utilised to seek funding and raise awareness of this emerging pest weed on a regional basis.

A Regional Stock Route Management Plan may be a long term plan as little progression has occurred. Department of Natural Resources, Mines and Energy (DNRME) are currently reviewing the Stock Routes Strategy and associated fees. It is envisaged that this review will be completed early 2020.

Pasture assessments continue as demand from travelling stock and agistment enquiries reach unprecedented levels following rain in early 2019. Travelling stock numbers have exceeded 15,000 head this financial year, adding to these numbers has been the ability to offer some reserves for short-term agistment.
Land and Pest Management Advisory Committee meetings continue to be held quarterly. Wild dog scalp numbers received have increased as has wild pig sightings. Biannual baiting program participation rates are still variable with a decline in the amount of meat substrate quantities required from landholders who have completed exclusion fencing. A large number of properties have changed hands this year.

Council is managing a number of projects to address cactus infestation in our region, notably at Bexley, Leander and on the Longreach and Isisford Town Commons. The snake cactus infestation that is located on Bexley is an invasive pest that covers approximately 350 hectares. This project is a collaborative partnership between Council and the two adjoining landholders with funding received from Queensland Feral Pest Initiative (QFPI) for a three year period.

This project is in its third and final year of funding. The benefit of a consistent plan backed by committed stakeholders has achieved great results with large areas of cactus treated. Ongoing work in developing a biocontrol is also underway on Bexley and other infested areas. Cochineal bugs have been released on all sites with varying results.

Capital works projects on behalf of DNRM&E have been completed with solar pumps replacing windmills, increasing water storage capacity and maintenance earthworks from previous rain events.
Land Management

Council in partnership with Economic Development Queensland developed a 3 year strategy to rationalise land assets incorporated in a Land Capability Study. The study identified no requirement for further Land Development in Longreach at this stage. Blocks of land in the Teal Street Subdivision have been relisted and are currently available for purchase.

Ilfracombe Post Office

Operation of a Post Office is generally not the role of local governments but Council provides postal services to the Ilfracombe community. Efforts have been implemented to minimize the cost of the service to the community by incorporating other roles from within Council to distribute the operational expenses associated with the business. The business is open during normal business hours, providing an efficient mail service to town and rural customers.

Longreach Saleyards

Council has finalised and executed lease agreements with AAM Investment Group, the Lessee of the Longreach Saleyards whilst continually working closely with the Lessee to further develop a sustainable regional saleyard and spelling complex for the region. Council was very pleased to see two successful sales held at the Saleyards in early 2019. These sales brought many people to town and provided direct economic benefits. Council looks forward to future redevelopment and revitalization of the Saleyards by AAMIG and associated benefits to the local economy.

Leased Out Assets

Assets currently leased continue to be leased out with renewals reviewed prior to lease expiration. Assets are leased out considering social and economic benefits to the community.

Some of Councils assets include:

- Polocrosse Grounds
- Netball Courts
- Ilfracombe Depot Workshop
- Airport precinct Hangars
- Qantas Founders Museum site
- Outback Watersports
- Fuel depot Isisford
Community and Cultural Services

Planning and Development

The targets for Planning and Development were achieved with the timely processing and assessment of all planning, building and plumbing applications. Compliance with the requirements of the following legislation was upheld: Planning Act 2016, Building Act 1975, Building Regulation 2006, Plumbing and Drainage Standard A.S. 3500, Longreach Regional Council Planning Scheme.

Major Developments that were approved and commenced in 2018-19 include:

- Longreach Library renovations
- Upgrade and refurbishment of the Longreach State High School Library and Science Block
- Airpark Roof Development at Qantas Founders Museum

There were 5 permits issued for demolitions including 3 buildings which were demolished as a result of fire. The majority of building permits issued were for domestic sheds.

Total Applications Lodged 52
Total In Progress 3
Total Completed (Development Permit/Approval Issued) 49

$1,375,947
value of building works approved by Council’s Building Certifier

$1,338,226
value of building works approved by Private Certifiers
Environment Health – Food Premises

The majority of food businesses were inspected during the 2018-19 financial year. The processing of applications for new food businesses or mobile food businesses (roadside vendors) and the renewal of all existing food businesses was conducted within the legislative timeframes.

There was an increase in the number and variety of visiting roadside vendors this year. The community enjoys having a variety of different food vendor’s visit throughout the year.

All customer requests relating to food businesses and food safety were addressed and resolved within the determined timeframe.

Food business licenses issued

45

Roadside vendor permits issued

13

Environmental Health - Regulation

All environmentally relevant activities were licensed and audited throughout the year. The processing and assessment of applications for new activities were conducted within the legislative timeframes and the renewal of environmentally relevant activities annual authorities were conducted and completed within the 25 business days of the expiring authorities.

Customer requests relating to environmentally relevant activities, environmental harm and environmental nuisances were responded to and successful outcomes were achieved.
Youth Development Service is committed to the delivery, planning and development of high quality well presented youth services that meet the quality expectations of young people.

During 2018-19 Longreach Regional Council successfully delivered the School Holiday Program and continued to strengthen partnerships with Longreach State High School in the delivery of the Work Experience Taster Program and appointment of a School Based Trainee for Cert III Civil Construction. Longreach Regional Council also supported local Youth Champions in their sporting and or academic achievements/representations via the Mayoral Donation Program. Programs that were not delivered during this period was the Skate Park re-development and Bike Training Project due to budget and the Cert I Conversation and Land Management due to the Longreach Pastoral College announcement of closure.

Community Development

The Community Development Service is committed to the delivery, planning and development of high quality, well presented services that meet the expectations of the community.

During 2018-19 Longreach Regional Council successfully delivered various events i.e. NAIDOC Week, Reconciliation Day and the Get Ready Community Awareness Emergency Services 20:20 Cricket Match. Longreach Regional Council continued its support to Community Groups and Organisations to attract funding and in their events. As part of Council’s commitment to reconciliation all Council meetings and events incorporated the Aboriginal and Torres Strait Islander Cultural Protocols.
Community, Mayoral Donation and Sponsorship

1. During the financial year, Council supported a number of community organisations by granting financial and or in-kind assistance up to the amount of $182,770 in Community, Mayoral Donations and Sponsorship for the period 2018/19.

2. Longreach Regional Council disbursed 40 ‘Get in the Game – Get Started Vouchers’, each voucher is to the value of $150 per child, to assist with sporting club memberships. This was funded through the Queensland Government Fair Play Vouchers formally Get in the Game initiative.

Community Donation Recipients 2018–19

- Community Bus Support – Longreach Multipurpose, Ilfracombe and Isisford Community Bus - $15,000
- Longreach RSL Sub Branch – Vietnam Veterans Day and ANZAC Day - $5,000
- Isisford Fishing Club – Southern Cross Fishing Competition - $2,500
- Science Teachers Association Queensland – 65 Queensland Science Contest - $500
- Longreach Girl Guides – Camp Joti - $706
- The Flying Skin Doctor – Skin Cancer Clinic Isisford - $4,976
- Yellowbelly Classic Fishing Competition - $706
- Flyers Ball Committee – 2018 Flyers Ball $2,000
- Australian Stockman’s Hall of Fame – The Outback Food & Wine Festival - $2,000
- Longreach Pony Club – Inter-School Gymkhana - $2,000
- IRDNA Yellowbelly Launch- Big Yellowbelly Launch - $2,000
- Our Lady’s Catholic School- Our Lady’s Catholic School Fete - $2,500
- Longreach Touch Association - $2,000
- Longreach Archival & Historical Association – Purchase Equipment - $2,000
- Longreach State Primary School – Matt Scott Cup and Awards Night $357
- Longreach State High School – Annual Awards Night - $105
- Central Western Equestrian Group Inc. – Equestrian Clinics - $2,437
- Longreach Junior Rugby League – Purchase of new BBQ and Outback Queensland Trials - $5,000
- Longreach Show Society – 2019 Longreach Show - $5,000
- Isisford Sheep and Wool Show Inc. – 2019 Isisford Sheep and Wool Show - $5,000
- Longreach Jockey Club – Beach Party Family Race Day - $635
- Isisford Golf Club – Isisford Golf Open - $2,000
- Longreach Golf Club – Longreach Golf Open - $2,000
- Central West Music Makers – X-Factor Auditions Brisbane - $1,500
- Longreach Netball Association – Queensland State Trials - $2,000
- Longreach Lions & Lionesses – 2018 Christmas Street Party - $1,656
- Queensland Symphony Orchestra - $972
- Reach Christian Church - Fuel Breakfast Club - $1,000
- Whitman’s Memorial Museum – Community Morning Tea and Tours - $1,000
- Ilfracombe Picnic Race Club – 2019 Willowie Cup - $5,000
- Yaraka Sports & Progress Association – Melbourne Cup Luncheon - $2,081
- Kristen Grant – Hack Event - $1,500
Sponsorship Recipients 2018–19

- Isisford Race Club Inc. – Isisford Ross Cup Race Day - $600
- Longreach State Primary School/High School and Our Lady’s Catholic Primary School – Awards Night - $300
- Scouts World Jamboree Committee – 2019 World Scout Jamboree - $3,500
- Longreach RSL Sub Branch – Centenary of Armistice Day - $1,218
- Western Winter Barrels – Western Winter Barrels Series - $500
- Leading in the Central West – Community Leadership Program - $500
- Longreach Community Theatre – Community Musical – Matilda - $6,200
- Longreach Yellowbelly and Recreation Club Inc. - $5,000
- Central West Rugby League – 2019 Central West Rugby League Competition - $5000
- Longreach Junior Rugby League – 2019 Matt Scott Shield - $4,000
- Outback Water Sports – Outback Regatta - $18,000

Mayoral Donation Recipients 2018–19

- Jackarra Jones – Queensland School Sport 10-12 Years State Championships - $700
- Kristen Grant – North Queensland Show Circuit - $350
- Sarah Krueger – State Honors Ensemble Program - $350
- Sophie Kent – Australian Interschool Equestrian Championships - $500
- Harrison Ivers – Soccer Championships Youth Cup 2018 - $350
- Harry Marshall – State Junior Cricket Trials - $350
- Patrick Chay – Central Queensland Under18 Cricket Representation - $1,000
- Xavier Brown – State Junior Cricket Trials - $350
- Connie Elliott – North West Trials and State Netball Trials - $700
- Maddy Richards- Netball State Titles - $350
- Lexi Ross – Netball State Titles - $350
- Felicity Long – North West 10-12 Years Trials - $700
- Ty Jesberg - QLD vs NSW under 18s Lawn Bowls - $850
- Olivia Palmer – Glyn Rees City Vs Country - $350
- Ella Lenton – Creative Generation - $350
- Amy Bennett – Creative Generation - $350
- Aiyahna Browning – Creative Generation - $350
- McKealy Thomason – Creative Generation and – State Honors Ensemble Program - $700
- Tea Rumsey – Creative Generation - $350
- Max Bruggemann 10-19 Years North West Cross Country - $350
- Ryan Jackson - 12 Years North West Rugby League State Trials and 12 Years North West State Trials/Training - $700
- Jozette Jones – 12 Years North West Netball Trials - $350
- Marnie Bruggemann – 12 Years Girls Cross Country Team - $350
- Kaino Broughton – Central West Cross Country Trials - $350
- Harry Marshall - 12 Years North West Rugby League State Trials & 12 Years North West State Trials/Training- $700
- Macen Palmer – 10-12 Years Boys State Touch Championships - $350
- Lachlan Moore – 11-12 Years Boys North West Rugby League 12 Years Touch Football Team - $700
Child Care – All Services

- Child care environments are checked daily. Maintenance or repairs needed are planned with in three days.

- Ongoing hazard inspections completed and daily safety checklists completed to identify hazards

- All educators have appropriate qualifications and requirements for role included Working With Children Checks, first aid, qualifications or evidence of actively working towards a qualification. Registrations are updated as required.

- All services operational, Childcare Centre, Mobile Childcare Unit and In Home Care Coordination Unit closed for one day for all staff to attend LRC Big Day In.

- All services meeting Education and Care National Law and Education and Care National Regulations (Centre based services), Education and Care Services Act and Education and Care Services Regulations (MCU)

- All Services working towards ongoing quality improvement

- Introduction of Child Care Subsidy for centre based and IHC programs completed, all subsidy payments now come directly to the service. New families given Child Care Subsidy information on enrolment.

- Air conditioners maintained and temperatures consistent. Light LED replacements completed in two buildings. New washing machine is more water efficient.

- Plans for possible expansion developed.

Rural In Home Care

The IHC program is now working with In Home Care Support Agencies, some responsibilities have moved to other agencies including determining eligibility of family, hours of care need and needs of children. Ongoing support provided to families and Educator. Support includes telephone calls, emails and home visits.

Childcare Centre

Childcare has continued to deliver daily programs based upon children’s interests and the Early Years Framework – Being, Belonging and Becoming. Daily updates emailed to parents using ChildCarers, updates include rest times, nappy changes, meals and activities for the day. ChildCarers also allows for news emails and updates for special events or reminders. Parents have the option to receive email or access an application. Staff have continued to work towards their Certificate III and Diploma qualifications.

Continuation of Workplace Health and Safety documentation completed as required in MAPs. Childcare have hosted various special events/days including Rainbow Day, Easter Bonnet Parade, Mother’s Day, Kindy Graduation, National Simultaneous Story Time, visits from QPS, QAS and QFS.
Kindergarten Program

Partnerships continue with Longreach State School and Our Lady’s Catholic Primary School. This allows the Kindy children to transition from the Day Care Centre to Prep Classroom. Children have visited the Longreach State School and Our Lady’s for Step into Prep transition days. The Childcare Centre continues to run the program based on the Queensland Kindergarten Guidelines and Early Years Learning Framework.

Outside School Hours Care and After School Vacation Care

- Program based on Framework for School Age Children – My Time Our Place.
- Enrolments continue to the consistent during school holidays and school terms.

Mobile Child Care Centre

The Mobile Child Care Unit (MCU) continues to travel to towns within the area to provide childcare and learning services to the children in each town. Due to only having two members of the MCU there has been some closures due to staff illness: eight (8) days and two (2) days due to wet weather and flooding. Closures in each town – Muttaburra three (3) days, Aramac three (3) days, Ilfracombe two (2) days and Isisford three (3) days. (We do try to replace Educators when they are unwell - on two occasions last year both Educators would have been out of the program at the same time – it would have been unsettling for children and parents to have two unfamiliar Educators in the program. All closures notified to the Department of Education and Training the day of the closure or earlier if possible). Continue to provide daily updates to parents using ChildCarers Application, updates include rest times, nappy changes, meals and activities for the day. ChildCarers also allow for news emails and updates for special events or reminders. Parents have the option to receive email or access an app.

Events

Successfully delivered events throughout 2018-19:

- Seniors Week
- August Movie Month
- Beersheba Commemoration and Remembrance Artwork
- Region wide Christmas Lights Competition
- Carols By Candlelight in Longreach
- Australia Day Awards
- Australia Day Celebrations in Longreach, Isisford and Ilfracombe
- Big Day In for Council Staff
- Clean Up Australia Day in Longreach and Ilfracombe
- International Women’s Week in Longreach, Ilfracombe and Isisford
- Longreach Library Photographic Competition
- ANZAC Day Events throughout the region
- Health and Wellbeing Month throughout the region in May
- Region wide Queensland Week events
- Bolshoi Ballet Simulcast
- Governor General Visit to Longreach
- Queensland Symphony Orchestra visit to Longreach
- Stalls at the Longreach and Isisford Annual Shows
- Community Emergency Awareness Morning

Council has continued to provide support to Community Groups to execute events, including Light Up Longreach, Light Up Easter in Longreach and Channel 7 Western Queensland Drought Appeal. These events have been well received within the Community.
Community breakfasts in QANTAS Park for Health and Wellbeing Month

Australia Day Ambassadors – Dr Dimity Dornan, John Lazarou and Annette McFarlane

Queensland Week High Tea at the Birdcage Hotel in Longreach

The Remembrance Artwork at night in Beersheba Place was a moving sight

The Longreach Men’s Shed at the Light Up Longreach Ball Making Workshop

2019 Isisford Australia Day Award recipients.
Regional Arts Development Fund

**Council Projects**

**Oral History Project (ongoing)**
- Project to capture record and then display oral historical stories from locals in the Longreach Region with Nicole Bond. - $30,000

**Western Queensland Touring Circuit**
- Outback Comedy Gala - $2,700 - Travelling performance and workshops engaged region wide through the Western Queensland Touring Circuit. 4 comedians performing at the Wellshot Hotel in Ilfracombe.

**Sculpture Project - $5085**
- Workshops based around the art form of Sculpture followed by a sculpture competition. Competition entries were then exhibited at the Longreach Street Party for the community

**Sculpture Sections at the local shows - $1000**
- Following on from the Sculpture workshops, the committee pledged to support the art form at the local agricultural shows in Longreach and Isisford. A new section will be formed with prize money provided.

**Longreach Library - $4,700 Painting workshops**
- Facilitated painting workshops at the Longreach Library to assist with Community Engagement.

**Community Grants**

- Melanie Kilili - Queensland Ballet's High School Work Experience Residency - $1950
- Longreach Youth Club and Sports Complex - Community Mural Workshops - $3780
- Strings Spectacular Workshop - $2440
- Ilfracombe Craft Group - Textile Workshop with Tutor Margaret Olive - $1660
- Yaraka Sports and Progress Assn. - Furniture Restoration Workshop - $3410
- Isisford Sheep and Wool Show - Mooving Balloonin Workshop - $2595
- Longreach Arts and Cultural Assn - Assess and Repair Weaving Looms - $1620

Library

Throughout 2018-19 the Longreach Library has seen some huge changes, after securing a new location and relocating, staff have now settled in to the new Library and also new opening hours to meet the communities desires. During the year we have continued to provide free access to Longreach, Ilfracombe and Isisford residents.

The Longreach Library has been able to successfully deliver a wide variety of activities, including baby bounce, handy crafts, painting workshops and school holiday activities. The Communities Team have introduced a “Pop Up Library’ which has been to Isisford six (6) times throughout the year. This is a great community get together with books and other activities. We have received great positive feedback from this and look forward to delivering more visits.
**Public Facilities**

Council has delivered re-broadcasting facilities in Isisford to provide free to air television in November 2018, which has allowed 160 residents access to free to air TV instead of Satellite costing a total of $90,449.

There was one notifiable incident involving a member of the public in February 2019, resulting in isolation and rectification of unsafe practices at the Longreach Showgrounds.

Installation of 10 x Solar Powered LED pathway lights along Beersheba Place. Lights have been spaced 30 meters apart and get brighter as people walk towards them which has allowed people to walk at night in the hotter months making it a safer option to exercise/leisurely stroll which also fits with the overall plan for the area to accommodate tourists and locals.

A Tree audit was performed in March 2019, this included the removal of complete trees and stump grinding. The works included removal of 42 dead trees between 10m and 25m in height, 35 Dead trees between 3m and 10m in height, 31 Declining trees between 10m and 25m in height; and six Declining trees between 3m and 10m in height. No wood was wasted with the contractors cutting down the big logs into smaller sections so the whole tree was captured for wood mulch with no wood going to landfill.

Urgent pruning works for hazardous deadwood removal from 17 trees between 10m and 25m in height; and nine trees between 3m and 10m in height.

There was also an assortment of sizes of old tree stumps that have been left on footpath areas across the township of which twenty (20) have had their stumps ground down below 200mm ground surface and have been left with a slightly raised surface to allow for decomposition.

These tree works have resulted in a replenishment of our mulch pile to supply invaluable mulch layers to our garden beds for moisture retention over the coming summer months.

An enhancement to the Longreach entry signage has now created an opportunity for tourists to have a photo with an array of native planting and landscape elements. The introduction of the recycled metal sculptures of the emu family has become a feature and much talked about attraction. There is evidence of a high visitation to the entry. That includes locally sourced rock, locally sourced gravels, native plantings that compliment the central western regions, sculptures of an iconic bird species represents the central western region, water wise plantings and mulch from local timbers to conserve moisture levels.

The entry has been complimented with a double row of tree plantings to create an avenue into the town. This adds to the sense of arrival to the region. The plantings over time will develop into a green entry to give a sense the town is alive and well. This included laying 1km of irrigation and 100 trees planted.
Completed Capital Works Projects

Longreach Depot Electrical Upgrade
- Upgrade of switchboards and switchgear to accommodate growth.

Showgrounds Electrical Upgrade
- Upgrade of switchboards, service supply and switchgear to accommodate future growth

LED Lighting Install – Beersheba
- Provide lighting and increased safety on pathway at night

Isisford Pool Solar Blanket
- Supply new solar pool blanket to retain water temperature in cooler months

New Air-conditioner Install – Isisford Community Hall
- Replacement and Upgrade of Air-conditioning units in Isisford Town Hall

Longreach Pool Shade Structure
- Installation of Solid Steel structure to provide shade to spectators

Isisford Lathe Machinery Shed
- Installation of Machinery Shed in Isisford memorial park for the Isis Downs Lathe to be installed into.

The ‘Drovers artwork’ installation site was completed with an official opening. The garden beds in the surrounds were refreshed to complement the statue installation. The pavement has been sealed and new capping pavers have been installed around the tree pits to complete the site. The site has been well received with numerous visitations and photo opportunities for the tourists.

As part of the demolition of the old health building on Duck Street the remnant land has been converted into an extension of Qantas Park. The area has been turfed and landscaped with tree planting for public use.
Stage 2 of the upgrade to the Isisford Main Street was completed which now has four rock pitch raised garden beds in the centre median of the main CBD area. This created much interest and praise from the residents who were pleased with the outcomes.

Hudson Fysh Botanical Walkway had the start of the reinvigoration undertaken with a clean up of the site of the Eremophila garden bed and the addition of approximately 300 new plants to the area. The garden beds have all been mulched and new irrigation installed.

**Cemeteries and Undertaking**

Continued and ongoing maintenance of the cemetery to achieve a well maintained and visually appealing space. Removal and installation of new tree planting to improve the overall appearance of the Longreach Cemetery and Entrance way.

Council engaged with the Longreach Cemetery Working Group to continue the preservation of grave sites including removal of items from the Lawn Cemetery area and moved to the plinth.

**Cemetery Details / Figures 2018–19**

- Church and graveside funeral: 6
- Church service only: 0
- Graveside only: 11
- Memorial: 0
- Cremation: 4
- Internment of Ashes (private): 5
- Internment of Ashes (gravesite staff needed): 1
- Plaques ordered on behalf of family: 8
- Undertakers service only: 4
The Infrastructure Services Department is responsible for the maintenance and construction of roads, water, sewer and waste infrastructure. It is responsible for the following:

- 86 kilometres of Urban Roads
- 4 water supply schemes
- 2662 Kilometres of Rural Roads
- 106 kilometres of water mains
- 3 Aeroplane Landing Areas
- 1 sewer treatment scheme
- 35 kilometres of drainage
- 2 common effluent disposal schemes
- 21 Bridges and large culverts
- 67 kilometres of sewer mains
- 587 grids
- 4 landfill sites

Throughout the year, the Infrastructure Works Department has successfully delivered numerous projects within the Longreach Regional Council area. We have continued to complete and create asset management strategies, monitor, evaluate and implement processes to determine whole life costs for projects to ensure value for money is evaluated for each project.

We continue to develop and maintain partnerships with regional organisations to prioritise and successfully deliver projects within the community and surrounding areas, whilst adhering to Council’s Mission, Objectives and Workplace Health and Safety guidelines.

Workshop and Depots

Longreach Regional Council owns and operates a Depot in Longreach, Ilfracombe, Isisford and Yaraka. In addition Council also owns and operates a mechanical Workshop in Longreach and Isisford. Council continues to implement improvements to these Facilities as per the Depot Master Plan. Council undertook a comprehensive electrical audit this year and rectified all faults, in order to provide staff with a safe working environment.

Continuous maintenance has been carried out across all Depots within the Longreach Regional Council, including major projects in Ilfracombe in constructing a new wash down bay and a new concrete floor in the signs shed.

- Ilfracombe Depot – construction of new wash down bay at a cost of $52,000
- Ilfracombe Depot – new concrete floor in signs shed at a cost of $10,000
Airports – Aeroplane Landing Areas

The Longreach Airport is owned by Council, however is leased to Queensland Airports Limited (QAL). Council owns and maintains three Aeroplane Landing Areas (ALA’s). This year, Council engaged Consultants to carry out a comprehensive audit of the ALA’s. Following this audit, Council undertook the repairs and maintenance recommended by the audit. The completion of these works, together with the installation of solar runway lighting, co-funded by the State and LRC, has improved ALA safety and operations and meets Civil Aviation Safety Authority (CASA) regulations and standards.

Stormwater

Council carries out regular inspections of its Stormwater Infrastructure. This allows Council to continually identify, schedule and implement improvements to the drainage network. A number of new and upgrade works was carried out this year and Council achieved its operational target of no ponding of water exceeding 72 hours from the last rain event.

Council continues to budget for Stormwater Drainage renewals and upgrades every year.

Over 2018-19 the Works Team has continued working in conjunction with the Storm water master plan which was implemented in 2010. This is a ten year plan that incorporates the maintenance and construction of existing storm water infrastructure. This year Council has delivered:

- Longreach – Eagle Street Box Culvert upgrade $95,000
- Isisford – Box Culvert upgrade $100,000
- Ilfracombe – Box Culvert upgrade $130,000

Main Roads Works

Longreach Regional Council has a close relationship with the Department of Transport and Main Roads, working in collaboration maintaining State Controlled Roads (SCR).

Longreach-Jundah Road Rehabilitation Project

Council has delivered a wide variety of projects throughout the year, including the following:

- Maintenance State Roads $1,034,896
- Maintenance National Highway $333,845
- Weed Management $35,000
- Traffic and Incident Management $50,000
- Isisford – Emmet Road gravel resheeting $507,000
- Landsborough Highway guidepost replacement $14,948
- Landsborough Highway stopping bay $126,378
- Reseal Prepworks 2019/20 $1,059,960
- Culvert Replacement 95B $190,621.80
- March Emergency Works $108,257
- MWPC Project Longreach – Jundah Road Rehabilitation $1,694,724.95

These projects have been awarded to Council from Queensland Main Roads Funding, which has enabled Council to upgrade and maintain existing infrastructure within the Longreach Regional Council area.
Private Works

Council continues to provide a service of private works agreements with property and business owners wanting Council to carry out specific works. These include the construction of driveways, stormwater outlets, livestock grid construction and replacement, etc. Grids are regularly inspected for wear and tear and are safe to use. During the year, Council completed a number of grid replacements where the condition was determined unsafe. This is an ongoing project for the last two years and will continue until all grids within the area are deemed safe for use. This year we replaced eight (8) grids and maintenance carried out on a number of other grids.

Town Streets

The Roads Maintenance Team has continued to deliver projects within the townships in a timely matter. These projects include:

- Town Street reseals $250,000.00
- Yaraka – Quilp Street pave and seal $50,000
- Yaraka – Install concrete footpath $32,000
- Longreach–Install concrete footpath $35,000 (From Plover Street to Our Lady’s School zone)

With the completion of these projects we have created more access opportunities to community members during wet weather events. New footpaths have created easier and safer access for pedestrians and mobility vehicle users.

Flood Damage NDRRA

In early 2018, the Longreach Regional area experienced flooding, due to heavy rainfall in the upper catchments. This flooding caused extensive damage to Longreach Regional Council’s road network, at a cost of $19,000,000. Council decided to utilise its own staff to carry out the restoration works. This Project must be completed by June 2020. Council has already completed 70% of the works and expects the balance of the works to be completed by the end of 2019.
**Rural Roads**

Council is committed to providing roads that are safe and well maintained within the Longreach Regional Council area.

During the year we have continued working with the Outback Regional Roads and Transport Group as well as the Department of Transport and Main Roads to deliver various projects including:

- Rural road floodway reseals $ 250,000
- Ilfracombe - Dandaraga Road reseal $ 322,000
- Yaraka –Bimerah Road Heavy Formation Grade $ 135,000
- Isisford –Bimerah Road Heavy Formation Grade $ 250,000
- Longreach – Tocal Road Gravel Resheet $ 260,000
- Yaraka Racecourse Road Gravel Resheet $ 100,000
- Tocal – Tarcombe Road Gravel Resheet $ 180,000
- Bridge Maintenance $ 50,000
- Grids renewal $ 150,000
- Construct Headwalls $ 150,000
- Honan Downs Road Install concrete Floodway $ 150,000
- Rural Road Signage upgrade $ 50,000
- Tonkoro Road Replace concrete floodways $ 275,000
- Rural Roads Safety Audit $ 50,000

A number of these recommendations are being investigated and/or have been implemented across the region with projects such as:

- Replacement of the Isisford Town Weir
- Isisford Harvest Pump Foundation Upgrade
- Feasibility Investigation into the Raising of the Longreach Town Weirs; and
- The Ilfracombe Reverse Osmosis (RO) Plant Project

In late June 2019 the installation of the Reverse Osmosis (RO) Plant at Ilfracombe was completed. With Ilfracombe being one of the most vulnerable towns with regards to water supply the completion of the RO Plant was a major milestone for council to deliver on their “Mission” and commitment to provide high quality services to our communities. Council was well supported by the Federal Government who contributed $1,000,000 to the completion of the RO Plant project. The RO Plant is currently producing 200KL – 300KL per week of high quality drinking water. Some minor power supply upgrades are required to bring the RO Plant up to full production, however; once this is achieved the RO Plant will be able to produce over 1200KL per week.

**Water and Sewerage Projects**

The 2018-19 financial year saw the commencement and completion of some exciting waste, water and sewerage projects. The following provides an overview of the projects and their current status.

Recently Longreach Regional Council completed a Water Security and Sustainability Report that outlined a number of recommendations to safe guard town water supplies.
The remainder of the above mentioned projects are in the planning and development phase. Concept design and Development Application (DA) approval process is progressing for the Isisford Weir. Once DA approval has been achieved Council will actively seek funding to complete the construction phase of the project. The Feasibility Investigation into raising the Longreach Town Weirs is underway and is expected to be completed by December 2019.

Council continue to meet their legislative requirements at all Sewerage Treatment Plants and continue to work with the Department of Environment and Heritage Protection. Additionally council are working with the RAPAD Water and Sewerage Alliance on a jointly procured project with other central west councils that will look at improving treated water from a Class D to a Class C or better, so that it may be used for irrigation or construction purposes. Also through the RAPAD Water and Sewerage Alliance a jointly procured contract has been established to provide a sewer relining service to the central west. Considerable saving will be achieved through this contract as a result of economies of scale completing works regionally. Council will be relining approximately 40 priority sewer lines in the coming year.

### Water Operations

Operation of water treatment plants, pump stations, reservoirs and distribution networks meet the targets of being online 24/7 and the quality standards set out in the Drinking Water Quality Management Plan (DWQMP). All legislative report targets were met with a 100% success rate of the Regulator’s review.

Council made several improvements to the DWQMP with the revised DWQMP waiting approval from the Regulator. All Water Treatment personnel who had not already obtained a Certificate III in Water Operation have commenced the course and are expected to complete in early 2020.

Continual monitoring of all water storage facilities was completed in accordance with Council’s Drought Management Plan. With the rain that was received in March 2019 water restrictions were lifted in accordance with the Drought Management Plan, activated within 24 hours and the community advised accordingly.

### Longreach Regional Council Turbidity Test Results 2018-2019

![Turbidity Test Results Graph](chart.png)

**Limit of Reporting <5**
Sewerage Operations

Operation and maintenance of the region’s Sewerage Treatment Plants, pump stations and collection networks meet the required levels of services being online 24/7 for the entire financial year. As outlined above continual improvement initiatives are being carried out by Council through upskilling programs such as operator training and investigation into the improvement of the treated water.

Waste Services

Council’s waste collection service met all levels of service requirements for the year with no missed days. Only minor issues occurred with regards to missed bin collections and for the year council achieved a 99.5% collection rate.

Apart from wet weather closures, Longreach’s landfill remained open during business hours and 24/7 at Ilfracombe, Isisford and Yaraka and maintained a high standard of compliance and executed the Site Based Management Plans.

With Council’s commitment to strive for continual improvement the Infrastructure team commenced the development of an overall Waste Strategy that will be completed in late 2019. The strategy will provide an options assessment to minimise cost and maximise customer service. The development of the Strategy document has been well supported by the state government with $180,000 contributed through the Maturing the Infrastructure Pipeline Program 2.

June 2019 saw the introduction of landfill lids at the Longreach Landfill. The large metal lids are placed each evening to prevent rubbish being blown across the common and minimise the amount of soil capping required.

Asset Management Plans

Planning for whole of life costings when making decisions on new or enhanced community facilities has been implemented through council’s Asset Management Plans. A focus has been placed on 10 year forecasting for capital works with budgets developed accordingly. Council will be conducting a full review of their Asset Management Plans in the next financial year.

Plant and Equipment

Longreach Regional Council maintains its plant fleet in an optimum condition to deliver a wide range of services to each community. To meet replacement targets a Plant Committee has been established and meet as required. During 2019 financial year fleet replacement met its target of not exceeding the budget. The following plant were replaced during this period:

- Toyota Rav4
- Toyota Prado GX
- Toyota Hilux SR 4x4 Extra Cab Utility
- CAT 140M Grader
- CAT CW34 Roller Multi-Tyre
- Toyota Workmate 4x2 utility 2.4L

Stormwater Rehabilitation at Ilfracombe Landfill
Rehabilitation and Return to Work

During the course of the year LRC successfully assisted in the rehabilitation of a number of employees providing much needed support to get them back to work in a timely fashion. During the rehabilitation process all staff were provided with all the relevant information required to help them return to work. Additionally, all targets were achieved providing the information to new employees on the assistance that is available.

Quality Control

LRC have maintained a high level of Quality Control in accordance with the Australian Standards. Internal and external audits were completed and Recertification through ISO9001 was achieved.

Workplace Health and Safety

Longreach Regional Council is committed to Workplace Health and Safety. Council continues to assess its policies, procedures and processes, in order to provide all staff with a safe work environment. The Workplace Health and Safety Department target for 2018-19 was to not only retain our accreditation of a Bronze Status but strive to further develop our safety management system to gain a Silver Status accreditation.

Council is working towards a 100% completion of individual monthly action plans, staff and contractor inductions and staff and supervisor training in the Safety Management System. Essential elements of the operational targets outlined that staff were required to continually review their sites and staff to ensure legislation requirements and council policies were adhered to.

In April 2019, Longreach Regional Council staff participated in a Hazard Identification Competition as part of a “Safety & Health at Work Day” initiative. The Safety Team set up a real life display at Longreach Depot and emailed the below photo out to all Staff. Staff were asked to identify as many hazards in teams or as an individual in a period of one working day, with the competition concluding with a combined total of 46 hazards identified. This initiative allowed staff to self identify hazards that the Safety Team were reporting during site visits.
Other Content

Control of Pest Animals on Rural Land

Pursuant to section 190(d)(ii) of the Local Government Regulation 2012 it is reported that Council has a special charge for the control of pest animals on rural land. A Land and Pest Management Advisory Committee exists to provide Council with advice on the control of wild dogs and other pest animals. These wild dogs and pest animals pose a threat to the economic viability of the rural producers within the region and to the welfare of domestic and rural animals.

Council has adopted a special charge to raise funds specifically for the control of pest animals. This charge is applied to rural land that has an area in excess of 25 ha. The charge is based on 1.88 cents per hectare. This charge is included on the rate notice.

Council uses the funds raised by this special charge to fund projects directly related to the control of wild dogs and other pest animals. Projects include baiting, fencing, education and animal control and other projects nominated by the Land and Pest Management Advisory Committee.

Longreach Wild Dog Exclusion Fence Scheme

In accordance with Section 94 of the Local Government Act 2009 and section 94 of the Local Government Regulation 2012, Council shall levy a special charge for the cost of borrowing for the purchase of materials and construction of exclusion fencing that controls pest animals for certain rural properties in the Longreach Regional Council.

It is considered that the properties subject to the special charge specially benefit from the provision of the exclusion fencing by empowering a landholder or a group of landholders to develop an integrated property pest management plan involving baiting, trapping and shooting to control pest animals and improve the economic viability of grazing industries.

The amount of special charge shall differ according to the level of benefit that the property receives from the provision of the exclusion fencing. For completed fences, the level of benefit shall be determined according to the costs associated with borrowing, the purchase of materials and construction of fencing to be repaid over 20 years.

To determine the amount of special charge it will generally be the total cost divided by the repayment years noting that the first two (2) years are interest free, the next three (3) years are interest only then principal and interest for the remaining term. No discount will apply.

During 2018-19 fencing work continues with the majority of fences now completed and the receivables recognized in council’s Financial Statements. Remaining fence construction will be completed in 2019-20.

Overall the estimated cost of carrying out the overall plan is $18,699,574.64. This figure includes all of the costs associated with the installation of the exclusion fencing which the special rate shall fund. The estimated time for carrying out the overall plan is 20 years, concluding 30 June 2038. The levying of the special charge will commence in the 2019-20 financial year.

List of Registers

In accordance with section 190(f) of the Local Government Regulation 2012 the following registers are listed:

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Register of Interests</td>
<td>To record certain financial and other personal interests of relevant individuals pursuant to section 289 of the Local Government Regulation 2012</td>
</tr>
<tr>
<td>Register of Delegations by Council</td>
<td>To record all powers delegated by Council pursuant to section 257 of the Local Government Act 2009</td>
</tr>
<tr>
<td>Register of Delegations by Chief Executive Officer (CEO)</td>
<td>To record all delegations made by the CEO pursuant to section 259 of the Local Government Act 2009</td>
</tr>
<tr>
<td>Register of Local Laws</td>
<td>To record all local laws pursuant to section 31 of the Local Government Act 2009</td>
</tr>
<tr>
<td>Register of Approvals, Licenses and Permits Required under Local Laws</td>
<td>To record a list of pest control and entry notices issued under the Land Protection (Pest and Stock Route Management) Act 2002</td>
</tr>
<tr>
<td>Register of Roads &amp; Maps</td>
<td>To record the details of the region’s roads pursuant to section 74 of the Local Government Act 2009</td>
</tr>
<tr>
<td>Register of Cost-recovery Fees</td>
<td>To record the cost-recovery fees made under a local law or resolution pursuant to section 98 of the Local Government Act 2009</td>
</tr>
<tr>
<td>Register of business activities to which the competitive neutrality principles apply</td>
<td>To record the business activities to which the competitive neutrality principles apply pursuant to section 56 of the Local Government Regulation 2012</td>
</tr>
<tr>
<td>Register of non-current physical assets</td>
<td>Register of non-current physical assets pursuant to section 180 of the Local Government Regulation 2012</td>
</tr>
</tbody>
</table>
Concessions for Rates and Charges

In accordance with section 190(g) of the Local Government Regulation 2012 it is reported that Council offers eligible pensioners a rebate on rates and other charges. This rebate is generally 35% of General Rates, Water Charges, Cleansing Charges and Sewerage Charges.

Senior Staff Remuneration

In accordance with section 201 of the Local Government Act 2009, it is reported that:

Four (4) senior management employees have a total remuneration package in the range $200,000 to $300,000.

The total of all remuneration packages that were payable (in the year to which the annual report relates) to the senior management of the local government was $938,772.

Equal Employment Opportunity (EEO)

Equal Employment Opportunity aims to promote equality of employment opportunity in local governments by enabling members of target groups (Aboriginal and Torres Strait Islanders, people of non-English speaking backgrounds, people with disabilities, and women) to compete for recruitment, selection and promotion, and pursue careers in Council. It aims to eliminate unlawful discrimination in employment matters. Council has an Anti-Discrimination and Equal Employment Opportunity Management Directive and Employee Code of Conduct which staff are inducted in and provided with on commencement.

Equal Employment Policy

The Anti-Discrimination and Equal Employment Opportunity (EEO) Management Directive is provided to all new employees upon commencement and is available to all individuals who apply for positions with Council.

Council is committed to providing an environment where employees and others in the workplace are treated fairly and with respect, and are free from unlawful discrimination, vilification, sexual harassment and victimisation. Further, Council aims to ensure that when employment decisions are made, they are based on merit, not on irrelevant attributes or characteristics that an individual may possess.

Council also aims to create a work environment which promotes good working relationships and existing and future employees are not discriminated against in their employment on the grounds of race, colour, national origin, sex, religion, marital status, age, physical and intellectual impairment, political convictions and sexual preferences.

Council will ensure any discriminatory practices are removed from its policies and procedures and will recognise and encourage employees on the basis of their abilities, aptitudes, qualifications and skills, through the implementation and monitoring of effective Human Resources policies and procedures.

EEO programs benefit the organisation by providing a wider range of jobs and recruitment and training opportunities, greater opportunity to use the skills, qualifications and the opportunity to gain greater career development and achieve job satisfaction. The Anti-Discrimination Act outlawed discrimination on the basis of race, sex, marital status, sexual preference, physical and or intellectual impairment in employment and in the provision of goods and services. The implementation of EEO Policies and programs will be monitored and it is important that the EEO Management Plan has the support, co-operation and commitment of Council and all staff.

Right to Information

Council is an agency under the Right to Information Act 2009. Members of the public may make application to Council under this legislation to access documents. People wishing to access documents under this Act must make application in writing to the Chief Executive Officer, including an application fee. During the twelve months to 30 June 2019, Council has processed no right to information applications. This Annual Report satisfies the requirements of section 21 of the Act.

Public Sector Ethics Disclosures

Pursuant to the provisions of the Public Sector Ethics Act 1994, Council is required to report on actions taken regarding implementation of the legislation.

During the reporting period, Council provided training and education to its workforce through inductions of new staff members, together with re-inductions of all existing staff. Council supports its ongoing procedures and practices to ensure employees abide by and embrace the principles of the legislation.

Council’s Code of Conduct is provided to all new employees upon commencement and is provided to all of Council if and when it is reviewed.
Internal Audit

During the reporting period, Council’s Audit and Risk Committee consisted of three (3) persons being Mr Bill Ringrose, Partner, Ringrose Button, Chartered Accountants, Longreach (Chairperson) as an external independent member, Cr Tony Martin and Cr Tony Rayner. This committee met five (5) times during the financial year to review financial policies, annual financial statements as well as internal and external audit reports.

Walsh Accounting, conducted internal audit projects on Governance and Legislative Compliance as well as a follow up audit testing from an internal audit project undertaken in May 2016 on the Purchasing, Payments and Creditors functions in November 2018. Further internal audit projects in March 2018 focused on Payroll and Human Resources (HR) Management and Contracts Management.

Considerable changes have been implemented to systems, procedures and staff training to reform the purchasing function. Some purchasing processes have changed since the implementation of the Synergy Soft financial system early in 2018. Overall purchasing controls identified allow for; electronic creation of requisitions and purchase orders, electronic authorisations recorded in Synergy Soft, delegation limits pre-set in Synergy Soft, and a clear segregation of duties between requisition, purchase order, authorisation, accounts payable processing, and accounts payable file changes exists. Council’s centralised purchasing unit and increased use of Vendor Panel or pre-qualified suppliers provides increased assurance over the procurement process. Council was able to provide evidence of training and advice being provided to Purchasing, and operational departments being increasingly willing to seek advice of the Procurement section.

Overall Council’s governance framework is of a satisfactory level to meet the legislative requirements. It was recommended that as part of Council’s website redevelopment that it would be beneficial to have all corporate and financial disclosures listed in one area, with direct hyperlinks to the documents for the general public to be able to access more easily. Council’s staff were found to be acting within their level of delegation and the delegations structure is satisfactory for effective governance and legislative compliance.

In March 2019 a combined internal audit review of the Payroll & HR management functions demonstrated a strong platform of procedures, documentation and staff knowledge. In addition the internal auditors were requested to also undertake a review of Contracts Management due to concerns identified by management personnel in this area. Due to contracts covering a broad range of functions across all departments, there were inconsistencies in the way contracts were established, managed and applied. The internal auditors recommended a greater centralisation of contract records, increased use of the functionality of Magiq Records System, and increased staff training in this area should occur.

The Internal Audit team acknowledged that the staff of Longreach Regional Council fully cooperated in all internal audit reviews for 2018-19.
Financial Statement 2018–19
# Table of Contents

## 1. Primary Financial Statements:
- Statement of Comprehensive Income: Page 2
- Statement of Financial Position: Page 3
- Statement of Changes in Equity: Page 4
- Statement of Cash Flows: Page 5

## 2. Notes to the Financial Statements
1. Significant Accounting Policies: Page 6
2. Council Functions - Component Descriptions: Page 10
2(b). Council Functions - Analysis of Results by Function: Page 13
3. Revenue Analysis: Page 13
4. Grants, Subsidies, Contributions and Donations: Page 15
5. Employee Benefits: Page 15
6. Materials and Services: Page 16
7. Capital Expenses: Page 17
8. Cash, Cash Equivalents and Investments: Page 17
9. Trade and Other Receivables: Page 18
10. Inventories: Page 19
11. Property, Plant and Equipment: Page 20
12. Fair Value Measurements: Page 23
13. Trade and Other Payables: Page 27
16. Asset Revaluation Surplus: Page 30
17. Commitments for Expenditure: Page 31
10. Contingent Liabilities: Page 31
19. Superannuation: Page 32
20. Trust Funds: Page 34
21. Reconciliation of Net Result for the year: Page 34
21. to Net Cash Inflow (Outflow) from Operating Activities: Page 34
22. Financial Instruments: Page 35
23. National Competition Policy: Page 38
25. Events Occurring After Balance Sheet Date: Page 40

## 3. Management Certificate: Page 41

## 4. Independent Auditor’s Report: Page 42

## 5. Current Year Financial Sustainability Statement
- Certificate of Accuracy - Current Year Financial Sustainability Statement: Page 46
- Independent Auditor’s Report - Current Year Financial Sustainability Statement: Page 47

## 6. Long Term Financial Sustainability Statement
- Certificate of Accuracy - unaudited Long Term Financial Sustainability Statement: Page 50
Longreach Regional Council

Statement of Comprehensive Income
for the year ended 30 June 2019

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Recurrent Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rates, Levies and Charges</td>
<td>10,247</td>
<td>9,437</td>
</tr>
<tr>
<td>Fees and Charges</td>
<td>9,565</td>
<td>9,689</td>
</tr>
<tr>
<td>Rental Income</td>
<td>162</td>
<td>257</td>
</tr>
<tr>
<td>Interest and Investment Revenue</td>
<td>778</td>
<td>805</td>
</tr>
<tr>
<td>Gesco Revenue</td>
<td>3,666</td>
<td>6,350</td>
</tr>
<tr>
<td>Other Income</td>
<td>882</td>
<td>679</td>
</tr>
<tr>
<td>Grants, Subsidies, Contributions and Donations</td>
<td>16,575</td>
<td>11,460</td>
</tr>
<tr>
<td><strong>Total Recurrent Revenue</strong></td>
<td>34,795</td>
<td>30,677</td>
</tr>
<tr>
<td><strong>Capital Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants, Subsidies, Contributions and Donations</td>
<td>4,971</td>
<td>4,554</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>38,766</td>
<td>35,231</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Recurrent Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>14,911</td>
<td>13,337</td>
</tr>
<tr>
<td>Materials and Services</td>
<td>19,910</td>
<td>16,793</td>
</tr>
<tr>
<td>Finance Costs</td>
<td>64</td>
<td>905</td>
</tr>
<tr>
<td>Depreciation</td>
<td>3,333</td>
<td>6,284</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>41,123</td>
<td>37,420</td>
</tr>
<tr>
<td>Capital Expenses</td>
<td>231</td>
<td>611</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>41,354</td>
<td>38,031</td>
</tr>
<tr>
<td><strong>Net Result</strong></td>
<td>(1,588)</td>
<td>(2,800)</td>
</tr>
</tbody>
</table>

**Other Comprehensive Income for the year**

*Amounts which will not be reclassified to the Net Result*

Increase/(Decrease) in Asset Revaluation Surplus | 21,604 | (535) |

**Total Other Comprehensive Income for the year** | 21,604 | (635) |

**Total Comprehensive Income for the year** | 20,016 | (3,335) |
# Statement of Financial Position

as at 30 June 2019

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>21,966</td>
<td>28,306</td>
</tr>
<tr>
<td>Trade and Other Receivables</td>
<td>3,218</td>
<td>3,927</td>
</tr>
<tr>
<td>Inventories</td>
<td>2,004</td>
<td>1,900</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td><strong>27,248</strong></td>
<td><strong>34,201</strong></td>
</tr>
<tr>
<td><strong>Non-Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and Other Receivables</td>
<td>9,981</td>
<td>-</td>
</tr>
<tr>
<td>Property, Plant and Equipment</td>
<td>317,614</td>
<td>301,082</td>
</tr>
<tr>
<td><strong>Total Non-Current Assets</strong></td>
<td><strong>327,595</strong></td>
<td><strong>301,082</strong></td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>354,843</strong></td>
<td><strong>335,283</strong></td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and Other Payables</td>
<td>4,523</td>
<td>6,670</td>
</tr>
<tr>
<td>Borrowings</td>
<td>553</td>
<td>559</td>
</tr>
<tr>
<td>Provisions</td>
<td>1,486</td>
<td>189</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td><strong>6,542</strong></td>
<td><strong>7,508</strong></td>
</tr>
<tr>
<td><strong>Non-Current Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrowings</td>
<td>19,010</td>
<td>20,171</td>
</tr>
<tr>
<td>Provisions</td>
<td>2,272</td>
<td>1,119</td>
</tr>
<tr>
<td><strong>Total Non-Current Liabilities</strong></td>
<td><strong>21,280</strong></td>
<td><strong>21,280</strong></td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td><strong>28,432</strong></td>
<td><strong>28,888</strong></td>
</tr>
<tr>
<td><strong>Net Community Assets</strong></td>
<td><strong>326,411</strong></td>
<td><strong>306,395</strong></td>
</tr>
<tr>
<td><strong>COMMUNITY EQUITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asset Revaluation Surplus</td>
<td>119,613</td>
<td>98,009</td>
</tr>
<tr>
<td>Retained Surplus</td>
<td>208,798</td>
<td>208,386</td>
</tr>
<tr>
<td><strong>Total Community Equity</strong></td>
<td><strong>326,411</strong></td>
<td><strong>306,395</strong></td>
</tr>
</tbody>
</table>
### Longreach Regional Council

#### Statement of Changes in Equity
for the year ended 30 June 2019

<table>
<thead>
<tr>
<th></th>
<th>Asset Revaluation Surplus $'000</th>
<th>Retained Surplus $'000</th>
<th>Total Equity $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2019</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening Balance (as at 30 June 2019)</td>
<td>98,009</td>
<td>208,386</td>
<td>306,395</td>
</tr>
<tr>
<td>Net Result</td>
<td>-</td>
<td>(1,588)</td>
<td>(1,588)</td>
</tr>
<tr>
<td>Other Comprehensive Income for the year</td>
<td>21,604</td>
<td></td>
<td>21,604</td>
</tr>
<tr>
<td>Increase in asset revaluation surplus</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Comprehensive Income</td>
<td>21,604</td>
<td></td>
<td>21,604</td>
</tr>
<tr>
<td>Total Comprehensive Income for the year</td>
<td>21,604</td>
<td>(1,588)</td>
<td>20,016</td>
</tr>
<tr>
<td><strong>Equity Balance as at 30 June 2019</strong></td>
<td>119,613</td>
<td>206,798</td>
<td>326,411</td>
</tr>
<tr>
<td><strong>2018</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening Balance (as at 30 June 2017)</td>
<td>98,594</td>
<td>211,136</td>
<td>309,730</td>
</tr>
<tr>
<td>Net Result</td>
<td>-</td>
<td>(2,800)</td>
<td>(2,800)</td>
</tr>
<tr>
<td>Other Comprehensive Income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Movement in asset revaluation surplus</td>
<td>(535)</td>
<td></td>
<td>(535)</td>
</tr>
<tr>
<td>Amount Transferred from Plant &amp; Equipment Revaluation Surplus</td>
<td>(29)</td>
<td>50</td>
<td>-</td>
</tr>
<tr>
<td>Other Comprehensive Income for the year</td>
<td>(564)</td>
<td>50</td>
<td>(535)</td>
</tr>
<tr>
<td>Total Comprehensive Income for the year</td>
<td>(696)</td>
<td>(2,750)</td>
<td>(2,355)</td>
</tr>
<tr>
<td><strong>Equity Balance as at 30 June 2018</strong></td>
<td>98,009</td>
<td>208,386</td>
<td>306,395</td>
</tr>
</tbody>
</table>
Longreach Regional Council

Statement of Cash Flows
for the year ended 30 June 2019

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Flows from Operating Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receipts from Customers</td>
<td>16,107</td>
<td>18,301</td>
</tr>
<tr>
<td>Payments to Suppliers and Employees</td>
<td>(32,664)</td>
<td>(26,355)</td>
</tr>
<tr>
<td>Investment and Interest Revenue Received</td>
<td>778</td>
<td>805</td>
</tr>
<tr>
<td>Rental Income</td>
<td>162</td>
<td>257</td>
</tr>
<tr>
<td>Non Capital Grants and Contributions</td>
<td>16,574</td>
<td>11,460</td>
</tr>
<tr>
<td>Borrowing Costs</td>
<td>(808)</td>
<td>(870)</td>
</tr>
<tr>
<td><strong>Net Cash Inflow (Outflow) from Operating Activities</strong></td>
<td>149</td>
<td>3,596</td>
</tr>
<tr>
<td><strong>Cash Flows from Investing Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from Sale of Property, Plant and Equipment</td>
<td>412</td>
<td>314</td>
</tr>
<tr>
<td>Grants, Subsidies, Contributions and Donations</td>
<td>4,971</td>
<td>4,504</td>
</tr>
<tr>
<td>Purchase of Property, Plant and Equipment</td>
<td>(11,313)</td>
<td>(20,331)</td>
</tr>
<tr>
<td><strong>Net Cash Inflow (Outflow) from Investing Activities</strong></td>
<td>(5,930)</td>
<td>(15,463)</td>
</tr>
<tr>
<td><strong>Cash Flows from Financing Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from Borrowings and Advances</td>
<td>1,451</td>
<td></td>
</tr>
<tr>
<td>Repayment of Borrowings and Advances</td>
<td>(559)</td>
<td>(60)</td>
</tr>
<tr>
<td><strong>Net Cash Inflow (Outflow) from Financing Activities</strong></td>
<td>(559)</td>
<td>1,392</td>
</tr>
<tr>
<td><strong>Net Increase/(Decrease) in Cash and Cash equivalents held</strong></td>
<td>(0,340)</td>
<td>(10,474)</td>
</tr>
<tr>
<td>plus: Cash and Cash Equivalents - beginning</td>
<td>28,308</td>
<td>38,780</td>
</tr>
<tr>
<td><strong>Cash and Cash Equivalents - closing</strong></td>
<td>21,966</td>
<td>28,306</td>
</tr>
</tbody>
</table>
Longreach Regional Council

Notes to the Financial Statements
for the year ended 30 June 2019

Note 1. Significant Accounting Policies

(1.A) Basis of preparation
These general purpose financial statements are for the period 1 July 2018 to 30 June 2019 and have been prepared in compliance with the requirements of the Local Government Act 2000 and the Local Government Regulation 2012.

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

- Financial assets and liabilities and certain classes of property, plant and equipment which are measured at fair value
- Land purchased for development and sale which are measured at net realisable value less cost of disposal.

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

Capital Revenue includes grants and subsidies received which are tied to specific projects for the replacement or upgrade of existing non-current assets and/or investment in new assets.

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

- Disposal of non-current assets
- Revaluations of property, plant and equipment.

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

(1.B) Statement of Compliance

Because the Council is a not-for-profit entity and the Australian Accounting Standards include requirements for not-for-profit entities which are inconsistent with International Financial Reporting Standards (IFRS), to the extent these inconsistencies are applied, these financial statements do not comply with IFRS. The main impacts are the offsetting of revaluation and impairment gains and losses within a class of assets, and the timing of the recognition of non-reimbursable grant revenue.

(1.C) Critical accounting judgements and key sources of estimation uncertainty

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

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

- Valuation and depreciation of Property, Plant & Equipment - Note 11 and 12
- Provisions - Note 15
- Contingent Liabilities - Note 18
- Financial Instruments and Financial Assets - Note 22

(1.D) Sales Revenue

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

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

(1.E) Taxation

Income of local authorities and public authorities is exempt from Commonwealth taxation except for fringe benefits tax and goods and services tax ("GST"). The net amount of GST recoverable from the ATO or payable to the ATO is shown as an asset or
Longreach Regional Council

Notes to the Financial Statements
for the year ended 30 June 2019

Note 1. Significant Accounting Policies (continued)

liability respectively. Further Council is exempt from
State Payroll Tax.

(1.P) Adoption of New and Revised
Accounting Standards

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

Longreach Regional Council has not applied any
Australian Accounting Standards and Interpretations
that have been issued but are not yet effective.

This year Council has applied AASB 9 Financial
Instruments for the first time, AASB 9 replaces
AASB 139 and relates to the recognition,
classification and measurement of financial assets
and financial liabilities. Implementing AASB 9 has
resulted in a change to the way council calculates
impairment provisions, which are now based on
expected credit losses instead of incurred credit
losses.

Council applied AASB 9 for the first time this year,
as a result Council calculated the impairment of
receivables in a different way for 2019, using a
lifetime expected loss allowance. The opening
balance of impairment as at 1 July 2018 has been
recalculated using this new methodology and
resulting in an opening balance adjustment of
$10,313. With anticipated recovery action and
minimization of doubtful debt, the impact of AASB 9
has been deemed to be not material with the
adjustment recognised in the current year.

There were no changes to classification, resulting in
no change to measurement categories (listed
below).

<table>
<thead>
<tr>
<th>Financial asset/liability</th>
<th>Measurement Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>Amortised cost</td>
</tr>
<tr>
<td>Receivables</td>
<td>Amortised cost</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>Amortised cost</td>
</tr>
<tr>
<td>borrowings</td>
<td></td>
</tr>
</tbody>
</table>

Some Australian Accounting Standards and
Interpretations have been issued but are not yet
effective. Those standards have not been applied in
these financial statements. Council will implement
them when they are effective.

The standards that are expected to have a
material impact upon Council’s future financial
statements are:

Effective for annual reporting periods beginning
on or after 1 July 2019

- AASB 16 Revenue from Contracts with
  Customers, AASB 1058 Income of Not-For-Profit
  Entities and AASB 2016-8 Amendments to
  Australian Accounting Standards - Australian
  Implementation Guidance for Not-For-Profit
  Entities.

AASB 1058 clarifies and simplifies the income
recognition requirements that apply to not-for-
profit (NFP) entities, in conjunction with AASB 15,
and AASB 2016-8. These Standards supersede
the majority of income recognition requirements
relating to public sector NFP entities, previously in
AASB 1004 Contributions.

Identifiable impacts at the date of this report are:

Some grants received by the Council will be
recognised as a liability, and subsequently
recognised progressively as revenue as the
Council satisfies its performance obligations
under the grant. At present, such grants are
recognised as revenue upfront.

Grants that are not enforceable and/or not
sufficiently specific will not qualify for deferral, and
continue to be recognised as revenue as soon as
they are controlled. Council receives several
grants from the Federal Government and State
Government for which there are no sufficiently
specific performance obligations these are
expected to continue being recognised as
revenue upfront assuming no change to the
current grant arrangements.

Depending on the respective contractual terms,
the new requirements of AASB 10 may potentially
result in a change to the timing of revenue from
sales of the Council’s goods and services such
that some revenue may need to be deferred to a
later reporting period to the extent that the Council
Longreach Regional Council

Notes to the Financial Statements
for the year ended 30 June 2019

Note 1. Significant Accounting Policies (continued)

has received payment but has not met its associated performance obligations (such amounts would be reported as a liability in the meantime).

Prepaid rates will not be recognised as revenue until the relevant rating period starts. Until that time these receipts will be recognised as a liability (unearned revenue). There will be no impact upon the recognition of other fees and charges as they fell within the financial year.

Based on Council's assessment, if Council had adopted the new standards in the current financial year it would have had the following impacts:

- Revenue decrease of $1,225,351 due to deferral of grant funding ($950,000) and pre-paid rates ($267,351) (based on the facts available to Council at the date of assessment).

- There would be an equal reduction in the reported equity as the reduced revenue will require an increase in recognition of contract liabilities, and statutory receivables.

- Net result would be lower on initial application as a result of decreased revenue. A range of new disclosures will also be required by the new standards in respect of the council's revenue.

Transition method

The Council intends to apply AASB 15. AASB 1058 and AASB 2016-8 initially on 1 July 2019, using the modified retrospective approach. The recognition and measurement principles of the standards will be retrospectively applied for the current year and prior year comparatives as though the standards had always applied, consistent with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.

The Council intends to apply the practical expedients available for the full retrospective method where revenue has been recognised in full under AASB 1004, prior to 1 July 2019, but where AASB 1058 would have required income to be recognised beyond that date, no adjustment is required. Further, Council is not required to restate income for completed contracts that start and complete within a financial year. This means where income under AASB 1004 was recognised in the comparative financial year (i.e. 2018/19), these also do not require restatement.

- AASB 16 Leases – The Council has assessed the impacts of the new standard that initial application of AASB 16 will have on its financial statements, however, the actual impacts may differ as the new accounting policies are subject to change until the Council presents its first financial statements that include the date of initial application.

AASB 16 introduces a single, on-balance sheet lease accounting model for lessors. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short term leases and leases of low value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

Council currently has no lease liability and therefore the new AASB16 Standard would have no impact.

Leases

Council is the lessor of a number of Deed of Grant in Trust leases, for which no or little lease payments are made. These have been identified as peppercorn leases which are currently not recognised in Council's financial statements. Council does not intend to adjust not to apply the fair value measurement requirements to these leases until such time as this requirement is mandated.

Transition method

The Council intends to apply AASB 16 initially on 1 July 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting AASB 16 will be recognised as an adjustment to the opening balance of retained earnings at 1 July 2019, with no restatement of comparative information.
Longreach Regional Council

Notes to the Financial Statements
for the year ended 30 June 2019

Note 1. Significant Accounting Policies (continued)

The Council intends to apply the practical expedient for the definition of a lease on transition. This means that it will apply AASB 16 on transition only to contracts that were previously identified as leases applying AASB 117 Leases and Interpretation 4 Determining whether an Arrangement contains a Lease.

The following list identifies all the new and amended Australian Accounting Standards, and Interpretation, that were issued but not yet effective at the time of compiling these illustrative statements.

The standards are expected to have a material impact upon Council’s future financial statements are:

Effective for annual reporting periods beginning on or after 1 January 2019

- AASB 15 Revenue from Contracts with Customers
- AASB 16 Leases
- AASB 16 Leases (Appendix D)
- AASB 1058 Income of Not-for-Profit Entities
- AASB 1058 Income of Not-for-Profit Entities Appendix D)
- AASB 1059 Service Concession Arrangements: Grantors
- AASB 2018-2 Amendments to Australian Accounting Standards – Plan Amendment, Curtailment or Settlement
- AASB 2018-4 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Public Sector Licensees
Longreach Regional Council

Notes to the Financial Statements
for the year ended 30 June 2019

Note 2(a). Council Functions - Component Descriptions

Details relating to the Council's functions / activities as reported in Note 2(b) are as follows:

CORPORATE GOVERNANCE
Council’s governance function aims to achieve an open and transparent decision making process. Good governance describes how public institutions conduct public affairs and manage public resources. Elected members and staff are expected to demonstrate sound ethics so that the community they serve maintain ongoing trust in the process.
This function includes:
- Support functions for the Mayor and Councillors,
- Co-ordination of Council and committee meetings
- Corporate governance activities
- Disaster Management
- Human resources
- Economic Development
- Tourism and museums

CORPORATE AND OTHER SERVICES
The objective of this function is to provide quality, dependable and innovative information, knowledge and management focusing on sound financial management and procurement practices.
To provide the support functions of:
- Finance
- Payroll
- Information technology
- Customer Service
- Rates
- Records Management
- Branch Offices
- Procurement
- Property pest management
- Stock route management
- Animal control

Management of the commercial services in the region which include:
- Airport
- Saleyards
- Fleet management
- Land development
- Private and other commercial services
Longreach Regional Council

Notes to the Financial Statements
for the year ended 30 June 2019

Note 2(a). Council Functions - Component Descriptions (continued)

COMMUNITY AND CULTURAL SERVICES
The aim of this function is to provide a safe, healthy and equitable community, enjoying a quality lifestyle.
This function includes:
- Libraries
- Entertainment venues
- Child care functions
- Cemeteries
- Youth development services
- Community development services
- Community centres and halls
- Community housing
- Communication services
- Sporting and recreation facilities
- Parks and gardens
- Planning and development services
- Public health services including vaccination clinics
- Environmental licences and approvals

INFRASTRUCTURE SERVICES
The objective of infrastructure services is to maintain acceptable customer service levels across the region, whilst providing sustainable asset management and responsible financial management.
This includes the provision of the following services:
- Road and Other Infrastructure
  - Providing, maintaining and upgrading roads, streets, drainage, fleet and minor airports
  - Fleet Management
  - Crusher Operations
- Water Infrastructure
  - Providing water supply services.
- Sewerage Infrastructure
  - Providing sewerage services
- Refuse and Waste Management Facilities
- Contract Works
  - Providing contract work services to third parties
Longreach Regional Council

Notes to the Financial Statements
for the year ended 30 June 2019

Note 2(b). Analysis of Results by Function

<table>
<thead>
<tr>
<th>Functions</th>
<th>Gross Program Income</th>
<th>Total Income</th>
<th>Gross Program Expenses</th>
<th>Total Expenses</th>
<th>Net Result from Recurring Operations</th>
<th>Net Result</th>
<th>Total Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Recurring Grants</td>
<td>Other</td>
<td>Capital Grants</td>
<td>Other</td>
<td>Recurring</td>
<td>Capital</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Corporate Governance</td>
<td>223</td>
<td>317</td>
<td>-</td>
<td>-</td>
<td>537</td>
<td>3,859</td>
<td>(3659)</td>
</tr>
<tr>
<td>Corporate and Other Services</td>
<td>9,411</td>
<td>6,888</td>
<td>-</td>
<td>-</td>
<td>13,236</td>
<td>5,189</td>
<td>(5356)</td>
</tr>
<tr>
<td>Community and Cultural Services</td>
<td>1,187</td>
<td>2,994</td>
<td>198</td>
<td>-</td>
<td>4,379</td>
<td>9,819</td>
<td>(9819)</td>
</tr>
<tr>
<td>Infrastructure Services</td>
<td>5,753</td>
<td>8,026</td>
<td>4,773</td>
<td>-</td>
<td>21,554</td>
<td>(22,487)</td>
<td>(22,520)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>18,671</strong></td>
<td><strong>16,221</strong></td>
<td><strong>4,971</strong></td>
<td></td>
<td><strong>39,736</strong></td>
<td><strong>(41,125)</strong></td>
<td><strong>(41,354)</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Functions</th>
<th>Gross Program Income</th>
<th>Total Income</th>
<th>Gross Program Expenses</th>
<th>Total Expenses</th>
<th>Net Result from Recurring Operations</th>
<th>Net Result</th>
<th>Total Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Recurring Grants</td>
<td>Other</td>
<td>Capital Grants</td>
<td>Other</td>
<td>Recurring</td>
<td>Capital</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Corporate Governance</td>
<td>223</td>
<td>86</td>
<td>62</td>
<td>-</td>
<td>330</td>
<td>3,332</td>
<td>(3332)</td>
</tr>
<tr>
<td>Corporate and Other Services</td>
<td>5,753</td>
<td>5,341</td>
<td>-</td>
<td>-</td>
<td>11,032</td>
<td>4,237</td>
<td>(4237)</td>
</tr>
<tr>
<td>Community and Cultural Services</td>
<td>1,557</td>
<td>2,478</td>
<td>755</td>
<td>-</td>
<td>4,738</td>
<td>9,848</td>
<td>(9848)</td>
</tr>
<tr>
<td>Infrastructure Services</td>
<td>3,623</td>
<td>11,316</td>
<td>3,737</td>
<td>-</td>
<td>18,970</td>
<td>(20,022)</td>
<td>(20,813)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>11,463</strong></td>
<td><strong>19,216</strong></td>
<td><strong>4,554</strong></td>
<td></td>
<td><strong>35,230</strong></td>
<td><strong>(77,419)</strong></td>
<td><strong>(38,030)</strong></td>
</tr>
</tbody>
</table>
Longreach Regional Council

Notes to the Financial Statements
for the year ended 30 June 2019

Note 3. Revenue Analysis

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>General Rates</td>
<td>5,352</td>
<td>5,045</td>
</tr>
<tr>
<td>Separate Charges (Property Pest Management and Environmental Levy)</td>
<td>258</td>
<td>67</td>
</tr>
<tr>
<td>Water</td>
<td>2,695</td>
<td>2,552</td>
</tr>
<tr>
<td>Water Consumption</td>
<td>301</td>
<td>317</td>
</tr>
<tr>
<td>Sewerage</td>
<td>1,636</td>
<td>1,613</td>
</tr>
<tr>
<td>Garbage Charges</td>
<td>699</td>
<td>853</td>
</tr>
<tr>
<td><strong>Total rates and utility charge revenue</strong></td>
<td><strong>11,228</strong></td>
<td><strong>10,447</strong></td>
</tr>
<tr>
<td>Less: Discounts</td>
<td>(876)</td>
<td>(889)</td>
</tr>
<tr>
<td>Less: Pensioner remissions</td>
<td>(105)</td>
<td>(111)</td>
</tr>
<tr>
<td><strong>Net revenue</strong></td>
<td><strong>10,247</strong></td>
<td><strong>9,437</strong></td>
</tr>
</tbody>
</table>

(b). Fees and Charges

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

<table>
<thead>
<tr>
<th>Fee</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building and Development Fees</td>
<td>44</td>
<td>71</td>
</tr>
<tr>
<td>Cemetery and Funeral Fees</td>
<td>110</td>
<td>111</td>
</tr>
<tr>
<td>Child Care Centre Fees</td>
<td>574</td>
<td>559</td>
</tr>
<tr>
<td>Post Office</td>
<td>-</td>
<td>51</td>
</tr>
<tr>
<td>Rural In Home Care</td>
<td>1,718</td>
<td>1,720</td>
</tr>
<tr>
<td>Other</td>
<td>148</td>
<td>176</td>
</tr>
<tr>
<td><strong>Total fees</strong></td>
<td><strong>2,565</strong></td>
<td><strong>2,680</strong></td>
</tr>
</tbody>
</table>

(c). Rental Income

<table>
<thead>
<tr>
<th>Rental Income</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Rental - Other Council Properties</td>
<td>162</td>
<td>257</td>
</tr>
<tr>
<td></td>
<td>162</td>
<td>257</td>
</tr>
</tbody>
</table>
## Longreach Regional Council

### Notes to the Financial Statements
for the year ended 30 June 2019

### Note 3. Revenue Analysis

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>(d). Interest</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest received is accrued over the term of the investment.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest Received from Term Deposits/Investments</td>
<td>600</td>
<td>638</td>
</tr>
<tr>
<td>Interest Received from Other Sources</td>
<td>54</td>
<td>124</td>
</tr>
<tr>
<td>Interest from Overdue Rates and Utility Charges</td>
<td>124</td>
<td>43</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>778</strong></td>
<td><strong>805</strong></td>
</tr>
</tbody>
</table>

### (e). Sales Revenue

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sale of services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contract and Recoverable Works</td>
<td>3,556</td>
<td>5,350</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,556</strong></td>
<td><strong>5,350</strong></td>
</tr>
</tbody>
</table>

The amount recognised as revenue for contract revenue during the financial year is the amount receivable in respect of invoices issued during the period. There are no contracts in progress at the year end. The contract work carried out is not subject to retentions.

### (f). Other Income

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Income</td>
<td>882</td>
<td>679</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>882</strong></td>
<td><strong>679</strong></td>
</tr>
</tbody>
</table>
Longreach Regional Council

Notes to the Financial Statements
for the year ended 30 June 2019

Note 4. Grants, Subsidies, Contributions and Donations

<table>
<thead>
<tr>
<th>Notes</th>
<th>2019 $'000</th>
<th>2018 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Purpose Grants</td>
<td>6,177</td>
<td>7,230</td>
</tr>
<tr>
<td>State Government Subsidies and Grants</td>
<td>1,978</td>
<td>561</td>
</tr>
<tr>
<td>Commonwealth Government Subsidies and Grants</td>
<td>7,000</td>
<td>2,046</td>
</tr>
<tr>
<td>Contributions</td>
<td>430</td>
<td>624</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>16,575</strong></td>
<td><strong>11,460</strong></td>
</tr>
</tbody>
</table>

(a) Recurrent

Grants, subsidies and contributions that are non-reciprocal in nature are recognised as revenue in the year in which Council obtains control over them, which is usually upon receipt of funds. Where grants are received that are reciprocal in nature, revenue is recognised as the various performance obligations under the funding agreement are fulfilled. Council does not currently have any reciprocal grants.

(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 for investments in new assets.

<table>
<thead>
<tr>
<th>Notes</th>
<th>2019 $'000</th>
<th>2018 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Government Subsidies and Grants</td>
<td>2,498</td>
<td>3,154</td>
</tr>
<tr>
<td>Commonwealth Government Subsidies and Grants</td>
<td>2,420</td>
<td>1,353</td>
</tr>
<tr>
<td>Contributions</td>
<td>10</td>
<td>35</td>
</tr>
<tr>
<td>Other</td>
<td>43</td>
<td>12</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,971</strong></td>
<td><strong>4,554</strong></td>
</tr>
</tbody>
</table>

Note 5. Employee Benefits

<table>
<thead>
<tr>
<th>Description</th>
<th>2019 $'000</th>
<th>2018 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and Salaries</td>
<td>11,671</td>
<td>11,068</td>
</tr>
<tr>
<td>Annual, Sick and Long Service Leave Entitlements</td>
<td>2,006</td>
<td>1,668</td>
</tr>
<tr>
<td>Superannuation</td>
<td>1,333</td>
<td>1,283</td>
</tr>
<tr>
<td>Councillor Remuneration</td>
<td>300</td>
<td>300</td>
</tr>
<tr>
<td>Other Employee Expenses</td>
<td>247</td>
<td>317</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>15,626</strong></td>
<td><strong>15,566</strong></td>
</tr>
<tr>
<td>Less: Capitalised Employee Expenses</td>
<td>(815)</td>
<td>(2,209)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>14,811</strong></td>
<td><strong>13,337</strong></td>
</tr>
</tbody>
</table>

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

Notes to the Financial Statements
for the year ended 30 June 2019

Note 5. Employee Benefits (continued)

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$’000</td>
<td>$’000</td>
</tr>
<tr>
<td>Additional information:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Council Employees at year end:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration Staff</td>
<td>78</td>
<td>74</td>
</tr>
<tr>
<td>Outdoors Staff</td>
<td>88</td>
<td>91</td>
</tr>
<tr>
<td>Elected Members</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Total full time equivalent employees</td>
<td>173</td>
<td>172</td>
</tr>
</tbody>
</table>

Note 6. Materials and Services

<table>
<thead>
<tr>
<th>Service Description</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising and Marketing</td>
<td>236</td>
<td>88</td>
</tr>
<tr>
<td>Administration Supplies and Consumables</td>
<td>423</td>
<td>308</td>
</tr>
<tr>
<td>Audit of Annual Financial Statements by the Auditor-General of Queensland</td>
<td>68</td>
<td>77</td>
</tr>
<tr>
<td>Communications and IT</td>
<td>444</td>
<td>750</td>
</tr>
<tr>
<td>Consultants</td>
<td>1,887</td>
<td>508</td>
</tr>
<tr>
<td>Donations Paid</td>
<td>118</td>
<td>58</td>
</tr>
<tr>
<td>Insurance</td>
<td>585</td>
<td>538</td>
</tr>
<tr>
<td>Repairs and Maintenance</td>
<td>10,223</td>
<td>9,869</td>
</tr>
<tr>
<td>Operating Leases - Nonlease</td>
<td>28</td>
<td></td>
</tr>
<tr>
<td>Sales - Contract and Recoverable Works</td>
<td>4,768</td>
<td>3,848</td>
</tr>
<tr>
<td>Subscriptions and Registrations</td>
<td>146</td>
<td>198</td>
</tr>
<tr>
<td>Travel and Conferences</td>
<td>50</td>
<td>150</td>
</tr>
<tr>
<td>Other</td>
<td>1,158</td>
<td>363</td>
</tr>
<tr>
<td>----------------------------------------------------------</td>
<td>-------</td>
<td>-------</td>
</tr>
<tr>
<td>Total</td>
<td>19,910</td>
<td>16,793</td>
</tr>
</tbody>
</table>

Total audit fees quoted by the Queensland Audit Office relating to the 2018-19 financial statements are $68,000 (2018: $58,000).
Longreach Regional Council

Notes to the Financial Statements
for the year ended 30 June 2019

Note 7. Capital Expenses

<table>
<thead>
<tr>
<th>Notes</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Loss on disposal of non-current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from the Disposal of Property, Plant and Equipment</td>
<td>412</td>
<td>314</td>
</tr>
<tr>
<td>Less: Book Value of Property, Plant and Equipment Disposed</td>
<td>(643)</td>
<td>(731)</td>
</tr>
<tr>
<td></td>
<td>(231)</td>
<td>(417)</td>
</tr>
<tr>
<td>(b) Other capital expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss on Write-Off of Assets</td>
<td>-</td>
<td>(194)</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>(194)</td>
</tr>
<tr>
<td></td>
<td>(231)</td>
<td>(611)</td>
</tr>
</tbody>
</table>

Note 8. Cash, Cash Equivalents and Investments

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

| Cash at Bank and on Hand | 2,029 | 2,010 |
| Cash Equivalent Assets\(^1\) | | |
| - Deposits at Call | 18,881 | 25,129 |
| - Short Term Deposits | 1,056 | 1,155 |
| | 21,966 | 28,305 |

\(^1\) These investments where time to maturity (from date of purchase) is < 3 mths.

Restricted Cash, Cash Equivalents and Investments

Council's Cash and Cash Equivalents are subject to a number of Internal and External Restrictions that limit amounts available for discretionary of future use. These include externally imposed Expenditure Restrictions at the reporting date relate to the following cash assets:

| Longreach Wild Dog Eradication Fondo Sohoma Cash Fund | 1,056 | 3,881 |
| Total External Restrictions | 1,056 | 3,881 |

Cash at bank and short term deposits are held in the Commonwealth Bank of Australia and National Australia Bank in normal term deposits and business cheque accounts. The Commonwealth Bank of Australia currently has a short term credit rating of A1+ and long term rating of AAA. The National Australia Bank currently has a short term credit rating of A1+ and long term rating of AA-. Deposits at call are held with Queensland Treasury Corporation. Interest rates are determined on a daily basis.
Longreach Regional Council

Notes to the Financial Statements
for the year ended 30 June 2019

Note 9. Trade and Other Receivables

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Notes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rateable Revenue and Utility Charges</td>
<td>1,292</td>
<td>531</td>
</tr>
<tr>
<td>Other/Trade Debtors</td>
<td>1,892</td>
<td>2,546</td>
</tr>
<tr>
<td>GST Recoverable</td>
<td>-</td>
<td>335</td>
</tr>
<tr>
<td>Prepayments</td>
<td>129</td>
<td>129</td>
</tr>
<tr>
<td>Total</td>
<td>3,243</td>
<td>3,942</td>
</tr>
<tr>
<td>less: Provision for Impairment</td>
<td>(25)</td>
<td>(15)</td>
</tr>
<tr>
<td>Total Provision for Impairment - Receivables</td>
<td>(25)</td>
<td>(15)</td>
</tr>
<tr>
<td></td>
<td>3,218</td>
<td>3,927</td>
</tr>
</tbody>
</table>

Trade receivables are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase price / contract price.

Non-Current

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>LWDEFS (Completed Works)</td>
<td>9,102</td>
<td>-</td>
</tr>
<tr>
<td>LWDEFS (Capitalised Interest)</td>
<td>879</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>9,981</td>
<td>-</td>
</tr>
</tbody>
</table>

A Non-Current Receivable exists for the Longreach Wild Dog Exclusion Fence Scheme (LWDEFS) and represents the value of completed projects at 30 June 2019, and payable by landholders under a specific scheme approved by Council.

Repayment will be made by way of a special levy over a 20-year period, with Council recovering interest on the outstanding balance at an appportionated interest rate of 3.78%.

Settlement of these amounts is required within 30 days from invoice date. The collectability of debts is assessed on an ongoing basis, including at period end, with allowance being made for impairment. All known bad debts are written off at year end. If an amount is recovered in a subsequent period it is recognised as a revenue. Because Council is empowered under the provisions of the Local Government Act 2009 to sell an owner’s property to recover outstanding rate debts, Council does not impair any rate receivables when outstanding debt exceeds unimproved capital value.
Longreach Regional Council

Notes to the Financial Statements
for the year ended 30 June 2019

Note 9. Trade and Other Receivables (continued)

<table>
<thead>
<tr>
<th>Notes</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
</tr>
</tbody>
</table>

Applying AASB 9 for the first time this year, Council calculated the impairment of receivables in a different way, using a lifetime expected loss allowance. Incorporating the impact of AASB 9 is as follows:

Opening Balance 1 July

| Adjustment to opening balance upon application of AASB 9 | 25 |

Closing balance

| Ageing of past due receivables and the amount of any impairment to disclose in the following table: |

<table>
<thead>
<tr>
<th>Receivables</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fully performing</td>
<td>3,058</td>
<td>2,868</td>
</tr>
<tr>
<td>Past due:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Less than 30 days overdue</td>
<td>17</td>
<td>281</td>
</tr>
<tr>
<td>- 30 to 60 days overdue</td>
<td>3</td>
<td>151</td>
</tr>
<tr>
<td>- 61 to 90 days overdue</td>
<td>140</td>
<td>627</td>
</tr>
<tr>
<td>Impaired</td>
<td>25</td>
<td>15</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,243</strong></td>
<td><strong>3,942</strong></td>
</tr>
</tbody>
</table>

Note 10. Inventories

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

Inventories held for distribution are:

- goods to be supplied at no or nominal charge and
- goods to be used for the provision of services at no 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 not realisable value. As an inventory item, this land held for resale is treated as a current asset. Proceeds from the sale of this land will be recognised as sales revenue on the signing of a valid unconditional contract of sale.

(a) Inventories held for sale

| Miscellaneous Salable Items | 7 | 21 |

(b) Inventories held for distribution

| Plant and Equipment Stores, including Quarry | 874 | 764 |

(c) Land purchased for development and sale

| 1,183 | 1,183 |

| **Total** | **2,064** | **1,968** |
### Longreach Regional Council

#### Notes to the Financial Statements

for the year ended 30 June 2019

#### Note 11. Property, Plant and Equipment

<table>
<thead>
<tr>
<th>30 June 2019</th>
<th>Capital Work in Progress</th>
<th>Land and Improvements</th>
<th>Buildings</th>
<th>Plant and Equipment</th>
<th>Other Plant</th>
<th>Road, Drainage and Bridge Network</th>
<th>Water and Sewerage</th>
<th>Other Infrastructure Assets</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Measurement Basis</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Asset</td>
<td>Cost</td>
<td>Fair Value</td>
<td>Cost</td>
<td>Fair Value</td>
<td>Cost</td>
<td>Fair Value</td>
<td>Cost</td>
<td></td>
</tr>
<tr>
<td>Opening Gross Balance - at Cost</td>
<td>20,357</td>
<td>-</td>
<td>-</td>
<td>21,429</td>
<td>413</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>42,729</td>
</tr>
<tr>
<td>Opening Gross Balance - at Fair Value</td>
<td>-</td>
<td>5,182</td>
<td>56,381</td>
<td>-</td>
<td>-</td>
<td>178,654</td>
<td>100,152</td>
<td>16,281</td>
<td>357,860</td>
</tr>
<tr>
<td>Opening Gross Balance</td>
<td>20,357</td>
<td>5,182</td>
<td>56,381</td>
<td>21,429</td>
<td>413</td>
<td>178,654</td>
<td>100,152</td>
<td>16,281</td>
<td>400,589</td>
</tr>
<tr>
<td>Additions**</td>
<td>9,156</td>
<td>-</td>
<td>-</td>
<td>1,367</td>
<td>300</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>11,313</td>
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<td>Disposals</td>
<td>-</td>
<td>(503)</td>
<td>-</td>
<td>(1,519)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(2,023)</td>
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<td>Revaluation Decrements to Equity (ARR)</td>
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<td>-</td>
<td>-</td>
<td>34,101</td>
<td>6,132</td>
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<td>36,333</td>
</tr>
<tr>
<td>Adjustments and Other Transfers</td>
<td>-</td>
<td>(714)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>11,201</td>
<td>-</td>
<td>714</td>
<td>-</td>
</tr>
<tr>
<td>Work in Progress Transfers**</td>
<td>(27,858)</td>
<td>583</td>
<td>1,529</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>11,201</td>
<td>4,367</td>
<td>801</td>
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<tr>
<td>Total Gross Value of Property, Plant and Equipment</td>
<td>2,355</td>
<td>5,650</td>
<td>57,882</td>
<td>21,267</td>
<td>1,213</td>
<td>224,156</td>
<td>109,351</td>
<td>17,796</td>
<td>440,250</td>
</tr>
<tr>
<td>Opening Accumulated Depreciation</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>11,778</td>
<td>10,460</td>
<td>158</td>
<td>47,059</td>
<td>25,772</td>
<td>45,982</td>
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<td>Depreciation Expense</td>
<td>-</td>
<td>-</td>
<td>1,037</td>
<td>1,460</td>
<td>124</td>
<td>2,245</td>
<td>1,169</td>
<td>303</td>
<td>6,338</td>
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<td>(1,074)</td>
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<td>(1,133)</td>
<td>(1,133)</td>
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<td>-</td>
<td>-</td>
<td>(5)</td>
<td>(5)</td>
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<tr>
<td>Adjustments and Other Transfers</td>
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<td>(5)</td>
<td>16,625</td>
<td>1,304</td>
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<tr>
<td>Total Accumulated Depreciation of Property, Plant and Equipment</td>
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<td>-</td>
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<td>10,460</td>
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<td>55,923</td>
<td>27,945</td>
<td>122,636</td>
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<td>Total Net Book Value of Property, Plant and Equipment</td>
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<td>5,650</td>
<td>45,415</td>
<td>10,421</td>
<td>930</td>
<td>154,233</td>
<td>82,366</td>
<td>12,914</td>
<td>317,814</td>
</tr>
</tbody>
</table>

**Other Information**

- **Range of Estimated Useful Life (years):**
  - Not depreciated
  - Land: Not depreciated
  - Roads, Bridge: 45
  - 16 - 75
  - 3 - 50
  - 30 - 40
  - 10 - 100
  - 5 - 100
  - 10 - 100

**Asset Additions Comprise**

- **Asset Renewals:** 6,214
- **Other Additions:** 917
- **Total Asset Additions:** 7,131

**Following Completion of Construction of the Longreach Wild Dog Exclusion Fence Scheme (LWDES) the costs were transferred to a non-current receivable as these amounts will be collected under a specific scheme.**
Longreach Regional Council

Notes to the Financial Statements
for the year ended 30 June 2019

Note 11. Property, Plant and Equipment (continued)

<table>
<thead>
<tr>
<th>30 June 2018</th>
<th>Capital Works in Progress</th>
<th>Land and Improvements</th>
<th>Buildings</th>
<th>Plant and Equipment</th>
<th>Other Plant</th>
<th>Road, Drainage and Bridge Network</th>
<th>Water and Sewerage</th>
<th>Other Infrastructure Assets</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Measurement Basis</td>
<td>Cost</td>
<td>Fair Value</td>
<td>Fair Value</td>
<td>Cost</td>
<td>Cost</td>
<td>Fair Value</td>
<td>Fair Value</td>
<td>Cost</td>
<td>Cost</td>
</tr>
<tr>
<td>Opening Gross Balance - at Cost</td>
<td>11,522</td>
<td>-</td>
<td>-</td>
<td>21,105</td>
<td>413</td>
<td>-</td>
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<td>-</td>
<td>23,103</td>
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<td>4,572</td>
<td>55,981</td>
<td>-</td>
<td>21,105</td>
<td>413</td>
<td>-</td>
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<td>34,505</td>
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<td>Additions*</td>
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<td>23,331</td>
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<td>Disposals</td>
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<td>(431)</td>
<td>1,225</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(1,986)</td>
</tr>
<tr>
<td>Revaluation Decrements to Equity (ARR)</td>
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<td>(153)</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(153)</td>
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<tr>
<td>Work in Progress Transfers</td>
<td>(9,480)</td>
<td>1,953</td>
<td>840</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4,267</td>
<td>1,956</td>
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<tr>
<td>Total Gross Value of Property, Plant and Equipment</td>
<td>20,887</td>
<td>6,182</td>
<td>56,391</td>
<td>21,429</td>
<td>413</td>
<td>171,854</td>
<td>100,152</td>
<td>16,281</td>
<td>400,500</td>
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<tr>
<td>Opening Accumulated Depreciation</td>
<td>-</td>
<td>-</td>
<td>11,509</td>
<td>19,78</td>
<td>121</td>
<td>4,952</td>
<td>24,319</td>
<td>4,457</td>
<td>93,816</td>
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<tr>
<td>Depreciation Expense</td>
<td>-</td>
<td>-</td>
<td>981</td>
<td>1,034</td>
<td>33</td>
<td>2,126</td>
<td>1,165</td>
<td>294</td>
<td>5,384</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>-</td>
<td>(93)</td>
<td>(59)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(163)</td>
<td>(1,074)</td>
</tr>
<tr>
<td>Revaluation Decrements to Equity (ARR)</td>
<td>-</td>
<td>-</td>
<td>382</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>382</td>
</tr>
<tr>
<td>Total Accumulated Depreciation of Property, Plant and Equipment</td>
<td>-</td>
<td>-</td>
<td>11,778</td>
<td>10,460</td>
<td>159</td>
<td>4,958</td>
<td>25,472</td>
<td>4,832</td>
<td>96,599</td>
</tr>
<tr>
<td>Total Net Book Value of Property, Plant and Equipment</td>
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<td>6,182</td>
<td>44,613</td>
<td>10,569</td>
<td>254</td>
<td>13,797</td>
<td>74,581</td>
<td>11,699</td>
<td>301,682</td>
</tr>
</tbody>
</table>

Other Information

<table>
<thead>
<tr>
<th>Range of Estimated Useful Life (years)</th>
<th>Not Depreciated</th>
<th>Land Net, Depreciation, Improvements &gt; 50</th>
<th>15 - 75</th>
<th>3 - 50</th>
<th>30 - 40</th>
<th>15 - 100</th>
<th>5 - 100</th>
<th>10 - 100</th>
</tr>
</thead>
</table>

*Asset Additions Comprise

<table>
<thead>
<tr>
<th></th>
<th>$'000</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset Renewals</td>
<td>10,774</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Additions</td>
<td>2,012</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Asset Additions</td>
<td>12,786</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Longreach Regional Council 2018-2019 Annual Report
Longreach Regional Council

Notes to the Financial Statements
for the year ended 30 June 2019

Note 11. Property, Plant and Equipment (continued)

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additions</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Longreach Wild Dog Exclusion Fence Scheme</td>
<td>2,125</td>
<td>6,059</td>
</tr>
<tr>
<td>Other Additions</td>
<td>3,100</td>
<td>14,272</td>
</tr>
<tr>
<td></td>
<td>11,313</td>
<td>20,331</td>
</tr>
</tbody>
</table>

The Longreach Regional Council has initiated a scheme to build a Wild Dog Exclusion Fence over a length of 2,500 kilometres on a number of rural properties in the area. The project is funded by a loan from Queensland Treasury. The infrastructure cost of the Longreach Wild Dog Exclusion Fence Scheme is recognised as Work in Progress has transferred to a non-current debtor upon practical completion, and Council will recover the debtor through the raising of a special charge levy over 20 years. The amounts currently relating to the LWDEFS are excluded from the asset sustainability ratio.

In Current Year, Council transferred $9.9m from Work in Progress to Non-Current debtor (see Note 9).

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

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

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and commissioned ready for use, at which time they are reclassified from Work in Progress to the appropriate Property, Plant and Equipment class.

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

Depreciation methods, estimated useful lives and residual values of property, plant and equipment assets are reviewed at the end of each reporting period and adjusted where necessary to reflect any changes in the pattern of consumption, physical wear and tear, technical or commercial obsolescence, or management intentions. The condition assessments performed as part of the annual valuation process for assets measured at depreciated current replacement cost are used to estimate the useful lives of these assets at each reporting date.
Note 12. Fair Value Measurements

Council measures and recognises the following assets at fair value on a recurring basis:
- Property, Plant and Equipment
  - Land and Improvements
  - Buildings
  - Road, Drainage and Bridge Network
  - Water and Sewerage
  - Other Infrastructure Assets

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

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

Council borrowings are measured at amortised cost with interest recognised in profit or loss when incurred. The fair value of borrowings disclosed in note 14 is provided by the Queensland Treasury Corporation and represents the contractual undiscounted cash flows at balance date (Level 2).

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

In accordance with AASB 13, fair value measurements are categorised on the following basis:
- Fair value based on quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Fair value based on inputs that are directly or indirectly observable for the asset or liability (Level 2)
- Fair value based on unobservable inputs for the asset and liability (Level 3)

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

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

The table presents the Council's assets and liabilities measured and recognised at fair value at 30 June 2019.
Longreach Regional Council

Notes to the Financial Statements
for the year ended 30 June 2019

Note 12. Fair Value Measurements (continued)

(1) The following table presents all assets that have been measured and recognised at fair values:

<table>
<thead>
<tr>
<th></th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Significant observable</td>
<td>Significant unobservable</td>
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</tr>
<tr>
<td></td>
<td>inputs</td>
<td>inputs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$000</td>
<td>$000</td>
<td>$000</td>
</tr>
</tbody>
</table>

2019
Property, Plant and Equipment
Land and Improvements  5,000
Buildings               45,105
Road, Drainage and Bridge Network  158,233  158,233
Water and Sewerage Infrastructure  82,006  82,006
Other Infrastructure Assets  12,914  12,914
Total Property, Plant and Equipment  5,650  298,258  303,908

2018
Property, Plant and Equipment
Land and Improvements  6,182
Buildings               44,613
Road, Drainage and Bridge Network  131,797  131,797
Water and Sewerage Infrastructure  74,881  74,881
Other Infrastructure Assets  11,899  11,899
Total Property, Plant and Equipment  6,182  262,790  268,972

There were no transfers between levels 2 and 3.

(2) Valuation techniques used to derive Level 2 and Level 3 Fair Values

Valuation Processes
The Council engages independent, qualified valuers to determine the fair value of the entity’s land, buildings, infrastructure and major plant on a regular basis. An annual assessment is undertaken to determine whether the carrying amount of the assets is materially different from the fair value. If any variation is considered material a revaluation is undertaken either by comprehensive revaluation or by applying an interim revaluation using appropriate indices.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period and discussed between the Director of Finance, CEO, valuation team, Council and Audit Committee. As part of this process the team prepares a report that explains the reasons for the fair value movements.

As at 30 June 2018 a comprehensive revaluation was undertaken for Road and Stormwater assets. A desktop review was undertaken for all other assets. Revaluations were undertaken by APV Valuers. 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 of revaluation is charged as an expense to the extent it exceeds the balance, if any, in the revaluation surplus of that asset class.
Longreach Regional Council

Notes to the Financial Statements
for the year ended 30 June 2019

Note 12. Fair Value Measurements (continued)

(2) Valuation techniques used to derive Level 2 and Level 3 Fair Values (continued)

For 2018/2019, management has sourced an assessment of market movements across all asset classes from a valuation firm, APV Valuers.

An analysis has indicated that on average, across all classes, the market movement in unit rates is not significant. Given that a comprehensive valuation was completed in 2015/2016 for most asset classes, on the basis of materiality, no index adjustment has been applied in 2018/2019. Materiality concepts are considered in determining whether the difference between the carrying amount and the fair value of an asset is material (in which case revaluation is warranted).

Valuation techniques used to derive fair values
(1) Recurring fair value measurements

The following methods are used to determine the fair value measurements.

**Land**

Except in the circumstance of any assets being held for sale (valued in accordance with AASB 5 Assets Held for Sale) or in accordance with specific accounting standards (such as Investment Properties) the balance of the portfolio is valued in accordance with AASB116 Property Plant and Equipment at Fair Value.

**Level 2 valuation inputs**

*Market (Direct Comparison)* – This has been applied to land held in freehold title and has been assessed on the basis of the estimated amount which the interest in each property being valued might reasonably be expected to realise on the date of valuation in an exchange between market participants given highest and best use or highest and best alternative use. This was determined by comparison to recent sales of land with similar characteristics. This was then adjusted to reflect condition and comparability. As this was based on observable evidence they have been classified as Level 2.

*Cost (Direct Comparison)* - The valuation of some restricted or otherwise non-saleable land has been valued using the cost approach. This approach was used where, assuming if Longreach Regional Council need to purchase the land or acquire additional land from an adjoining neighbour, the value of that land could be determined based on known zoning and town planning restrictions.

**Buildings and Other Structures**

The valuation of buildings, structural improvements and site services includes those items that form part of the building services installation (e.g. heating, cooling and climate control equipment, lifts, escalators, fire alarms, sprinklers and fire fighting equipment, and general lighting etc). Excluded from this report are all items of plant, machinery, equipment, cranes, tools, furniture or chattels.
Longreach Regional Council

Notes to the Financial Statements
for the year ended 30 June 2019

Note 12. Fair Value Measurements (continued)

(2) Valuation techniques used to derive Level 2 and Level 3 Fair Values (continued)

Level 3 valuation inputs

Cost (Depreciated) – This includes specialised buildings as well as some residential properties that were located in locations and with characteristics where there was no evidence to support a market approach (multi-unit residences in areas with no multi-unit market or residential buildings built on non-saleable land). These buildings were valued using the cost approach using professionally qualified Registered Valuers.

Under this approach the cost to replace the asset is calculated and then adjusted to take account of an accumulated depreciation. The value is then adjusted for market conditions and for the component determined a value based on the interrelationship between a range of factors. These include asset condition, legal and commercial obsolescence.

Inputs to the valuation include the design and construction, average cost of construction, condition and consumption score for each component. As these are supported by observable evidence obtained via inspection and market evidence they have been classified as Level 2 inputs. The unobservable inputs used to assess the level of remaining service potential required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using level 3 valuation inputs.

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

Road, Stormwater, Sewer and Water Infrastructure

All infrastructure assets were valued using level 3 valuation inputs using the cost approach.

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

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

(3) Impairment

An impairment loss is recognised as an expense in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available.
Notes to the Financial Statements
for the year ended 30 June 2019

Note 13. Trade and Other Payables

Accounts payable are recognised as a liability at the time the amount owed can be measured reliably and when it is probable the amount will have to be paid, when the goods are received or the service is performed. Amounts are unsecured and normally settled within 30 days.

Accrued employee benefits comprise annual leave, leave in lieu and accrued salaries and wages. Annual leave and leave in lieu represents the amount which Council has a present obligation to pay resulting from employees’ services provided up to reporting date. The accrual is based on 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.

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creditors and Accruals</td>
<td>3,200</td>
<td>5,749</td>
</tr>
<tr>
<td>Annual Leave</td>
<td>1,026</td>
<td>985</td>
</tr>
<tr>
<td>Sick Leave</td>
<td>175</td>
<td>54</td>
</tr>
<tr>
<td>Other Entitlements</td>
<td>160</td>
<td>101</td>
</tr>
<tr>
<td></td>
<td>4,523</td>
<td>6,870</td>
</tr>
</tbody>
</table>
Longreach Regional Council

Notes to the Financial Statements
for the year ended 30 June 2019

Note 14. Borrowings

Borrowings are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these liabilities are measured at amortised cost. All borrowing costs are expensed in the period in which they are incurred. All borrowings are in $A denominated amounts and interest is expressed as accrued.

No interest has been capitalised during the current or comparative reporting period. Expected final repayment vary from 31 December 2019 to 30 June 2038.

Council adopts an annual debt policy that sets out council’s planned borrowings for the next ten years. Council’s current policy is to only borrow for capital projects and for a term longer than the expected life of the asset. Council also aims to comply with the Queensland Treasury Corporations borrowing guidelines and ensure that sustainability indicators remain within acceptable levels at all times.

Current
Loans - Queensland Treasury Corporation

<table>
<thead>
<tr>
<th></th>
<th>553</th>
<th>559</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Non-current
Loans - Queensland Treasury Corporation

<table>
<thead>
<tr>
<th></th>
<th>19,618</th>
<th>20,171</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>19,618</td>
<td>20,171</td>
</tr>
</tbody>
</table>

Reconciliation of Loan Movements for the year
Loans - Queensland Treasury Corporation

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Balance at Beginning of Financial Year</td>
<td>20,730</td>
<td>19,338</td>
</tr>
<tr>
<td>Loans Raised</td>
<td>-</td>
<td>1,451</td>
</tr>
<tr>
<td>Principal Repayments</td>
<td>(559)</td>
<td>(60)</td>
</tr>
<tr>
<td>Book value at end of financial year</td>
<td>20,171</td>
<td>20,730</td>
</tr>
</tbody>
</table>

The QTC loan market value at the reporting date was $23,388,188. This represents the value of the debt if Council repaid it at that date. As it is the intention of Council to hold the debt for its term, no provision is required to be made in these accounts.

Council maintains a Line of Credit (Overdraft) Facility with Commonwealth Bank of Australia (CBA) with a facility limit of $130,000 and balance of zero.
### Longreach Regional Council

#### Notes to the Financial Statements

for the year ended 30 June 2019

#### Note 15. Provisions

<table>
<thead>
<tr>
<th>Notes</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$’000</td>
<td>$’000</td>
</tr>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long Service Leave</td>
<td>1,466</td>
<td>169</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,466</td>
<td>169</td>
</tr>
<tr>
<td><strong>Non-current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long Service Leave</td>
<td>156</td>
<td>1,119</td>
</tr>
<tr>
<td>Rehabilitation of Landfill (Waste Management Facilities)</td>
<td>2,116</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,272</td>
<td>1,119</td>
</tr>
</tbody>
</table>

A provision for long service leave is measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The value of the liability is calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. The estimates are adjusted for the probability of the employee remaining in 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.

Where employees have not the requisite 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.

A provision for rehabilitation of Landfill (Waste Management Facilities) located within Longreach Regional Council has been established using evidence available up to the reporting date. The value of the liability is calculated using industry benchmarked rates for Earthworks, creating a Restoration and Capping Layer and Surface Water Management System. Land Area for each of the sites has been identified utilising the QLD Globe system for the impacted areas of the landfill facilities which provide estimates of the cubic metres for material based on sites individually.

Under Council’s EPA Licence Agreement, there is no specific requirement to rehabilitate progressively, and operations support cover material being applied consistently (different from capping), making determination of an approximate timeframe for undertaking final remediation works (capping and close) uncertain. On this basis, costs have been calculated on rates applicable up to the reporting date.

Annually, Council will assess the liability surrounding landfill closure based on the following components and make an adjustment to the provision as an expense in each financial year:
- Cubic metres of material required,
- Land area impacted with future landfill closure requirements; and,
- Rates for winning, transporting and applying material (Industry Benchmarked and competitively tested)

#### Details of movements in Provisions

<table>
<thead>
<tr>
<th>Details of movements in Provisions</th>
<th>opening balance as at 30 June 2018</th>
<th>additional provision</th>
<th>amount paid</th>
<th>closing balance as at 30 June 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long Service Leave</td>
<td>1,288</td>
<td>392</td>
<td>(58)</td>
<td>1,622</td>
</tr>
<tr>
<td>Rehabilitation of Landfill (Waste Management Facilities)</td>
<td>- 2,116</td>
<td>-</td>
<td>2,116</td>
<td>2,504</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,288</td>
<td>2,504</td>
<td>(58)</td>
<td>3,738</td>
</tr>
</tbody>
</table>
Longreach Regional Council

Notes to the Financial Statements
for the year ended 30 June 2010

Note 16. 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.

<table>
<thead>
<tr>
<th>Land and Improvements</th>
<th>3,707</th>
<th>3,707</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>36,432</td>
<td>36,432</td>
</tr>
<tr>
<td>Road, Drainage and Bridge Network</td>
<td>56,445</td>
<td>56,445</td>
</tr>
<tr>
<td>Water and Sewerage</td>
<td>22,425</td>
<td>22,425</td>
</tr>
<tr>
<td></td>
<td><strong>119,613</strong></td>
<td><strong>98,009</strong></td>
</tr>
</tbody>
</table>

Reconciliation of asset revaluation surplus for the year

Movement in the asset revaluation were as follows.

The closing balance of the asset revaluation surplus is comprised of the following asset classes:

<table>
<thead>
<tr>
<th>Details of movements in Provisions:</th>
<th>Balance 01/07/2018</th>
<th>Increased/ Decreased 30/06/2019</th>
<th>Balance 30/06/2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$000</td>
<td>$000</td>
<td>$000</td>
</tr>
<tr>
<td>Buildings</td>
<td>3,707</td>
<td>-</td>
<td>3,707</td>
</tr>
<tr>
<td>Other Structures</td>
<td>36,432</td>
<td>-</td>
<td>36,432</td>
</tr>
<tr>
<td>Road, Drainage and Bridge Network</td>
<td>56,445</td>
<td>17,476</td>
<td>73,921</td>
</tr>
<tr>
<td>Water and Sewerage</td>
<td>22,425</td>
<td>4,128</td>
<td>26,553</td>
</tr>
<tr>
<td>TOTAL</td>
<td>98,009</td>
<td>21,604</td>
<td>119,613</td>
</tr>
</tbody>
</table>

Balance at beginning of financial year 98,009 98,009

Net adjustment to non-current assets at end of period to reflect a change in current fair value:

| Land and Improvements | - | (152) |
| Buildings             | - | (391) |
| Plant and Equipment   | - | (50)  |
| Road, Drainage and Bridge Network | 17,476 | - |
| Water and Sewerage    | 4,128 | - |

| TOTAL                 | 119,613 | 98,009 |
Longreach Regional Council

Notes to the Financial Statements
for the year ended 30 June 2019

Note 17. Commitments for Expenditure

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

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property, Plant and Equipment</td>
<td></td>
</tr>
<tr>
<td>Feasibility Studies</td>
<td>$-</td>
</tr>
<tr>
<td>Property, Plant and Equipment</td>
<td>$263</td>
</tr>
<tr>
<td>W4Q Funding</td>
<td>$328</td>
</tr>
<tr>
<td>Longreach Wild Dog Exclusion Fence</td>
<td>$285</td>
</tr>
<tr>
<td>Scheme</td>
<td>$3,809</td>
</tr>
<tr>
<td>Total</td>
<td>$376</td>
</tr>
<tr>
<td></td>
<td>$4,028</td>
</tr>
</tbody>
</table>

Note 18. Contingent Liabilities

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

Local Government Mutual

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

The latest audited financial statements for LGM Queensland are as at 30 June 2018 and show accumulated member funds (equity) of $75,834,341.

As at 30 June 2018 the LGM 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 were 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 $3,115,123.
Longreach Regional Council

Notes to the Financial Statements
for the year ended 30 June 2019

Note 19. Superannuation

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 scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) Legislation and is also governed by the Local Government Act 2009.

The scheme is a defined benefit plan, however Council is not able to account for it as a defined benefit plan in accordance with AASB119 because LGIAsuper is unable to account for its proportionate share of the defined benefit obligation, plan assets and costs.

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

Technically Longreach Regional Council can 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.

The last completed actuarial assessment of the scheme was undertaken as at 1 July 2018. The actuary indicated that “As at 1 July 2018, the net assets exceeded the Vested Benefits and so the Regional DVF was in a satisfactory financial position”. 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.

The next triennial review is not due until 1 July 2021.

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.

There are currently 72 entities contributing to the scheme and any changes in contribution rates would apply equally to all 72 entities. Longreach Regional Council made 4.5% of the total contributions to the plan in the 2010-10 financial year.
Longreach Regional Council

Notes to the Financial Statements
for the year ended 30 June 2019.

**Note 19. Superannuation (continued)**

<table>
<thead>
<tr>
<th>Notes</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'000</td>
<td>$'000</td>
<td></td>
</tr>
<tr>
<td>Superannuation contributions made to the Regional Defined Benefits Fund</td>
<td>84</td>
<td>80</td>
</tr>
<tr>
<td>Other superannuation contributions for employees</td>
<td>1,249</td>
<td>1,203</td>
</tr>
<tr>
<td>Total superannuation contributions paid by Council for employees</td>
<td>1,333</td>
<td>1,283</td>
</tr>
</tbody>
</table>

The superannuation expense for the reporting period is the amount of the contribution the Council makes to the superannuation plan which provides benefits to its employees.

<table>
<thead>
<tr>
<th>Notes</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'000</td>
<td>86</td>
</tr>
</tbody>
</table>

Contributions council expects to make to the Regional Defined Benefits Fund for 2019-20
Longreach Regional Council

Notes to the Financial Statements
for the year ended 30 June 2019

Note 20. Trust Funds

<table>
<thead>
<tr>
<th></th>
<th>2019 $'000</th>
<th>2018 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust funds held for outside parties</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Security Deposits</td>
<td>180</td>
<td>137</td>
</tr>
<tr>
<td></td>
<td>180</td>
<td>137</td>
</tr>
</tbody>
</table>

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

Note 21. Reconciliation of Net Result for the year to Net Cash Inflow/(Outflow) from Operating Activities

<table>
<thead>
<tr>
<th>Net result from Income Statement</th>
<th>(1,688)</th>
<th>(2,800)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-cash items</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>8,338</td>
<td>6,384</td>
</tr>
<tr>
<td>Net Losses/(Gains) on Disposal of Assets</td>
<td>539</td>
<td>611</td>
</tr>
<tr>
<td>Capital Grants and Contributions</td>
<td>(4,971)</td>
<td>(4,554)</td>
</tr>
<tr>
<td></td>
<td>1,906</td>
<td>2,441</td>
</tr>
<tr>
<td>(Increase)/Decrease in Receivables</td>
<td>709</td>
<td>266</td>
</tr>
<tr>
<td>(Increase)/Decrease in Inventories</td>
<td>(96)</td>
<td>(42)</td>
</tr>
<tr>
<td>Increase/(Decrease) in Payables and Accruals</td>
<td>(2,079)</td>
<td>3,873</td>
</tr>
<tr>
<td>Increase/(Decrease) in Other Provisions</td>
<td>1,297</td>
<td>(143)</td>
</tr>
<tr>
<td></td>
<td>(169)</td>
<td>3,557</td>
</tr>
<tr>
<td>Net cash provided from/(used in) Operating Activities from the Statement of Cash Flows</td>
<td>149</td>
<td>3,598</td>
</tr>
</tbody>
</table>
Longreach Regional Council

Notes to the Financial Statements
for the year ended 30 June 2019

Note 22. Financial instruments

Council has exposure to the following risks arising from financial instruments: (i) credit risk, (ii) interest rate risk and (iii) liquidity risk.

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

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

Council’s risk committee / management (as appropriate) approves policies for overall risk management, as well as specifically for managing credit, liquidity and market risk.

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

The Council’s audit committee 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 audit committee (or other appropriate oversight body) is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee (or other appropriate oversight body).

Council does not enter into derivatives.

Credit Risk Exposure
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 the Council.

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

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

Notes to the Financial Statements
for the year ended 30 June 2019

Note 22. Financial instruments (continued)

<table>
<thead>
<tr>
<th>Financial Assets</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>21,966</td>
<td>28,306</td>
</tr>
<tr>
<td>Receivables - Rotoc</td>
<td>1,232</td>
<td>931</td>
</tr>
<tr>
<td>Receivables - Other</td>
<td>11,977</td>
<td>2,996</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>35,165</strong></td>
<td><strong>32,233</strong></td>
</tr>
</tbody>
</table>

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

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.

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

Notes to the Financial Statements
for the year ended 30 June 2019

Note 22. Financial instruments (continued)

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

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.

The Council manages its exposure to liquidity risk by maintaining sufficient cash deposits and undrawn facilities, both short and long term, to cater for unexpected volatility in cash flows. Those facilities are disclosed in Note 14.

The following lines of credit were available at the end of the reporting period:

<table>
<thead>
<tr>
<th>Bank Overdraft Facility</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019 $1,000</td>
</tr>
<tr>
<td>2018 $1,000</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th></th>
<th>0 to 1 year $100</th>
<th>1 to 5 years $100</th>
<th>Over 5 years $100</th>
<th>Total Contractual Cash Flow $100</th>
<th>CARRYING AMOUNT $100</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade and Other Payables 2019</td>
<td>4,523</td>
<td>-</td>
<td>-</td>
<td>4,523</td>
<td>4,523</td>
</tr>
<tr>
<td>Loans QTC</td>
<td>1,244</td>
<td>7,388</td>
<td>18,954</td>
<td>27,686</td>
<td>20,171</td>
</tr>
<tr>
<td></td>
<td>5,767</td>
<td>7,388</td>
<td>18,954</td>
<td>32,109</td>
<td>24,694</td>
</tr>
<tr>
<td>Trade and Other Payables 2018</td>
<td>6,870</td>
<td>-</td>
<td>-</td>
<td>6,870</td>
<td>6,870</td>
</tr>
<tr>
<td>Loans QTC</td>
<td>1,349</td>
<td>6,689</td>
<td>21,002</td>
<td>29,040</td>
<td>20,730</td>
</tr>
<tr>
<td></td>
<td>8,219</td>
<td>6,689</td>
<td>21,002</td>
<td>35,910</td>
<td>27,600</td>
</tr>
</tbody>
</table>

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

Notes to the Financial Statements
for the year ended 30 June 2019

Note 22. Financial Instruments (continued)

Interest rate risk
The Council is exposed to interest rate risk through investments and borrowings with Queensland Treasury and other financial institutions.

The Council has access to a mix of variable and fixed rate funding options through OTC so that interest rate risk exposure can be minimised.

There is no sensitivity to interest rate movements.

The Council does not account for any fixed-rate financial assets or financial liabilities at Fair Value through Profit or Loss, therefore a change in interest rates at the reporting date would not affect profit or loss.

Note 23. National Competition Policy

Business activities to which the code of competitive conduct is applied
Longreach Regional Council applies the competitive code of conduct to the following activities:

<table>
<thead>
<tr>
<th>Roads</th>
<th>Water and Sewerage</th>
<th>Waste Management</th>
<th>Plant Operations</th>
</tr>
</thead>
</table>

This requires the application of full cost pricing, identifying the cost of community service obligations (CSO) and eliminating the advantages and disadvantages of public ownership within that activity.

The CSO value is determined by Council, and represents an activities cost(s) which would not be incurred if the primary objective of the activities was to make a profit. The Council provides funding from general revenue to the business activity to cover the cost of providing non commercial community services or costs deemed to be CSO's by the Council.

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

<table>
<thead>
<tr>
<th>Roads</th>
<th>Water and Sewerage</th>
<th>Waste Management</th>
<th>Plant Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue for services provided to the Council</td>
<td>$1,803</td>
<td>$4,953</td>
<td>$1,040</td>
</tr>
<tr>
<td>Revenue for services provided to external clients</td>
<td>$10,421</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Less: Expenditure</td>
<td>($16,915)</td>
<td>($3,766)</td>
<td>($2,577)</td>
</tr>
<tr>
<td>Surplus/(Deficit)</td>
<td>($3,604)</td>
<td>$1,187</td>
<td>($1,537)</td>
</tr>
</tbody>
</table>

Description of CSO's provided to business activities:

<table>
<thead>
<tr>
<th>Activities</th>
<th>CSO Description</th>
<th>$'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water and Sewerage</td>
<td>For providing pensioner and other rate concessions</td>
<td>105</td>
</tr>
</tbody>
</table>
Longreach Regional Council

Notes to the Financial Statements
for the year ended 30 June 2019

Note 24. Transactions with Related Parties
(a) Subsidiaries (ie. Entities and Operations controlled by Council)
Council has no interest in any subsidiaries transactions with associated or transactions with joint ventures.

(b) Transactions with other related parties
Related parties include the close family members of KMP and any entities controlled or jointly controlled by KMP or their close family member. Close family members include a spouse, child and dependent of a KMP or their spouse.
Details of transactions between council and other related parties are disclosed below:

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$’000</td>
<td>$’000</td>
</tr>
<tr>
<td>Longreach Backhoe Hire</td>
<td>139</td>
<td>158</td>
</tr>
<tr>
<td>Western Tractor Company</td>
<td>25</td>
<td>-</td>
</tr>
<tr>
<td>Harris Heavy Haulage</td>
<td>26</td>
<td>85</td>
</tr>
<tr>
<td>Cameron Nunn</td>
<td>62</td>
<td>154</td>
</tr>
<tr>
<td>J &amp; L Nunn</td>
<td>115</td>
<td>-</td>
</tr>
<tr>
<td>Bond Media</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>Qantas Foundation Memorial</td>
<td>22</td>
<td>9</td>
</tr>
<tr>
<td>Longreach State School</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Rayner’s Crane and Plant Hire</td>
<td>399</td>
<td>521</td>
</tr>
</tbody>
</table>

(i) All close family members of key management personnel were employed through an arm’s length process. They are paid in accordance with the Award for the job they perform.

(ii) This disclosure includes $129,499 (2018: $157,748) paid to Longreach Backhoe Hire, $24,750 (2018: $0) paid to Western Tractor Company and $26,070 (2018: $84,520) paid to Harris Heavy Haulage all of which are entities controlled by a close family member of Councillor Trevor Harris. Longreach Regional Council hires various equipment, and acquires materials and services from these entities. Cameron Nunn was paid $31,635 (2018: $153,190) and is a close family member of Councillor Leonie Nunn. Cameron Nunn was engaged as a contractor to construct the Longreach Wild Dog Exclusion Fence Scheme for Longreach Regional Council. A debtor was recognised for $114,927 under the Longreach Wild Dog Exclusion Fencing Scheme to Cr Nunn ($57,463) and her husband James Nunn ($57,464). These were made under the same contractual conditions under the scheme that were available to all participants. Payment of $5,000 (2010: none reported) was made to Bond Media on entity controlled by a close family member of Cr Tony Martin for consultancy services for the Oral History Project and $22,324 (2018: $8,658) to Qantas Foundation Memorial, an entity associated with Cr Tony Martin in his professional capacity as CEO of Qantas Foundation Museum. Payments of $5,021 (2018: $5,151) were made to Longreach State School for RADF Grants and Catering. Cr Tony Rayner’s wife is the Principal of Longreach State High School. In 2018 a disclosure was made concerning payments to Rayner’s Crane and Plant Hire. It has been determined that this business is not within the scope of disclosure requirements and no disclosure has been made in 2019.
Longreach Regional Council

Notes to the Financial Statements
for the year ended 30 June 2019

(c) Key Management Personnel

Transactions with Key Management Personnel
KMP include the Mayor, Councillors, Council’s Chief Executive Officer and Directors. The compensation paid to Key Management Personnel comprises:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-Term Employee Benefits</td>
<td>1,266</td>
<td>1,206</td>
</tr>
<tr>
<td>Post-Employment Benefits</td>
<td>116</td>
<td>120</td>
</tr>
<tr>
<td>Long-Term Benefits</td>
<td>15</td>
<td>35</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,394</td>
<td>1,361</td>
</tr>
</tbody>
</table>

During the Year Council amended its Related Party Policy to exclude managers from the definition of Key Management Personnel. This has reduced the amounts declared for the 2018-19 year. The amounts disclosed in the 2018 Financial Report relating to Managers were disclosed as Short-Term Employee Benefits $1,246, Post Employment Benefits $120 and Long-Term Benefits $223, a reduction of $1,589.

(d) Loans and Guarantees to/from Related Parties
Council provided funds under a Special Levy to Cr Leonie Nunn and James Nunn pursuant to the Longreach Wild Dog Fencing Scheme in the amount of $114,927.

(e) Commitments to/from Other Related Parties
Council does have any commitments from related parties.

(f) Outstanding Balances
There were no outstanding balances at the end of the reporting period in relation to transactions with related parties other than item (d) above.

(g) Transactions with Related Parties that have not been disclosed
We do not disclose ordinary citizen transactions.

Note 25. Events Occurring After Balance Sheet Date

There were no significant events adjusting or “non-adjusting” that occurred after the reporting date of 30 June 2019, up to and including the date when the financial statements are “authorised for issue” have been taken into account in preparing these statements.
Longreach Regional Council

General Purpose Financial Statements
for the year ended 30 June 2019

Management Certificate
for the year ended 30 June 2019

These General Purpose Financial Statements have been prepared pursuant to sections 176 and 177 of the Local Government Regulation 2012 (the Regulations) and other prescribed requirements.

In accordance with Section 212(6) of the Regulation, we certify that:

(i) the prescribed requirements of the Local Government Act 2009 and Local Government Regulations 2012 for the establishment and keeping of accounts have been complied with in all material respects; and

(ii) the General Purpose Financial Statements, as set out on pages 1 to 40, 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.

Ed Warren
MAYOR
Date: 11/10/19

Mitchell Murphy
CHIEF EXECUTIVE OFFICER
Date: 11/10/19
INDEPENDENT AUDITOR’S REPORT

To the Councillors of Longreach Regional Council

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Longreach Regional Council (the council).

In my opinion, the financial report:

a) gives a true and fair view of the council’s financial position as at 30 June 2019, and of their 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 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including significant accounting policies and other explanatory information, and the management certificate given by the Mayor and the Chief Executive Officer.

Basis for opinion

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

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

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

Other information

Other information comprises the information included in Longreach Regional Council’s annual report for the year ended 30 June 2019, but does not include the financial report and my auditor’s report thereon. At the date of this auditor’s report, the other information was the current year financial sustainability statement and long-term financial sustainability statement.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the Local Government Regulation 2012, I have expressed a separate opinion on the current year financial sustainability statement.
In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report and my knowledge obtained in the audit or otherwise appears to be materially misstated.

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

**Responsibilities of the council for the financial report**

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

The council is also responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the council or to otherwise cease operations 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 accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council.
Conclude on the appropriateness of the council’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor’s report. However, future events or conditions may cause the council to cease to continue as a going concern.

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

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

**Report on other legal and regulatory requirements**

In accordance with s.40 of the Auditor-General Act 2009, for the year ended 30 June 2019:

a) I received all the information and explanations I required.

b) In my opinion, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

14 October 2019

Carolyn Dougherty
as delegate of the Auditor-General

Queensland Audit Office
Brisbane
Longreach Regional Council

Current Year Financial Sustainability Statement
for the year ended 30 June 2019

<table>
<thead>
<tr>
<th>Actual 2019</th>
<th>Target 2019</th>
</tr>
</thead>
</table>

**Measures of Financial Sustainability**

Council's performance at 30 June 2019 against key financial ratios and targets.

**Performance Indicators**

1. **Operating Surplus Ratio**
   
   Net Result (excluding capital items) / Total Operating Revenue (excluding capital items) = -18.27% \( \text{Target} \) 0 - 10%
   
   An indicator of the extent to which revenues exceed revenue operational expenses only or are available for capital funding purposes or other purposes.

2. **Asset Sustainability Ratio**
   
   Capital Expenditure on the Replacement of Assets (renewals) / Depreciation Expense = 130.71% \( \text{Target} \) more than 90%
   
   An approximation of the extent to which the infrastructure assets managed are being replaced as these reach the end of their useful lives.

3. **Net Financial Liabilities Ratio**
   
   Total Liabilities less Current Assets / Total Operating Revenue (excluding capital items) = -41.79% \( \text{Target} \) less than 60%
   
   An indicator of the extent to which the net financial liabilities can be serviced by its operating revenue.

**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 2019.
Longreach Regional Council

Current Year Financial Sustainability Statement
for the year ended 30 June 2019

Certificate of Accuracy
for the year ended 30 June 2019

This current-year financial sustainability statement has been prepared pursuant to Section 176 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.

Ed Warren
MAYOR

Date: 11/10/19

Mitchell Murphy
CHIEF EXECUTIVE OFFICER

Date: 11/10/19
INDEPENDENT AUDITOR'S REPORT

To the Councillors of Longreach Regional Council

Report on the current year financial sustainability statement

Opinion

I have audited the accompanying current year financial sustainability statement of Longreach Regional Council (the council) for the year ended 30 June 2019 comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with section 212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current year financial sustainability statement of Longreach Regional Council for the year ended 30 June 2019 has been accurately calculated.

Basis of opinion

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

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

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

Emphasis of matter – basis of accounting

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

Other Information

Other information comprises the information included in Longreach Regional Council's annual report for the year ended 30 June 2019, but does not include the current year financial sustainability statement and my auditor's report thereon. At the date of this auditor's report, the other information was the general purpose financial statements and the long-term financial sustainability statement.

My opinion on the current year financial sustainability statement does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the Local Government Regulation 2012, I have expressed a separate opinion on the general purpose financial report.
In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report and my knowledge obtained in the audit or otherwise appears to be materially misstated.

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

**Responsibilities of the council for the current year financial sustainability statement**

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

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

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

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

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

- Identify and assess the risks of material misstatement of the statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council.

- 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.

14 October 2019

Carolyn Dougherty
as delegate of the Auditor-General

Queenland Audit Office
Brisbane
Longreach Regional Council

Long-Term Financial Sustainability Statement
prepared as at 30 June 2019

<table>
<thead>
<tr>
<th>Measures of Financial Sustainability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Council's performance at 30 June 2019 against key financial ratios and targets.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Performance Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Operating Surplus Ratio</td>
</tr>
<tr>
<td>Net Result (excluding capital items)</td>
</tr>
<tr>
<td>Total Operating Revenue (excluding capital items)</td>
</tr>
<tr>
<td>0% - 10% -16.27% -12.00% -15.70% -18.70% -20.90% -17.10% -20.70% -22.60% -23.90% -23.50% -22.80%</td>
</tr>
<tr>
<td>An indicator of the extent to which revenues raised cover operational expenses only or are available for capital funding purposes or other purposes.</td>
</tr>
</tbody>
</table>

| 2. Asset Sustainability Ratio |
| Capital Expenditure on the Replacement of Assets (renewals) |
| Depreciation Expense |
| > 90% 130.71% 210.41% 265.24% 144.82% 133.41% 150.69% 137.51% 127.27% 120.62% 122.19% 120.88% |
| An approximation of the extent to which the infrastructure assets managed are being replaced as these reach the end of their useful lives. |

| 3. Net Financial Liabilities Ratio |
| Total Liabilities less Current Assets |
| Total Operating Revenue (excluding capital items) |
| < 60% -61.79% -25.37% -25.91% -11.18% 2.97% 17.48% 45.22% 60.93% 75.06% 91.27% 105.62% |
| An indicator of the extent to which the net financial liabilities can be serviced by its operating revenue. |

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

Long-Term Financial Sustainability Statement

Certificate of Accuracy
for the long term financial sustainability statement prepared as at 30 June 2019

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

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

Ed Warren
MAYOR

Date: 11/10/19

Mitchell Murphy
CHIEF EXECUTIVE OFFICER

Date: 11/10/19