

2021 - 22

# Annual Report

Noosa Shire Council





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# Introduction

# Acknowledgement of Country

Noosa Council respectfully acknowledges the Traditional Custodians of the lands and waters of the Noosa area, the Kabi Kabi people, and pays respect to their Elders, past, present and emerging.

# About the Annual Report

Noosa Shire Council is pleased to present our Annual Report for 2021/22 to the Noosa Shire community

The report is a comprehensive summary of our performance from 1 July 2021 to 30 June 2022. The Annual Report also presents Council's audited Annual Financial Statements as well as governance and statutory information with the aim of providing comprehensible information to our community.

Additionally, this report also provides the disclosure requirements relating to the Local Government Act 2009 ("LG Act") and the Local Government Regulation 2012 ("LG Regulation").

The Annual Report is aligned to five key themes that form the basis of Council's corporate and operational plans. It also highlights a range of achievements and progress made in delivering services to our community by aligning with our vision: 'Different by Nature.'

## Acknowledgements

Noosa Shire Council (Council) would like to acknowledge and thank all staff and stakeholders who contributed to the completion of the Annual Report.

## Photography

Photographs and images featured in this Annual Report include contributions from members of the community and staff. Thank you to all photographers.

## Report Structure

### 1 INTRODUCTION

This section includes opening messages by the Mayor and Chief Executive Officer and presents their views and assessment of Council's performance in the financial year.

### 2 OUR SHIRE

This section introduces Noosa Shire as a destination, our history and heritage, key regional statistics and our liveability index.

### 3 COUNCIL

This section provides a profile of Council, its Elected Members and Council services. It also highlights Council's vision, values and purpose. Finally, it emphasises our corporate planning structure, our informing strategies and plans, our organisational structure and our people.

### 4 OUR ACHIEVEMENTS

This section presents Council's major achievements under its five key themes and highlights major events and awards.

### 5 GOVERNANCE AND DISCLOSURES

This section details statutory annual reporting requirements including tenders, services provided, concessions for rates and charges, right to information and privacy and audit. It also provides information on Council's democratic governance arrangements and councillor attendance and remuneration.

### 6 FINANCIAL PERFORMANCE

This section provides the Community Financial Report and audited Financial Statements of Council for the year ended 30 June 2022.

## Message from the Mayor

Despite another challenging year with COVID-19, severe weather events causing major flooding and tough economic conditions which have continued to impact our community, we have, once again, as a community, and, as a Council, achieved much.

Along with the floods, February saw us welcome our new Noosa Shire Council CEO Scott Waters. As a former CEO of the Whitsunday and Northern Territory Councils, Scott has brought a wealth of ideas, enthusiasm, positivity and a 'can do' attitude with a focus and drive towards Noosa 2.0. This is a project focused on Council being authentic, passionate, committed, supportive and respectful.

Housing affordability remains a critical issue for our shire. The work we have done puts us on a path to develop tangible solutions for our most at risk, our workers, our businesses and ultimately our community. Noosa Council's *Housing Needs Assessment*, a comprehensive and detailed snapshot of the housing issues impacting Noosa, provided a strong platform and foundation for the launch of our draft Housing Strategy. While housing has traditionally been a state and federal responsibility, there are undoubtedly solutions we can implement at the local level by working with industry, lobbying higher levels of government, and looking at local government assets as a whole. The draft Housing Strategy is the most progressive and aggressive step that Noosa Council has taken in this space. I am delighted and proud of this Council and all Councillors for putting it forward as a priority.

I am also justifiably proud of all that we have managed to accomplish during the past year to meet the existing and emerging needs of our community. Delivering a budget that increases service levels, provides for a small surplus yet caps the majority of rates at CPI, has been no easy feat; particularly amid the rising cost of doing business and the COVID-19 response. Focusing on real tangible outcomes for our community has again been a priority. The input from our consultation phase with residents was pivotal in shaping our budget. Community input is critical. We sought feedback through our Satisfaction Survey and Liveability Survey, both of which have helped shape not only the budget but other decisions of council.

We've delivered the bulk of another record capital works program, despite grappling with supply chain shortages and other construction challenges beyond our control. The opening of the much-anticipated Hinterland Adventure Playground at Cooroy is certainly among the highlights, with work also now well under way on the major Tewantin Bypass project and Noosa Parade corridor upgrade.

Liveability is of course determined by more than just infrastructure. It's about protecting our way of life, looking after our people, and investing in our collective wellbeing. Connecting people has been an important focus for Council. Our Connecting Noosa program of free activities was very popular as was our Ageing Well (now Living Well) program. It continues to be well received by many in our



community. We've continued our Christmas Convoy initiative, and what started as festive cheer to our neighbourhoods, has become a much-loved Christmas activity.

Adoption of our Noosa Walking and Cycling Strategy this year puts Noosa on the path to a healthier and more active way of life. This strategy has paved the way for priority projects which are now under way and were, with the help of a community-based Project Reference Group, identified as a priority.

Tackling traffic congestion and getting people out and about on weekends is the key driver for our weekend free bus trial, which is incredibly popular with people of all ages. The program provides for accessibility and engagement. Speaking of accessibility, the new beach access mat is ensuring that everyone, no matter what their physical capabilities, can enjoy a visit to Main Beach. Delivered with support from Sandy Bolton MP and Tewantin-Noosa Lions Club, the mat has proved to be a huge hit with the community.

Of course, it wouldn't be Noosa Council without a strong focus on the environment and this year we were pleased to welcome Greenfleet, the Kabi Kabi Peoples' Aboriginal Corporation and Noosa and District Landcare aboard for the next phase of the Yurol-Ringtail Conservation Project. The new partners will work to revegetate the land for native species such as koalas, as well as reduce carbon and create new employment opportunities. This next phase is an important milestone in the project, which is revegetating 2400 hectares of former plantation land with native species, and the restored habitat added to Tewantin National Park.

Collaboration is very important to our Shire and to me personally. This year we joined the South-East Queensland Council of Mayors. It provides for wider community connection and allows us to have a seat at the table on a range of broader issues that impact the shire. Our membership is also a show of support for the organisation and its successful bid to secure the 2032 Olympic and Paralympic Games. Along with joining the Council of Mayors, it has been personally a privilege to have been selected by my fellow South-East Queensland Council of Mayors to represent them and South-East Queensland on the Brisbane 2032 Organising Committee. The region's Mayors pursued the Games and they will be a significant driver to bring forward the infrastructure and transport needed to support our wider region's growth. I look forward to continuing to work with my fellow Mayors to ensure we deliver on this commitment and that all of our communities have a voice.

In closing, I'd like to acknowledge and thank our CEO Scott Waters, staff who have worked tirelessly over the past year; the support of Deputy Mayor Frank Wilkie and all of my fellow councillors. Together, we seek to make a difference, and collectively we thank all within our Shire for your support of our efforts during 2022.



Clare Stewart  
**Mayor**

## Message from the Chief Executive Officer

It is certainly a pleasure to present the Annual Report 21/22 as the Chief Executive Officer of Noosa Council.

I came into the role in February of this reporting period and it has certainly been a busy time for Council.

My first weekend in the role coincided with one of the worst flooding events in Noosa for 30 years.

I was extremely proud of the way we as a Council responded, but equally impressed with the significant work carried out in the aftermath of the natural disaster. The rebuild is going to take years with over 100 roads, 21 landslips and a number of culverts damaged by the event.

The Council's leadership group also did an exceptional job of guiding the organisation through the COVID pandemic to ensure that we are well prepared and resilient for what could be called the "new normal" of life with COVID.

These are two tangible examples of how a council and its staff deliver on a regular basis to their community.

This report outlines the many activities undertaken by the organisation during the period 1 July 2021 to 30 June 2022.

There have been many achievements and equally as many challenges during the year.

Clearly COVID had a significant impact on many operations as we juggled the health of our community, whilst continuing to deliver the essential services required.

This Council's fundamental focus is to put the community first.

An example of this, is Council uniting with the Hinterland residents to launch legal action against the Kin Kin Quarry operators for alleged breaches to the Quarry Management Plan.

This has been a long arduous process for those impacted residents; however councillors and the staff have never wavered, providing as much support legally and operationally to get a positive outcome. The hearing has been conducted and now we await the judge's decision.

There were many infrastructure achievements during the year.

The opening of the landmark \$6.7 million Hinterland Adventure Playground in Cooroy, the completion of the \$3 million Peregian Beach Community House, refurbishment of the Pomona Community Hall, completion of the Tablelands Road Bridge in Cooran and significant work commenced on the \$9.8 million Tewantin Bypass and the upgrade of the \$8 million Noosa Parade.

Council continues to have a strong commitment to zero net emissions by 2026. We installed more solar panels on Council facilities and purchased two fully electric vehicles this year, with the intention of more to follow in coming years.



As a Council, we have implemented a clear road map for the future of our organisation. Noosa 2.0 will evolve in coming years to focus on delivering a sustainable, customer-centric, agile organisation to serve the community.

It will be achieved in liaison with our vibrant Noosa community.

I would like to thank Mayor Clare Stewart, councillors for their support and acknowledge the invaluable guidance from the Executive and Senior Leadership teams.

To the Council staff, your ongoing dedication and commitment is certainly appreciated and to our residents, thank you for having faith in us to serve you and provide the vital services to our community.

A handwritten signature in black ink, appearing to read 'Scott Waters', with a stylized flourish at the end.

Scott Waters  
**Chief Executive Officer**



# Our Shire

## Discover our Shire

Located in South-East Queensland, Noosa Shire is situated at the northern tip of Queensland's Sunshine Coast and it is approximately 120 kilometres north of Brisbane. Noosa Shire covers an area of 869.9 km<sup>2</sup> with more than 800 kilometres of roads and nearly 450 kilometres of bikeways. The region is bound by the Gympie local government area in the north and west, and the Sunshine Coast local government area in the south.

Noosa Shire is home to more than 56,000 people. The region enjoys a sub-tropical climate, beautiful beaches, mountains and forests, which makes it one of Australia's most desirable places to live, work and visit.

The traditional owners and original custodians of the land are the Kabi Kabi people.

Noosa Shire is a growing residential and tourist area, with substantial rural, rural-residential and parkland areas. It is made up of 18 hinterland villages and 11 coastal towns and has an economy that is diversifying beyond a thriving tourism industry. Noosa's economy relies significantly on the health, professional services, tourism, retail and construction sectors. It is home to more than 7,000 businesses, predominately small and micro, including successful entrepreneurs and skilled business people.

It is the natural landscape that attracts visitors to Noosa Shire. The coastal landform of shallow lakes, river systems and coastal escarpment provide a stunning backdrop to our community. Noosa Shire has a proud history of preserving its natural environment with 35% of the Shire protected as either national park, reserve or conservation area.

Since 2007, the Noosa Shire has held UNESCO Biosphere Reserve status. It recognises the ongoing efforts of the Noosa community to manage the region's land, waters and wildlife sustainably, in balance with its urban population and visitors from across the globe. Together, with more than 700 biosphere reserves around the world, we are working towards the global sustainability goals of the Man and the Biosphere Program and Lima Action Plan.



## History and heritage

Noosa Shire is the traditional home of the Kabi Kabi people. The region has a rich and unique history dating back at least 50,000 years to the traditional custodians through European settlement to the present day. The name Noosa Shire is believed to be derived from the indigenous word nuthuru meaning ghost or shadow.

The earliest European settlers in the area were the Skyring brothers who took up several large pastoral runs. By the 1860s, the region had been identified as a promising area for timber getting and timber getters began moving into the area with mills established in the hinterland areas. The discovery of gold in Gympie in 1867 also increased the population of the area. The Noosa River was considered a better access point to the goldfields and a port was established at Tewantin to serve the timber industries and people travelling to the goldfields. Hinterland towns such as Cooran, Kin Kin, Pomona and Cooroy developed further following the opening of the railway line between Gympie and Brisbane in the late 1880s and early 1890s. The land cleared through timber getting was then used for crop growing and dairy farming. Tourism and a thriving fishing industry developed in Tewantin, along Gympie Terrace, and at Noosa Heads. The 1920s and 1930s were a period of notable growth in population. Significant development and expansion occurred from the late 1960s into the 1990s. This prompted the development of The Noosa Plan, Council's planning scheme, to balance preservation of Noosa's unique environment with ongoing development.

The first Noosa Shire Council was established in 1910 and the Shire headquarters was based in Pomona until 1980 when the Council relocated its offices to a new building in Tewantin. In 2008, Noosa Council was amalgamated with Maroochy Shire Council and the City of Caloundra to form Sunshine Coast Council. As a result of a strong campaign by the community, Noosa Council was re-established in 2014, following de-amalgamation from Sunshine Coast Council, starting a new chapter of history for the Council and the community.





2021 - 22 Annual Report



# Noosa at a glance

**56,796**  
people  
living in  
our Shire



**23,446**  
local jobs

**49**  
years  
median  
age

**7,236**  
local  
businesses



**1.5%**  
identify as  
Aboriginal  
and/or  
Torres Strait  
Islander

**23,755**  
households

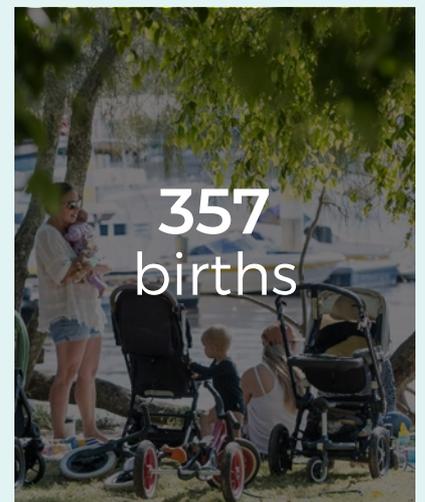


**16**  
schools



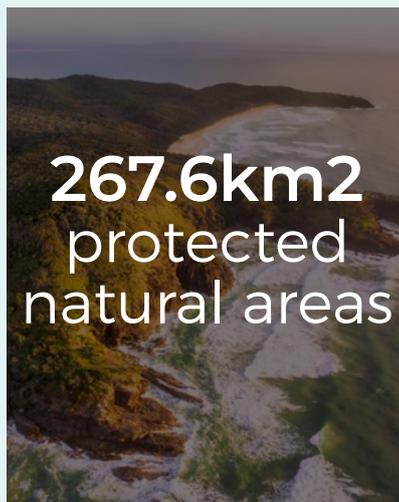
**\$1.05M**  
median  
sale price

**357**  
births





**Health Care  
& Social  
Assistance**  
is the  
largest  
industry



**Construction  
industry**  
is the  
largest local  
business  
sector



**28**  
early  
childhood  
education  
and care  
services



**\$2.96**  
Billion Gross  
Regional  
Product

# Our Liveability Index

Protecting our natural environment, neighbourhood safety and the importance of local business are considered Noosa's greatest strengths by those who live, work and visit the Shire.

In November 2021, Noosa Council in conjunction with Place Score conducted our first Liveability Survey. This survey was completed by 1655 community members who told us what they value most about their neighbourhood and how they rate their neighbourhood. These scores were then combined to provide an overall Liveability Index for each neighbourhood.

These results allow us to focus on the things most valuable to our community. By planning for liveability, we provide safe, healthy, active and resilient communities and places.

## What is a Liveability Index?

Liveability is simply what a place is like to live in. Understanding the relationship between people and their places is the key to understanding local liveability, and how it can be enhanced. The Liveability Index is an assessment of how each community rates their neighbourhood. While two locations scores may be similar, how the community rates each Place Attribute may be quite different within each location.

## Our Score

**The Liveability Index score for Noosa Shire is 70, which is above the national average score of 68.**

This score shows that Noosa Shire is performing well in terms of overall Liveability.

Noosa Shire

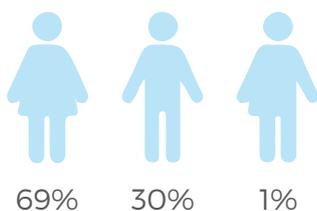


National Average

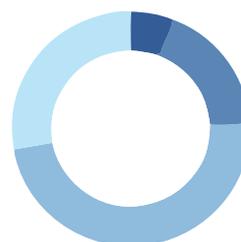
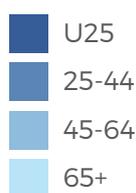


## About the respondents

Gender



Age



## Top 10 Values

The things most important to the Noosa Shire community in their ideal neighbourhood include:

- Elements of natural environment (natural features, views, vegetation, topography, water, wildlife etc.) 77%
- Protection of the natural environment 66%
- General condition of public open space (street trees, footpaths, parks etc.) 58%
- Sense of neighbourhood safety (from crime, traffic, pollution etc.) 55%
- Landscaping and natural elements (street trees, planting, water features etc.) 51%
- Walking/jogging/bike paths that connect housing to communal amenity (shops, parks etc.) 51%
- Sense of personal safety (for all ages, genders, day or night) 49%
- Local business that provide for daily needs (grocery stores, pharmacy, banks etc.) 48%
- Access to neighbourhood amenities (cafes, shops, health and wellness services etc.) 48%
- Access and safety of walking, cycling and/or public transport (signage, paths, lighting etc.) 48%

## Our Strengths

The things the community cares about the most and say are performing well include:

- Protection of the natural environment
- Elements of natural environment (natural features, views, vegetation, topography, water, wildlife etc.)
- Sense of neighbourhood safety (from crime, traffic, pollution etc.)
- Local business that provide for daily needs (grocery stores, pharmacy, banks etc.)
- Landscaping and natural elements (street trees, planting, water features etc.)
- Access to neighbourhood amenities (cafes, shops, health and wellness services etc.)
- Locally owned and operated businesses
- Spaces suitable for specific activities or special interests (entertainment, exercise, dog park, BBQs etc.)
- Sense of personal safety (for all ages, genders, day or night)
- Sense of belonging in the community
- Overall visual character of the neighbourhood

Overall Noosa is performing well at the Local Government Area level, which is reflected by the majority of the community liveability actions being focused on nurturing what currently works well. This includes the connection and presence of nature in Noosa's neighbourhoods, and the protection of these natural environments. The community also highly values its local centres that offer convenience while being locally owned.



Photographer: Justine Bath



Council

## Our Council

Noosa Shire Council was created in 1910 under the Queensland Local Authorities Act of 1902. As such, the Shire of Noosa was created out of an area previously belonging to Widgee (now Cooloola Shire) and a small strip along the northern border of Maroochy (now Sunshine Coast). Noosa's population at the time was about 2,000.

At the first local government election on 22nd April, nine Councillors were elected. James Duke became the first Shire Chairman. The bridge at Gympie Terrace, Noosaville, is named after him, in his memory. The first Shire Clerk was Mr E.A. Edwards who held office until 1946.

In 2008, the Noosa Shire was amalgamated with Maroochy Shire and the City of Caloundra to form the Sunshine Coast Regional Shire.

In March 2013 and after several years of campaigning by the community, residents of the former Noosa Shire went to the polls to vote on a referendum whether or not Noosa should de-amalgamate from the Sunshine Coast Regional Shire. In response, 82.6% of voters were in favour of de-amalgamation.

On 1 January 2014, Noosa Shire Council was officially re-established as an independent local government area.



## Our Elected Members

Council is represented by the Mayor and six Councillors who were elected at the Local Government elections on 28 March 2020 and made Declarations of Office on 15 April 2020.

Residents have the opportunity to elect the Mayor and the Councillors every four years with the next election scheduled to be held in 2024.

Our Councillors represent all areas of the Shire as Noosa is an undivided local government area.

The role of Councillors is to represent the community and make decisions that benefit the whole Noosa Shire region, now and into the future.

Councillors are responsible for:

- providing leadership to the local government and the community,
- planning for the delivery of services and strategic planning for the future,
- developing policy and making local laws, and
- complying with legislation.

As well as being a Councillor, the Mayor has extra duties. The Mayor:

- leads and manages Council Meetings to ensure that Council decisions are actioned,
- provides strategic direction,
- is a member of each standing committee of the local government, and
- represents Council at civic or ceremonial functions.

The Councillor that is nominated by resolution to be the Deputy Mayor can act for the Mayor during an absence or temporary incapacity of the Mayor.





### Mayor Clare Stewart

**Elected member since 2020**

Ph: 07 5329 6100

Email: [clare.stewart@noosa.qld.gov.au](mailto:clare.stewart@noosa.qld.gov.au)



### Cr Frank Wilkie (Deputy Mayor)

**Elected member since 2014**

Ph: 07 5329 6103

Email: [frank.wilkie@noosa.qld.gov.au](mailto:frank.wilkie@noosa.qld.gov.au)



### Cr Karen Finzel

**Elected member since 2020**

Ph: 07 5329 6279

Email: [karen.finzel@noosa.qld.gov.au](mailto:karen.finzel@noosa.qld.gov.au)



### Cr Joe Jurisevic

**Elected member since 2014**

Ph: 07 5329 6106

Email: [joe.jurisevic@noosa.qld.gov.au](mailto:joe.jurisevic@noosa.qld.gov.au)



### Cr Amelia Lorentson

**Elected member since 2020**

Ph: 07 5329 6385

Email: [amelia.lorentson@noosa.qld.gov.au](mailto:amelia.lorentson@noosa.qld.gov.au)



### Cr Brian Stockwell

**Elected member since 2016**

Ph: 07 5329 6120

Email: [brian.stockwell@noosa.qld.gov.au](mailto:brian.stockwell@noosa.qld.gov.au)



### Cr Tom Wegener

**Elected member since 2020**

Ph: 07 5329 6545

Email: [tom.wegener@noosa.qld.gov.au](mailto:tom.wegener@noosa.qld.gov.au)

# Council Services

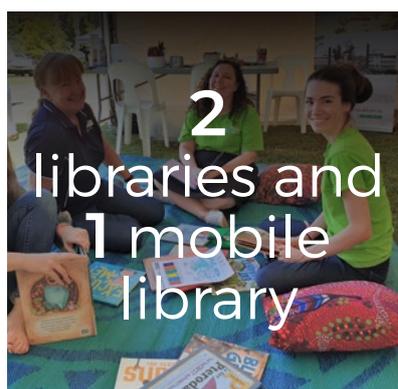
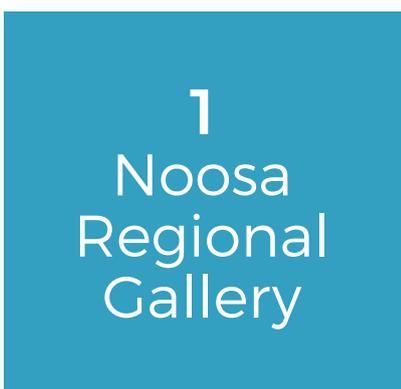
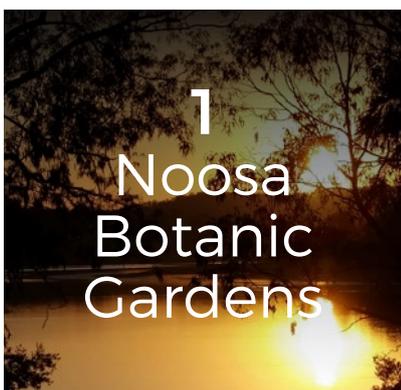
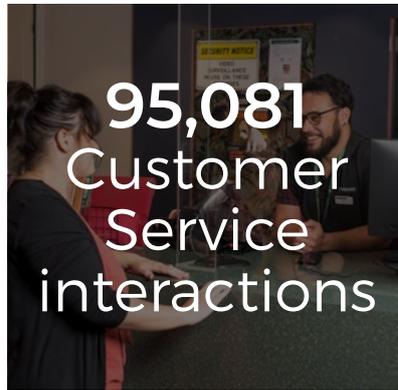
Council provides a wide and varied range of services to the community as outlined below.

Table 1: Council Services

| Service   | Service Activity  |
|---|---|
| <b>Aged &amp; Disability Support</b>              | Noosa Community Support Service   |
| <b>Asset Management</b>                           | Asset Management  |
| <b>Beaches and Coastal Foreshores</b>             | Beach Management  |
| <b>Canals and Waterways</b>                       | Technical Services, Maintenance and Operations  |
| <b>Cemeteries</b>                                 | Maintenance and Operations  |
| <b>Community Development</b>                      | Community Development – Planning and Support<br>Community Buildings & Facilities  |
| <b>Customer Service</b>                           | Customer Service  |
| <b>Council Buildings</b>                          | Council Buildings   |
| <b>Council Property Management</b>                | Council Property Management   |
| <b>Cultural Development</b>                       | Cultural Planning and Support<br>Visual Arts Venues and Programs<br>The J Entertainment and Community Venue<br>Heritage Protection and Preservation |
| <b>Development Services</b>                       | Development Assessment and Compliance<br>Building and Pool Compliance<br>Plumbing Services  |
| <b>Disaster Management</b>                        | Disaster Prevention, Preparedness, Response and Recover   |
| <b>Economic Development</b>                       | Economic Development  |
| <b>Elected Council</b>                            | Elected Council Operations  |
| <b>Financial and Revenue Services</b>             | Financial and Revenue Services  |
| <b>Fleet</b>                                      | Fleet management and Operations   |
| <b>Governance</b>                                 | Governance  |
| <b>Holiday Parks</b>                              | Holiday Parks Contract Management and Administration  |
| <b>ICT</b>  | ICT   |
| <b>Infrastructure Design and Project Delivery</b> | Infrastructure Design and Project Delivery  |
| <b>Land and Habitat Conservation</b>              | Bushland Reserve Management<br>Environmental Partnership Programs<br>Pest Management<br>Environmental Management Services                           |

| Service                                    | Service Activity  |
|--|---|
| Land Use Planning                          | Land Use Planning   |
| Libraries                                  | Library Operations  |
| Lifeguards                                 | Operations  |
| Local Laws and Public Safety               | Local Laws Education and Compliance<br>Public Security – Security Patrols and CCTV Monitoring (Public Access)<br>Permits – Use of Public Land for Commercial and Community Activities |
| Pathways, Boardwalks and Recreation Trails | Pathways and Boardwalks<br>Noosa Trail Network  |
| People and Culture                         | Human Resource Management and Advisory Services<br>Payroll<br>Workplace Health and Safety   |
| Procurement                                | Procurement Management and Operations   |
| Public Amenities (Toilets)                 | Maintenance and Operations  |
| Public Health                              | Public Health   |
| Public Lighting                            | Maintenance and Operations  |
| Records                                    | Records management  |
| Recreation Parks                           | Maintenance and Operations  |
| Road Network                               | Sealed roads<br>Gravel roads<br>Bridges<br>Road landscaping and mowing<br>Carparks  |
| Sport and Recreation                       | Planning, Programs and Support<br>Community Swimming Pools<br>Noosa Leisure Centre  |
| Stormwater Drainage and Flood Mitigation   | Stormwater Drainage Maintenance and Flood Mitigation  |
| Traffic and Transport                      | Traffic Management and Operations<br>Public Transport Infrastructure and Programs<br>Noosa North Shore Ferry  |
| Waste and Resource Management              | Waste Collections<br>Waste Disposal<br>Waste Resource Recovery and Education  |

# Council Snapshot



# Our Vision, Values and Purpose

## Our Vision

Council's *Corporate Plan 2017 – 2037* articulates Council's vision as being:

*"Noosa Shire - different by nature"*

The aim of Council's vision is to create an aspirational goal for the future and to set the tone for future planning and thinking. Our vision is underpinned by our Council's beliefs. When working towards our vision, we will focus on:

**Respect** – Respect for the diversity of opinions and beliefs in our community

**Responsiveness** – As a Council, being connected with our community

**Inclusion** – Access to participatory and democratic processes

**Authenticity** – Understanding our history and learning from our past

## Our Purpose

Council's purpose is:

*"Working with our community to shape Noosa Shire's future"*

In practice, Council's purpose means that collectively we will:

- Provide excellence in customer service
- Engage with our community using best practice
- Provide quality local government services to the community
- Provide good governance and act ethically
- Be transparent in all of our dealings
- Look after community and natural assets
- Manage community funds wisely
- Be as one with our community

## Our Values

Our staff have together defined how we want to operate as a Council and what we value:

*"Noosa Council is a supportive and passionate team built around openness and informality"*

### COMMUNITY

We value working hand in hand with our community

### INNOVATION

Striving for better ways to do things

### SUSTAINABILITY

Managing environmental, social and economic resources for the future through a strong sustainability commitment.

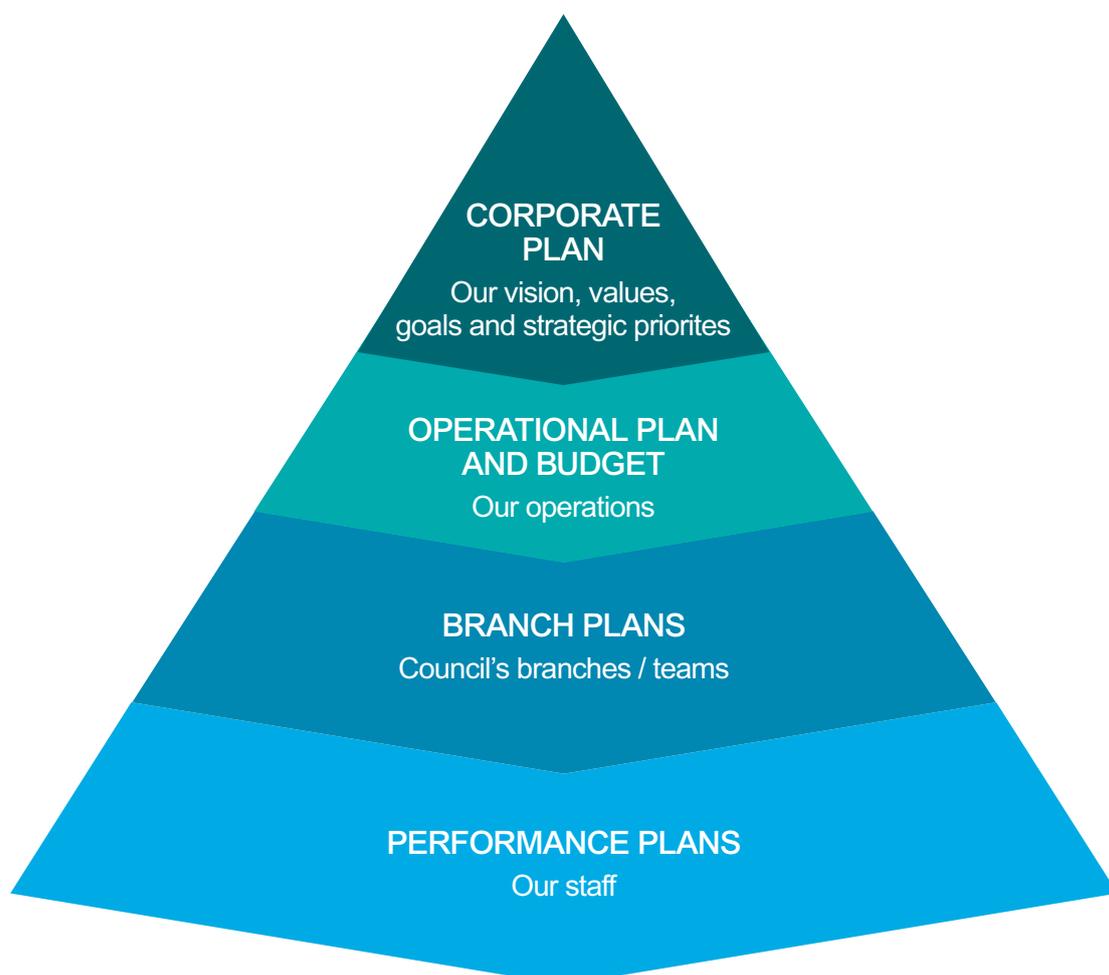
# Corporate Planning

Our corporate planning framework connects the various components of our corporate planning process to illustrate how our teams and individuals contribute to the success of our organisation. Each year Council will focus on its Operational Plan and Budget to ensure that:

- the key focus areas identified in the Corporate Plan are prioritised during Council's annual budget process,
- resources are identified to bring the key focus areas to fruition, and,
- performance measures are identified to monitor progress.

In order to prioritise and identify various projects, initiatives and services to be funded and delivered by Council on behalf of the community each year, Council undertakes a robust process to ensure all proposed items align with Council's long-term goals and strategies. The process also involves identifying the risks and opportunities associated with pursuing or not pursuing a specific item leading to informed decision making. This risk-based approach enables Council to appropriately prioritise spending and the allocation of resources each year, whilst at the same time informing possible future resourcing priorities.

Figure 1: Corporate Plan Framework



The Noosa Council *Corporate Plan 2017 – 2037* is the overarching document within Council’s planning framework, articulating Council’s vision and strategic direction for Noosa Shire for the next twenty years. It outlines strategic priorities around five key themes of:



**THE NOOSA ENVIRONMENT**  
 Our goal: Our environment is protected and enhanced and is valued by the community.

**THE NOOSA COMMUNITY**  
 Our goal: Our community is connected, safe and happy and able to meet their potential.



**THE NOOSA ECONOMY**  
 Our goal: Our economy is diverse and resilient.

**LONG-TERM PLANNING FOR NOOSA SHIRE**  
 Our goal: Noosa Shire is well managed and sustainable.



**EXCELLENCE AS A COUNCIL**  
 Our goal: The Noosa Shire community is proud of its Council.

The Corporate Plan was adopted in early 2017 following a significant process to develop the region’s long-term vision, led by 20 year goals and delivered through five key themes. An update to the plan was undertaken in 2018 and Council has operated under that version of the Corporate Plan for the 2021/22 financial year.

It must be noted that the Corporate Plan will be fully renewed in the 22/23 financial year and that while the process of the 20-year Corporate Plan and vision provides a greater horizon for the Shire; much has changed in our world since the last review in 2018. Combined issues affecting our Council and our Community, such as the COVID19 Pandemic, increased Climate Change Risk, 2032 Olympics,

changing demographics and an increasingly unstable geo-political environment were not envisaged in the 2018 review. These combined issues influence decision making and the direction of the Council, as such it is viewed as prudent to create a new Corporate Plan, taking into account our ever-changing environment.

Our annual budget provides the financial framework for the organisation to deliver outcomes for our community. In accordance with the LG Act and LG Regulation, the annual budget sets out the funding parameters for both the significant projects and initiatives contained in the Operational Plan, as well as our core Council services. This process ensures every activity undertaken by the organisation is appropriately funded and carefully planned. Our annual budget also assists Council in achieving its long-term financial goals as set out in Council's *Financial Sustainability Policy*. Progress in implementing the annual Operational Plan is reported to Council quarterly while Council's financial performance is reported monthly.

While the Operational Plan specifies the significant initiatives and projects which Council will undertake over the next 12 months, our 'business as usual' activities and smaller projects are also subject to careful planning and regular review to ensure the organisation continues to deliver and further improve services provided to our community. All branches within Council are required to have a detailed Branch Plan containing an overview of 'business as usual activities' and projects as well as an operational risk register which are reviewed on a quarterly basis by the relevant Branch Manager and Director.

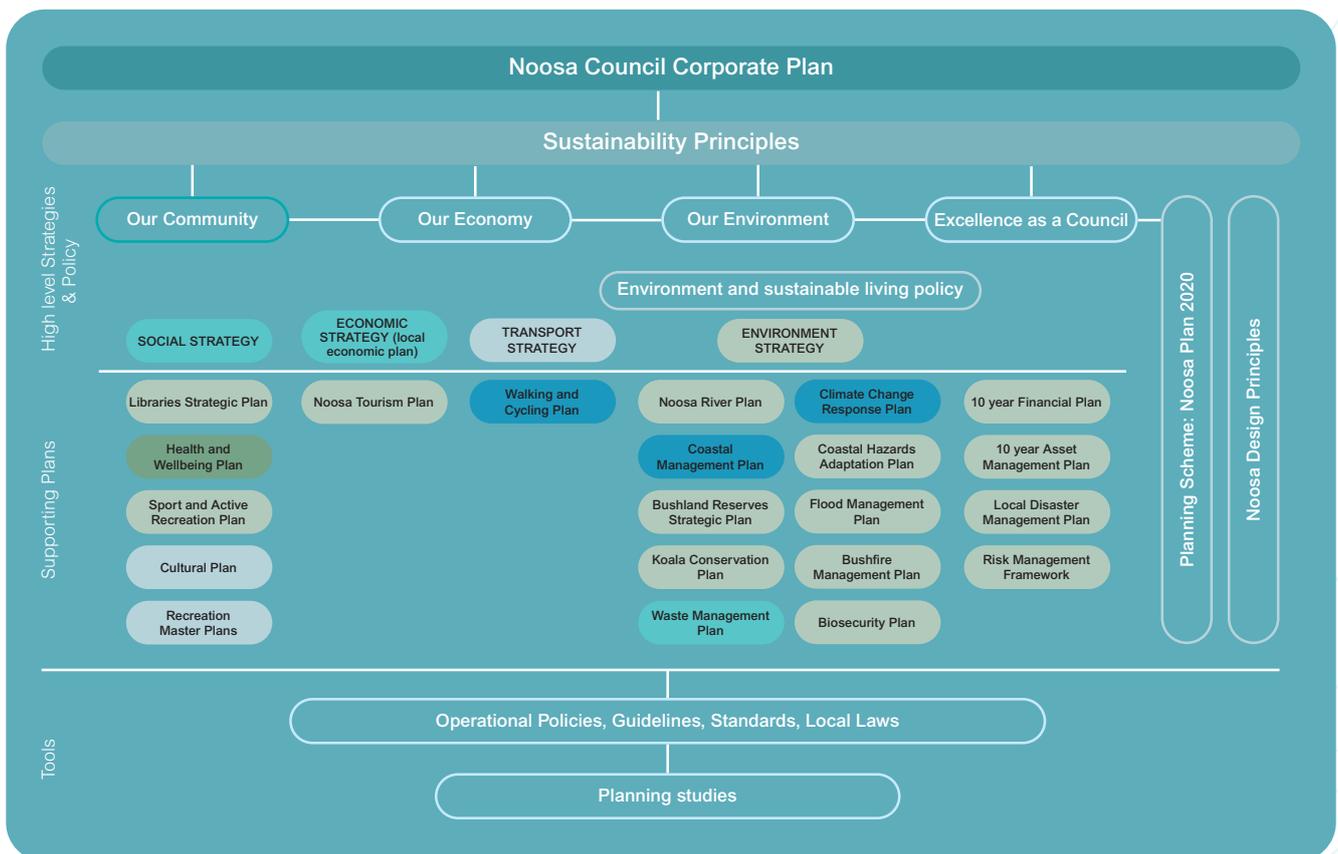


# Informing Strategies and Plans

There are a number of informing strategies and plans that allow Council to set its priorities within its resourcing capability and deliver short term, medium term and long-term community priorities and aspirations.

Each of these strategies and plans contain priorities, key initiatives and actions to be undertaken to achieve specific desired outcomes. Key initiatives and actions to be undertaken in the delivery of these strategies and plans are incorporated in the development of the *2022/23 Operational Plan* and Budget through the new initiative and budget process, the Council community consultation and engagement process and the regular/annual review of actions and progress.

Figure 2: Noosa Council's Strategic Framework



# Organisational Structure

Our organisation is led by the Chief Executive Officer who is accountable to the Council.

Council's organisational structure is adopted annually and sets the overall structure, departments and functions to enable the delivery of services to our community. The organisational structure which consists of the CEO's Office and five departments led by the Directors was adopted by Council on 30 June 2021.

Day-to-day management of the Council as an organisation is the responsibility of the Department Directors and collectively the Executive Team.

## Chief Executive Officer

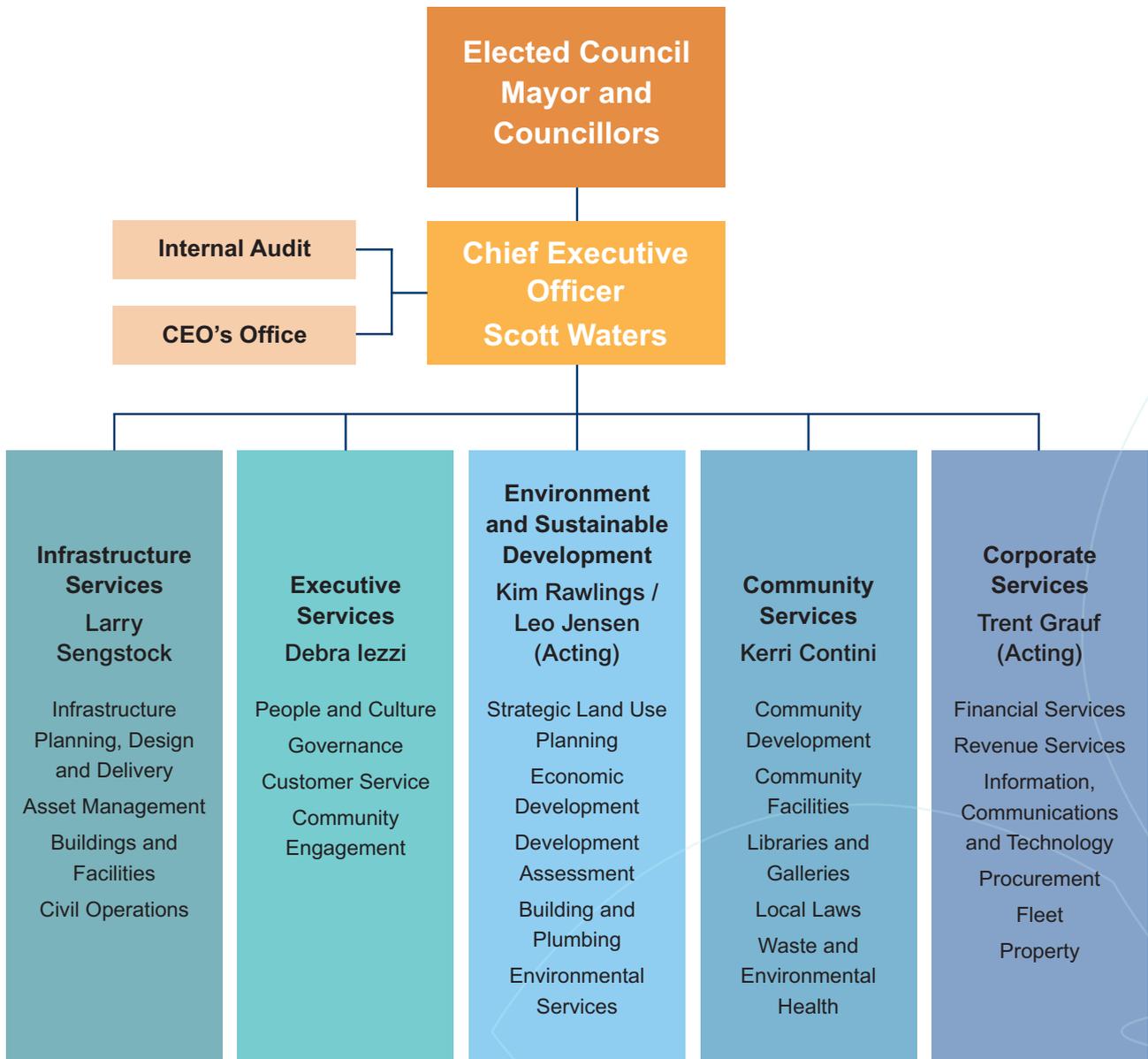
On 16 December 2021, Council approved the appointment of a new Chief Executive Officer under section 194 of the LG Act. Subsequently on 22 February 2022, Scott Waters commenced as the newly appointed Chief Executive Officer.

## Executive Team

The Executive Team is led by the Chief Executive Officer and includes the Directors. The team provides clear and consistent leadership and decision-making which supports the delivery of the strategic priorities and direction of operational business for Council.



Figure 3: Organisational structure



## Our People

As one of the regions Employers of Choice, Council offers a diverse range of employment opportunities and is committed to ensuring Council has the capacity and capability within its workforce to deliver positive outcomes for our community. Our workforce includes planners, engineers, tradespeople and specialists in various disciplines including information technology, business, accounting, public administration, asset management and human resource management.

Council's position establishment is comprised of permanent, temporary and casual positions. Although not a statutory requirement, changes to the organisational structure are presented to Council for consideration and adoption.

For this reporting period, Council adopted the organisational structure below which highlighted that there was an overall increase in the total number of Full Time Equivalent (FTE) positions from 375.01 to 386.71 between financial years.

**Table 2: Organisational Structure**

| For reporting period: 1 July 2021 – 30 June 2022 |                 |
|--|-----------------|
| Department                                       | Permanent (EFT) |
| Chief Executive Officer                          | 1.00            |
| CEO's Office                                     | 2.00            |
| Infrastructure Services                          | 126.70          |
| Executive Services                               | 31.31           |
| Environment and Sustainable Development          | 53.10           |
| Community Services                               | 128.40          |
| Corporate Services                               | 44.20           |
| <b>Total</b>                                     | <b>386.71</b>   |

**Table 3: Employee gender ratio (%)**

|            | 30 June 2022 |
|------------|--------------|
| Female (%) | 51.49        |
| Male (%)   | 48.51        |

Note: the ratio of females in the overall workforce has increased by 1.49% since last reporting period.

Table 4: Tenure of employment with Council as at 30 June 2022

| Tenure        | Position Count |
|---------------|----------------|
| 0 – 2 years   | 193            |
| 3 – 10 years  | 145            |
| 11 – 20 years | 113            |
| 21+ years     | 54             |

## Learning and Development

To support our already highly technically competent staff and contractors, Council provides its workforce with various learning and development opportunities. As outlined in the tables below, training is focused on compliance, safety, operational and corporate to ensure the continued maintenance and development of skills and knowledge for current positions. Throughout the year, staff also attend ad hoc industry seminars and conferences to remain current in their area of expertise.

Table 5: Learning and development

| Training                    | Attendance |
|-----------------------------|------------|
| Employee Safety Induction   | 832        |
| Contractor Safety Induction | 449        |
| Corporate Induction         | 81         |

Note: Casual and contractor positions included in the attendance count.

Table 6: Learning and development spend

| Department                                       | Compliance Training Spend (\$) | Safety Training – Operational Spend (\$) |
|--|--------------------------------|--|
| Infrastructure Services                          | 16,925                         | 38,923                                   |
| Executive Services & CEO's Office                | 2,336                          | -  |
| Environment and Sustainable Development          | 12,035                         | -  |
| Community Services                               | 5,397                          | 15,773                                   |
| Corporate Services                               | -                              | -  |
| Corporate Services                               | -                              | 70,000                                   |
| Council-wide employee development and leadership | 91,084                         | -  |

## Commitment to Equal Opportunity Employment

Council promotes the values of a diverse workforce and is an equal opportunity employer. Council's employment practices are aligned to Queensland's *Anti-Discrimination Act 1991* and relevant federal anti-discrimination laws.

Council recognises the importance of workforce diversity and promotes a working environment where people are treated on their merits at every stage of their employment. At Council, all staff are encouraged to embrace equity and diversity at all levels within the organisation. Council's *Employee Code of Conduct* reinforces the standards of behaviours required of employees including non-discriminatory workplace practices.

Council will continue to strive to build a workforce and supporting organisational culture that reflects the diversity of the greater community and is free of all forms of discrimination and harassment.



**NOOSA COUNCIL**

## Climate Change Responsibility Plan

- Leadership & Governance
- Energy Efficiency & Renewable Energy
- Clean Industries
- Sustainable Transport
- Resilient Ecosystems & Biodiversity
- Sustainable Agriculture & Forestry
- Resilient & Adaptive Communities & Environment
- Zero Waste & Circular Economy

noosa.qld.gov.au

Different by nature

Queensland Government



# Our Achievements

## Year in Review

This section of the Annual Report considers Council's progress in achieving the goals set out in its *Corporate Plan 2017-2037*. The Corporate Plan sets out Council's long-term strategies and priorities. It also sets out Council's values and vision - "Noosa Shire - Different by Nature".

The Corporate Plan identifies five themes, a series of long-term goals and key focus areas for 2017- 2037. Council's progress towards achieving its long-term goals and priorities is set out on the following pages. Council's *Operational Plan 2021-22* details the significant initiatives that Council undertook during the period as we progress closer towards the achievement of key focus areas set out in the Corporate Plan.

Throughout the year, the Chief Executive Officer (CEO) provided Council with quarterly reports outlining progress of the Operational Plan and details of Key Performance Indicators. The CEO also provided a separate report at the end of the financial year to Council on the progress towards achieving the Corporate Plan outcomes. Both the quarterly and annual reports to Council are available to the public via Council's website.



# CEO's Top 10 Highlights



## Flood Response

I was extremely proud of the way we as a Council responded, but equally impressed with the significant work carried out in the aftermath of the **natural disaster**. The rebuild is going to take years with over 100 roads, 21 landslips and a number of culverts damaged by the event.



## COVID Pandemic

The Council's leadership group also did an exceptional job of guiding the organisation through the COVID pandemic to ensure that we are well **prepared and resilient** for what could be called the "new normal" of life with COVID.



## Community First Approach

This council's fundamental focus is to put the **community first**. An example of this, is council uniting with the Hinterland residents to launch legal action against the Kin Kin Quarry operators for alleged breaches to the Quarry Management Plan.

This has been a long arduous process for those impacted residents; however councillors and the staff have never wavered, providing as much support legally and operationally to get a positive outcome. The hearing has been conducted and now we await the judge's decision.



## Infrastructure Achievements

There were many infrastructure achievements during the year, with Infrastructure Services having delivered in excess of **\$35 million worth of capital projects** – the most ever in a 12 month cycle.

The opening of the landmark \$6.4 million Hinterland Adventure Playground in Cooroy, the completion of the \$5 million Peregrin Beach Community House, refurbishment of the Pomona Community Hall, completion of the Tablelands Road Bridge in Cooran and significant work commenced on the Tewantin Bypass and the upgrade of Noosa Parade are but a few of the projects making up this extraordinary infrastructure spend.

This spend coupled with significant natural disasters is a testament to the hard work and dedication of the Infrastructure Team.



## Ongoing Climate Change Resilience and Emissions Targets

Council continues to have a strong commitment to **zero net emissions** by 2026. We installed more solar panels on council facilities and purchased two fully electric vehicles this year, with the intention of more to follow in coming years.



### Noosa Project 2.0

As a Council, we have implemented a **clear road map** for the future of our organisation. Noosa 2.0 will evolve in coming years to focus on delivering a sustainable, customer-centric, agile organisation to serve the community. It will be achieved in liaison with our vibrant Noosa community.



### Social Housing / Affordable Housing / Tiny Homes

Council is tackling the housing affordability crisis on multiple fronts. Activities such as the **Housing & Homelessness Roadshow** and the **Social Services Hub** helped connect vulnerable people to housing providers and other support agencies. As well as our partnership with YouTurn and Tiny Homes, in trialling transitional housing in our region



### Yurol Ringtail Conservation Project

On the 17th of May, the ceremonial signing of the **MOU** completing the project was held in the Council Chambers. The project in partnership with HQ Plantations, Green Fleet, traditional owners – Kabi Kabi, Queensland State Government and Noosa Shire Council has resulted in permanent protection of this important corridor between Cooloola and Tewantin National

Parks. It provides valuable habitat for a range of threatened species including the koala.

The Yurol Ringtail Conservation Project is unique with commercial, community, local and state government organisations working together to achieve a significant outcome for the environment.



### Hinterland Playground

Completed construction of the world class **Cooroy/Hinterland All Abilities Adventure Playground** after weathering the catastrophic flood events in February. The playground has proved to be a huge attraction and has benefitted Cooroy traders and the profile of the town.



### Smart Biosphere – Economic Development Strategy

The evolution of Noosa as a **Smart Biosphere** occurred through the adoption of the Council's *Economic Development Strategy* that connects the strong environmental values of our community to future focused technology that allows the Noosa community to meet economic challenges.

The Strategy aims to develop of a more diverse and resilient economy that delivers high value employment opportunities.



## Theme - Noosa Environment

Corporate Plan Goal: Our environment is protected and enhanced and is valued by the community

Key achievements as we work towards our long term goal include:

- Ongoing implementation of the **Noosa Environment Strategy** including the development of a monitoring report assessing progress against a range of indicators. Council continues to expand the conservation estate in Noosa with 40.8% of the Shire secured for conservation and managed for its environmental values, compared to 34.75% in 2018.
- Council continues to work with the **Noosa River Stakeholder Advisory Committee** and Marine Safety Queensland to better manage the Noosa River including anchoring, mooring and live-on-boards.
- Council continues to partner with The Nature Conservancy to implement the **Oyster Reef Restoration Project** in the Noosa River, with permits secured to allow the construction to commence at four restoration sites in the lower reaches of the river estuary.
- Implementation of **energy efficiency initiatives** to reduce Noosa Council's emissions is ongoing, including lighting efficiency and solar power upgrades. Projects are underway into solar and shared battery solutions including capital projects as part of the Peregrine Beach Community Hub. Investigations into Neighbourhood community battery solutions with ZEN Inc. are also underway.
- Implementation continues for the **Yurol Ringtail Forestry Project** including removal of pine and hardwood plantations, native revegetation, on site monitoring and community information of site closures in accordance with operational plan. Several parcels have transitioned to National Park.
- **Flying fox management** processes have improved through the development of a Statement of Management Intent, as well as Kin Kin and Wallace Park roost management plans. Regular monitoring of all flying fox camps is ongoing, as well as continued rollout of the flying fox subsidy program to affected residents.



- Implementation of the **Noosa Bushland Reserve Strategic Management Plan and Fire Management Plan** has continued. There has been active involvement of the community in the restoration of degraded bushland areas through the Community Bushland Care Program, though this was halted for some time due to COVID limitations. On ground works have been disrupted by the floods, with staff diverted to priority clean-up activities particularly on the Eastern Beaches with Polystyrene debris clean up. Significant investment in staff training and skilling for fire management has occurred and Council has successfully performed highest priority burns over the recent cooler months.
- The **Coastal Hazards Adaptation Plan** has been completed and implementation of priority actions commenced including: rolling out an integrated coastal monitoring program; building resilience in the Noosaville foreshore; investigating the viability of offshore sand supply for beach nourishment; developing a Foreshore Management Plan for the Eastern Beaches; and developing best-practice design standards for functional, equitable and sustainable beach access areas.
- The **Climate Change Response Plan** was completed and a Community Reference Group established to help guide implementation of the plan. Implementation projects commenced under each of the 8 themes of the plan. A key project has been the development of a draft Regional Climate Action Roadmap as a collaboration with Sunshine Coast Council and has identified regional priorities for addressing climate risks for council and the community.
- The draft **Eastern Beaches Foreshore Management Plan** has been prepared and is a key implementation action of the Coastal Hazards Adaptation Plan. The plan seeks coordinated management of encroachments, beach access design, bushland management, and fire breaks.
- Ongoing work on feral animal and weed control through Council's **Biosecurity Program** under the Noosa Biosecurity Plan. This included targeted baiting for wild dogs, foxes and feral deer, as well as actively working with rural landholders to prepare biosecurity plans and provide property specific information and education.
- Council continues to deliver a Land for Wildlife and Voluntary Conservation incentive program under its **Community Partnerships Program**, providing free trees, training and contractor support. We reached a significant milestone with 400 registered Land for Wildlife members actively managing 3000 hectares of native habitat on their properties. Land for Wildlife members planted 9,600 tubestock over 14 hectares of land, putting in 2,280 hours of labour and contributing \$31,000 in cash and materials. Twenty-eight members received training in weed management on their properties, restoring 13 hectares of habitat, contributing 360 hours of labour and \$2,900 in cash and materials. There are currently 22 active Voluntary Conservation Agreement properties protecting 378 hectares of native habitat.
- The **Noosa Biosphere Trails** continue to provide a world class trails network, showcasing Noosa's hinterland and natural values. A Trails Master Plan has been prepared in partnership with Tourism Noosa to support Council's annual maintenance and upgrade programs. Detailed planning for Trail 5 Upgrade Pomona to Cooran is complete with the construction tender soon to be awarded.
- The **Waste Strategy** review commenced via Councillor workshops at the end of the financial year and the community consultation process to inform the draft strategy is currently in development and commencing in August 2022.

- Targeted improvements for diversion of material to **landfill** resulted in a diversion result of 47% against the total waste collected/treated across the Noosa region. This is a 2% increase in diversion from the previous year. Initiatives delivering this improvement are targeting public/commercial behaviour at our transfer stations, removing wood as a pure landfill option, improvements in contractual management and layout at the resource recovery pad as well as maintaining a Council presence on our sites.
- We commenced a 6-month trial of **polystyrene recycling** which is currently proving to be successful but has shown that the current trial machine is under capacity for the volume of material being delivered. A cost benefit is currently being reviewed to make this a permanent process at Eumundi Road.
- The first **textile recycling drive** held with over 200 cars and 1.5 tonnes of linen recycled to Blocktek and 1.7 tonnes (16 cages) of clothes donated to the St Vincent de Paul Society in one day. Due to the success, another textile collection drive is scheduled for 2023 in a more prominent location to be determined (i.e. Bunnings or Noosa Civic)
- The review of our **landfill gas contract** has commenced to understand Councils options in advancing improved utilisation of captured gas rather than pure flaring.
- A **Memorandum of Understanding** has been signed for two further trials –
  - Cash for Cans reverse vending machine to be trialled at Eumundi Road, which is a first of its kind in that it will separate at source, crush cans and shred plastic bottles with the plastic bottles separated via material type.
  - Solar powered compaction bin to be trialled on Hasting Street which has been selected based on overcoming previous issues raised when trialling this technology.
- Weighbridge and **weighbridge** software upgrade on our transfer stations to improve traffic management, data capture and reporting.





## Theme - Noosa Community

Corporate Plan Goal: Our community is connected, safe and happy and able to meet their potential

Key achievements as we work towards our long term goal include:

- Despite ongoing COVID-19 disruptions, Council's broad range of community services and facilities continued to provide services and programs. Council's Community Services have continued to play an important role in protecting the **health** of the community against COVID-19 by operating Noosa Leisure Centre and The J as COVID-19 vaccination centres. Council Libraries worked in partnership with Peregian Digital Hub and their Digital Cadets to deliver free help to our community who needed assistance loading their vaccination certificates.
- Noosa Leisure Centre and Noosa Aquatic Centre were able to help the community get back into **sports tournaments and events** after a long COVID-19 hiatus. Some highlights include the Regional Pickleball Tournament and the first Judo Queensland State Titles in April which 1,000 people attended.
- The J was finally able to return to providing a venue for **local and touring performances**. Audiences were delighted to get back to live events with a highlight being the return of Kate Miller-Heidke singing to a packed crowd.
- Council has continued to invest in the **maintenance and upgrade of its community venues and facilities**. This year saw the full refurbishment of The J's seating.
- Council is tackling the **housing affordability crisis** on multiple fronts. Activities such as the Housing & Homelessness Roadshow and the Social Services Hub helped connect vulnerable people to housing providers and other support agencies.
- **Natural disasters** once again impacted our community through successive wet weather and floods. Our Community Services team responded by opening facilities as Evacuation Centres at Noosa Leisure Centre and Cooroy Library, organising the Noosa Care Army to assist with the clean-up of flood impacted homes and leading Community Recovery Pop-ups and Outreach to assist people. Council's Recovery teams continue to support a wide range of community needs as we return to a new normal.



- Ageing Well and Connecting Noosa programs have been hugely popular in helping community members improve their physical and emotional **wellbeing** as well as creating connections between people.
- **Community organisations** have been supported as they strive to recover from COVID-19 impacts and continue to play a key role in the fabric of our community. A key highlight includes the relocation of the Noosa Community Garden to its new site in Wallace Park.
- **Floating Land 2021: at the edge of ideas** was a huge success with over 57,000 people attending Noosa's 16-day arts in the environment biennale. Over 30 installations and performances were delivered across Boreen Point and Park Road Boardwalk.
- The feasibility process to explore the potential for a new **Noosa Regional Gallery** continues with the community engagement completed and site analysis commenced.
- Construction of the new **Peregian Beach Community House and Greenspace** was completed. Work is underway on the next stage of the development of this precinct with the refurbishment of the old Community House as an extension of the Peregian Digital Hub.
- Work has commenced on a new **Noosa Council Waste Strategy** to plan for long-term sustainable waste management, increase diversion of resources from landfill and reduce carbon emissions. In the meantime, Council staff are introducing new ways to help re-use and recycle with our first "Give a Sheet" drive to collect unwanted sheets, household linen and clothing.
- Completed construction of the world class **Cooroy/Hinterland All Abilities Adventure Playground** after weathering the catastrophic flood events in February. The playground has proved to be a huge attraction and has benefitted Cooroy traders and the profile of the town.



- The shade sail for the **Sunshine Beach skate park** was erected and the new vert ramp is in the final stages of construction and delivery.
- The **Kin Kin Recreation Hall** has been successfully refurbished and handed back to the community for their use.
- The **Rufous Street Community Centre** has been completed and the planning for the delivery of the upgrades to the old community centre as an extension of the Digital Hub is well underway.
- Infrastructure Services have delivery in excess of \$35 million worth of capital projects – the most ever in a 12 month cycle.
- The civil operations team continued to support the public by delivering numerous **road reseals and upgrades** as well as the re-sheeting of Council’s large lengths of unsealed roads during the unprecedented wet season.
- Council has been rebuilding a number of hinterland bridges over the period and has completed stage 1 of 3 for the reconstruction works of Noosa Parade (due for overall completion in October 2022). The Noosa Parade upgrade will deliver on the intent of the walking and cycling strategy by providing pedestrian and bike lanes into Noosa Heads.
- Council was struck by the devastating flood events in February and March of 2022 and have managed the initial **disaster management response** ensuring no loss of life for our community.
- The ongoing **repair of infrastructure** (potentially \$40-50 million worth of reconstruction) and the rebuilding of the social fabric that Noosa is renowned for will continue to be a long process.
- The **Transport Strategy** continues to be developed and various initiatives activated such as the 12 month trail for free weekend buses to compliment the free “Go Noosa” holiday program
- Works on **Trail 5** have continued to further enhance Noosa’s reputation for providing superior natural assets.
- The development of the **Asset Management Plans** across all categories has continued to be delivered and will support the ongoing financial prosperity of the Council and community.
- The **2032 Brisbane Olympic Games** were awarded to Queensland and the many opportunities and benefits are yet to be explored and realised over the coming years.





## Theme - Noosa Economy

Corporate Plan Goal: Our economy is diverse and resilient

Key achievements as we work towards our long term goal include:

### Smart Biosphere – Economic Development Strategy

- The region's new **Economic Development Strategy**, Noosa Smart Biosphere, was formally adopted by Council in November 2021 and launched to the business and wider community in March 2022.
- This post-COVID economic plan focuses Council on the development of a more diverse and resilient economy that delivers higher value, higher skilled employment opportunities.
- The evolution of Noosa as a **Smart Biosphere** is about connecting future focused and new technologies with Noosa's strong environmental focus and credentials to meet future economic challenges. In a region where employment and industrial land is scarce, future economic growth in Noosa will be reliant on bold leadership, empowered ecosystems and enabling infrastructure.

### Destination Management

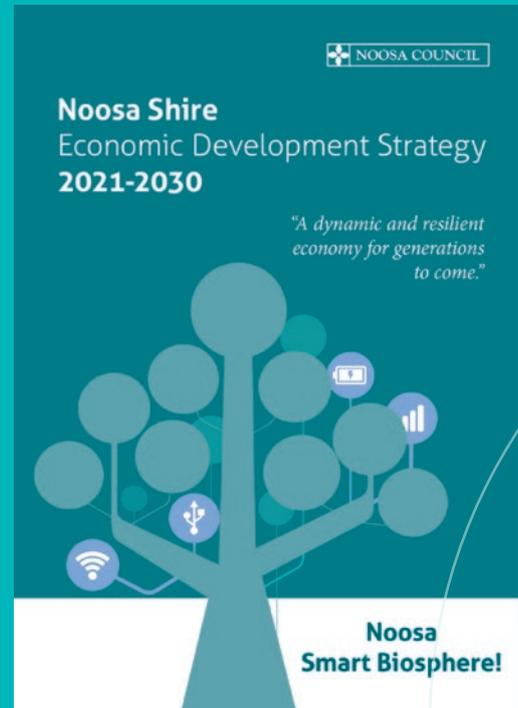
- Council's **Destination Management Plan (DMP)** process is well underway and will be overseen by a Council endorsed Project Control Group, including representatives of Noosa Community and, an internal Advisory Group comprising of senior Council officers from across Council's business units.
- In addition to the sourcing and consolidation of a significant range of primary and secondary data sets, key pieces of work that have been undertaken to inform a final plan include:
  - o Development of a Noosa Story & Guiding Principles
  - o Product Audit and Data Dashboard
  - o Community Attitude (Sentiment) Survey and Focus Groups
  - o Environmental Audit
- Extensive ongoing community and stakeholder engagement is a hallmark of a successful destination management process.

### Peregian Digital Hub General Information

- The **Digital Hub** core business is performing well - near full capacity with 37 monthly paid memberships and new tenants secured for all three private office spaces.
- The Hub continues to cultivate a strong local digital/innovation ecosystem, with growth across all digital industry groups, and 25 events delivered in the past 12 months.

### Peregian Digital Hub Programs

- The Hub secured a further \$960,000 of federal funding to support its Firetech Connect program - this includes two years of operational funding to deliver a series of technology trials.



- Through the Hub's **Firetech Connect program**, Council has entered a collaborative partnership with QFES to deliver a series of technology trials to build bushfire resilience in Noosa and other bushfire affected LGA's. This includes prediction, detection, aerial intelligence support and uncrewed firefighting.
- The Hub continues to collaborate with Stockwell Group to develop a compelling vision for an Industry 4.0 precinct in the Noosa Shire Business Centre's innovation zone and, to generate interest from potential anchor tenants. An investment attraction prospectus is planned in next financial year.
- Through its ongoing collaboration with Advance Queensland and the Cherbourg Aboriginal Shire Council, the Hub has continued to support the creation of opportunities for young indigenous people in Cherbourg via workshops and mentoring.

### **Peregian Digital Hub Events**

- In September 2021, the Digital Hub in collaboration with Noosa technology companies Meshed and TechnologyOne (and Local Governments across Australia) hosted a showcase of innovative uses for Internet of Things (IoT) as part of **technologies in Smart Cities and local governments**.
- The showcase was attended by 50 delegates and 100 online delegates. Themes included: Smart Places & Precincts, Connected Cities - City Wide, Connected Regions, and Collaborative IoT.
- In June 2022, in collaboration with state government, the Hub secured hosting rights for Australia's leading Venture Capital event - **Venture Down Under**, to be held in Noosa.
- The week-long event attracted 147 attendees, including 112 investors from over 90 investment firms. The event stimulated the Queensland's venture capital sector and placed Noosa's digital/tech ecosystem on the national map.
- Council invested \$20,000 (Economic Development funding) to secure the event, with \$60,000 from DTIS and generated approximately \$400,000 in tourism and hospitality expenditure for the region's economy.

### **School and Tertiary Learning**

- The **Digital Cadetship Program** for students in Grades 10/11 continued into a third year, teaching 40 students (across 11 schools) digital design and web development over two school terms.
- The **School Holiday Workshop Program** continued through this financial year, with 57 workshops held over the last 12 months. Created for young people with a passion for learning and creating through technology (e.g., coding, robotics, digital design, music production, game design), these workshops are taught by talented local teenagers from the Peregian Digital Hub's Cadet programs.
- The Peregian Digital Hub's other **after-school program**, the Young Inventor Club currently led and coordinated by the fourth 'generation' of young leaders in Grades 8-10 also continued. Projects completed in the last 12 months include designing and building a prototype hovercraft (with remote controller), learning Blender (3D modelling software), 3D design and printing and assembly of a remote-controlled race car using electronics.

### **Green Industry Development Plan**

- Noosa's **Green Industry Development Plan** is well underway. In late June, a final **Green Industry Research Report**, considering feedback on the highest-value ideas, activities and programs relating to a green economy in Noosa, was completed having undertaken 10 stakeholder interviews and 3 meetings.

- Key pieces of work informing the report included the creation of a Noosa green business database, economic analysis of green economy trends and a comparative analysis of Noosa's competitive advantage, benchmarked against comparable LGA's.
- The findings of this report builds a case for future feasibility studies and activation reports in the following areas of potential competitive advantage for Noosa, including:
  - o Green Professional Services
  - o Ecotourism
  - o ClimateTech

### Textile Recovery Program

- In early June 2022, two Council Business Units (Economic Development and Waste Management) partnered with Brisbane-based clean technology company BlockTexx to pilot a **Textile Recovery Circular Economy event**, called "Give a Sheet for the Planet".
- Utilising BlockTexx's breakthrough **resource recovery technology**, more than 1.5 tonnes of linen was donated from landfill. Donations from around 205 cars were converted into raw materials and resold as inputs to Australian manufacturers, offsetting 4.5 tonnes of CO<sub>2</sub> through diversion of textile waste from landfill (again, based on BlockTexx CO<sub>2</sub> methodology).
- Additionally, local branch of St Vincent de Paul's (Vinnies) collected 16 cages of donations, approximately 1.7 tonnes of high-quality clothing for resale. By spearheading the first textile recovery event in Queensland, the event also helped to position Noosa as an early adopter of innovative waste management and as a champion of the green economy.



### Green Drinks

- In late June 2022, Economic Development partnered with Council's Environment business unit to revive the **Green Drinks networking series** as a way of cultivating the environmental sector in Noosa and connecting green solution providers with solution seekers. The inaugural certified plastic-free event attracted over 40 attendees including a mix of local businesses, professionals, and environmental advocates.

### Noosa Education and Training Initiative

- **Future Skills Learning Hub Feasibility Study** is completed. The study explored the Why, What & How of learning and invited comment and feedback from educators, students, parents and industry.
- Noosa education and training providers Connection Event held May 2020 featuring three presenters to encourage local collaborations.
- **Add Your Plus 1** - this project was delivered in partnership with DESBT and looked to connect employers to training providers, the local student workforce, HR advice, and government funding programs for apprenticeships etc. where forty businesses participated, HR providers, School Careers Advisors, and Training and Apprenticeship Support providers attended.
- **QTIC Careers Roadshow** - this project was initiated in partnership with DESBT and showcased tourism industry careers to 60 students and included a networking opportunity for and tourism industry employers, local training organisations and careers guidance officers.
- Council partnered with the Education and Training sector to create a video profile of the sector and the unique opportunity our destination of choice provides.

### **Food and Agribusiness**

- Noosa Council's \$25,000 support of the Food & Agribusiness Network (FAN) enabled the delivery of:
  - Four dedicated industry connection and capability events in Noosa,
  - Establishment of a dedicated FAN Noosa arm, including industry initiative plan for NoosaShowcasing of local events, producers and their products via social media & EDM's (audience of 3,500)
  - Meet the Maker - 15 Noosa businesses exhibited, over 400 buyers and stakeholders attended this important distribution channel network.

### **Industry and Employment Strategy**

- Noosa Council's Economic Development Branch secured \$50,000 (in matched funding) from State Government's Building Better Regions Grant Fund Program to develop an **Industry and Employment Action Plan** for the Noosa region.
- The Plan will focus on economic diversification, resilience and employment opportunities underpinned by analysis relating to business retention, growth, and attraction in high value industry sectors. The project, which is expected to be completed by March 2023 will help accelerate Noosa's investment opportunities.

### **Industry and Employment Land-use Report**

- Noosa Council's Economic Development and Strategic Planning Branches are working collaboratively to undertake an **Employment Land Review** to test new precincts and provisions within the Noosa Plan 2020, ensuring that they are contemporary and cater for new and emerging industry and businesses to establish/grow in Noosa. This study will also identify the need for additional zoned employment land for future growth to 2051.

### **Creation of a Register of Pre-qualified Suppliers**

- To streamline the procurement process for services used frequently by Noosa Council's Economic Development Branch (including the Peregian Digital Hub), a **Business and Marketing Services Panel** was established.
- Marketing and Consultancy Services are a significant expenditure across Economic Development with a need that is often urgent, highly specialised, and requires continuity of supplier relationships.
- In accordance with Council's *Procurement Policy*, an Invitation to Tender (ITT) was initiated, and attracted over 100 responses. With such a positive response to this tender from the market, a revised evaluation strategy was developed to enable continued streamlined assessment of the responses in accordance with legislation and provide a Register of Pre-qualified Suppliers (ROPS). The Panel was approved by Council Report at the Services and Organisation Committee. Subsequently, approved contractors can now be procured under a Noosa Council Panel arrangement.

### **Noosa 4.0 Precinct Innovation Tour**

- In April 2022, a delegation including the Mayor, Councillors, and senior Stockwell (property developers) staff toured the Noosa Civic Innovation Precinct followed by presentations from the regions emerging biotech companies (and potential anchor tenants for Noosa Innovation Precinct – Noosa Precinct 4.0) - Provectus, Servatus, Corematic and Genics.
- The purpose of this familiarisation **tour** was for senior Council policy makers and biotech executives understand infrastructural requirements of a biotech facility and lay the groundwork for future-focused development of innovation industries consistent with the EDS and Noosa Precinct 4.0.

- Building on the momentum of this tour, economic development and Stockwell staff have started fortnightly project meetings to advance a marketing plan, government and funding partnerships, and innovation industry lead generation.

### Noosa Business Roundtable

- The **Noosa Business Roundtable** is convened by Noosa Council and comprises of representation from local business groups and government agencies, including local (Precinct and Industry) Associations, Chambers of Commerce, Tourism Noosa and State and Federal Government departments.
- Originally brought together in response to the COVID-19 crisis, the Roundtable has evolved into a **proactive and strategic business forum** that provides information and guidance to help shape a range of Council's strategies, policies, and activities. A new charter reflecting this has been developed for this forum. The Roundtable meet every 6-8 weeks and is chaired by the Director of Environment & Sustainable



Development. Current initiatives targeting labour shortages in the region supported by Council include:

- o Adopt a Worker Pilot Program – Noosa Chamber of Commerce \$30,000
- o Employment Portal – Tourism Noosa \$60,000

### Business Support Panel

- Originally developed to assist businesses through the COVID pandemic, the Panel has evolved into a general **business support program** across a range of specialities. Initial activities supported included:
  - o Respond Global to support businesses with COVID 19 Webinar, Information Sheets, and supply of RAT tests
  - o Business Mentors Noosa
  - o Buy Local Sunshine Coast promotion
- For this financial year, the entire value of this program amounted to \$29,794, including \$7,000 to support Buy Local.

### Communications

- Council increased its **communications with the wider business community** including:
  - o Monthly business e-newsletter with 1500 subscribers
  - o Noosa Connects Facebook page – 500 followers
  - o Dedicated Business pages on Council website <https://www.noosa.qld.gov.au/business/home>
- In response to the launch of the new Economic Development Strategy, the business unit changed the look and feel of its marketing collateral and developed a toolkit of assets for internal marketing use.
- Council also invested in a comprehensive business photoshoot to upgrade its **image stock** and developed a new promotional video.

### Economic Development Funding Awards

- |  |                            |
|--|----------------------------|
| • Sunshine Coast Business Awards         | \$15,000                   |
| • Sunshine Coast Showdown                | \$15,000                   |
| • Manufacturing Excellence Forum (MEF)   | \$5,000                    |
| • Noosa Chamber of Commerce and Industry | \$30,000 (Grant)           |
| • Generation Innovation Grants           | \$3,750 (over two intakes) |
| • Sunshine Coast Screen Collective       | Under Review               |



# Theme - Long Term Planning for Noosa Shire

Corporate Plan Goal: Noosa Shire is well managed and sustainable

Key achievements as we work towards our long term goal include:

## Liveability Survey

- In November 2021 Noosa Council in conjunction with Place Score conducted our first Liveability Survey. This survey was completed by 1655 community members who told us what they value most about their neighbourhood and how they rate their neighbourhood. These scores were then combined to provide an overall Liveability Index for each neighbourhood.
- Noosa Shire's Liveability Index Score is 70 which shows it is performing well and is 2 points above the national average of 68. These results allow us to focus on the things most valuable to our community. It helps us plan and make decisions that will have the biggest impact on wellbeing. It also recognises that each neighbourhood is different with individual values and experiences. By planning for liveability, we provide safe, healthy, active, and resilient communities and places.
- The Liveability Index shows us our community's priorities and how individual places are performing at a neighbourhood level and helps inform and prioritise projects that will have the biggest impact on wellbeing.
- Other benefits include:
  - o Provides baseline and trend data — we can measure change in wellbeing before and after projects. We can also compare this with other streets and towns in Australia.
  - o Allows for quantitative measures — we can now measure the strengths and weaknesses of places. We can also track their performance over time.
  - o Enables evidence-based investment — we can identify the priorities of each local community. This helps us to invest in places based on what is most important to residents and their wellbeing.



## Planning Scheme Amendments

- Awaiting finalisation of **Housing Strategy**.
- External commercial feasibility testing of **inclusionary zoning** provisions.
- Finalising discussions with State Government.

### **Housing Strategy**

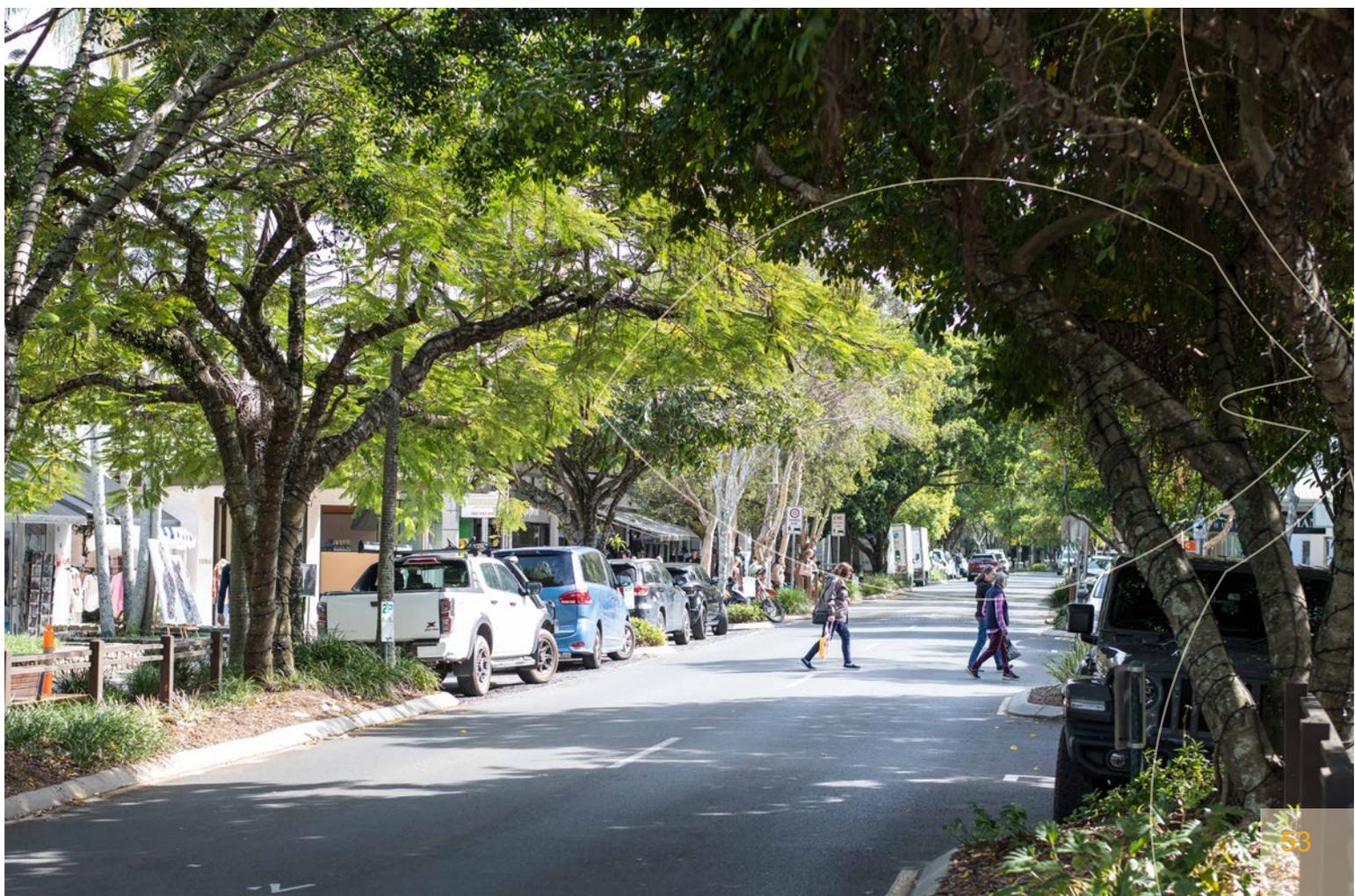
- Adopted the **Housing Needs Assessment** in December 2021.
- Endorsed **draft Housing Strategy** in June 2022.
- **Community consultation** occurred in July and August 2022 (675 survey responses and 78 written submissions).
- Housing Stakeholder Reference Group formed and two meetings have occurred so far.

### **Short term accommodation & home hosted accommodation**

- Commenced **Local Law** and established a team to process applications and monitor.
- Comprehensive **monitoring report** well underway and includes an external consultant capacity analysis.

### **State and Regional Planning**

- Participation in meetings and monitoring.
- Population / dwelling forecast updates.
- Regional plan review.





## Theme - Excellence as a Council

Corporate Plan Goal: The Noosa Shire community is proud of its Council

Key achievements as we work towards our long term goal include:

- A review of Council's **Enterprise Risk Management Framework and Policy** has been finalised and discussed with Councillors, the Executive Leadership Team & the Audit & Risk Committee. The focus of the review was to align to ISO standards and refine Council's risk appetite and risk tolerances. The Framework and Policy will be reported to a future Council meeting for consideration and endorsement.
- An independent review of Council's **Governance** arrangements was undertaken to assess the appropriateness of Council's system of internal controls, statutory compliance and for assurance purposes.
- **Business Continuity Plans (BCPs)** have been further developed and tested, including pandemic preparedness across Council and in relation to our critical services within People and Culture branch, Waste and Environmental Health and IT. Other BCPs have been reviewed and updated for Council Buildings and Waste Management.
- A review of Council's **Community Engagement Framework and Policy** was commenced with the aim of improving how we engage with the community and to support elected members and staff when undertaking engagement activities. Several workshops have been conducted and Draft documents are being finalised for further review and finalisation in the next three months.
- A new **WH&S System Plan "Safe Plan" Policy** has been developed and approved by the CEO with the primary objective of eliminating or reducing risk by developing proactive strategies and adopting a risk management approach to work health and safety.
- An internal review of Council's **workplace health and safety system** was undertaken In July 2021 with an 83.7% compliance result, an increase of 3.7% on the results of the internal review undertaken in 2019.
- **Workforce planning** has been undertaken in several operational areas including Environmental Services and Property Services. A key focus area is the attraction and retention of talented staff in a highly competitive employment market.
- The **Employee Survey** undertaken in September 2021 provided information about employee satisfaction and insights into a number of work-related issues including morale, culture, resources, skills utilisation and leadership. The survey results will inform efforts further improve our systems and processes and build a more positive workplace culture.



- The bi-annual **Community Satisfaction Survey** undertaken of 400 Noosa residents measured the community's satisfaction with 41 Council services. Noosa's overall Total Performance Index (TPI) was 72.07% compared to 74.59 in 2019 and 73.24 in 2017. The top 6 performing services relative to importance were:
  - o Disaster Management, Waste Management; Parks Playgrounds & Public Amenities; Libraries and other Information Services; Customer Service; Environment Protection and Conservation.
- Priorities for enhancement of overall performance have been identified and will be the focus of further review. The 2021 survey results show that while the results are lower than previous years, the community is satisfied with council's performance.
- Council continues to grow and support our staff through **leadership development programs**, the **employee training program** and **well-being** initiatives.
- Council's **social media platforms** continue to show strong growth and user engagement. There was an 11% increase in followers for the corporate Facebook, LinkedIn and Instagram pages. To June 30 2022, Facebook followers were 22,870, LinkedIn 7,583 and Instagram 4,520.
- The monthly **Your Noosa double page print advertorial** is becoming a key part of our communication with the community. Your Noosa appears in Noosa Today, Cooroy Rag and Your Local Lifestyle hinterland edition.
- Video content is considered an essential part of Council's social media strategy. The regular **Mayor updates** continued to keep the community informed and during 21-22, several specially produced videos/reels produced strong engagement with followers.
- Council continued to support **partial remote working arrangements** for some staff following the lifting of COVID 19 restrictions allowing many services to continue to be provided to the community and flexibility for employees. Employees were supported through flexible work arrangements and initiatives which focused on their well-being.
- Further development of online forms to improve the efficiency of **human resources management processes**. Council's internal audit program continued with the finalisation of the Asset Management audit and the commencement of the internal audit into Development Assessment.
- The **Audit and Risk Committee** continued to provide valuable advice and independent assurance for governance and finance matters across Council. This included reviewing Council's strategic risks, policies and organisational key performance indicators. The two independent members continued to provide crucial guidance, expertise and advice on high-risk matters. Four meetings were held on 27 August 21, 20 October 21, 10 March 22 and 24 June 22. Areas of focus by the Committee included fraud and corruption prevention, governance arrangements and regulatory practices.



# Impacts of COVID-19 and Natural Disasters

The health and safety of the community and our workers is our highest priority. This year has been challenging for Noosa Shire as we have lived through a significant natural disaster coupled with the ongoing effects of COVID-19.

## COVID-19

During this financial year, COVID-19 continued to impact staff numbers and some Council essential services, such as mowing, parks and tree services. Crews received a large volume of reports about trees or branches needing attention and they have been busy getting through the backlog as quickly as they could. Council continues to carefully monitor the situation and appreciates the community's patience and understanding as we work to support the community by ensuring essential services are continued.

## Flood Response

The rain event in early 2022 severely impacted Noosa Shire roads, resulting in issues such as landslides, damaged water crossings and storm water outlets, plus other road damage.

As the floodwaters receded, council staff and contractors have been busy assessing the damage and developing plans for reconstruction. Some assets have now been fixed but there are still some awaiting action.

Works are being prioritised to ensure isolated communities are supported. In some instances, reconstruction work cannot begin until engineering testing is completed, which in some areas has been delayed due to the ongoing wet weather. Subsequently, work preparing the design for reconstruction of these repairs is being undertaken in anticipation of reconstruction work which may take many months to complete.

Where possible, Council is working with State and Federal governments to access funds through the Disaster Recovery Funding Arrangement which is administered by the Queensland Reconstruction Authority. The funding grants are still in the process of being released so Council is working on preparation of works with funding available and undertaking planning for those works still awaiting funding.



In addition, Council is developing plans to repair a total of 25 landslips that are impacting road assets across Noosa Shire. Council has already engaged independent geotechnical engineers, who are experts in this field, to determine the severity of the landslips and the best way to safely repair the roads.

The flood event has also impacted approximately 125 Noosa Shire roads resulting in potholes, scours to the roads and softened edges. Despite the significant challenge the recovery effort presents, Council is committed to ensuring the safety of road users and prioritising the needs of residents most impacted by the damage.

Council appreciates the community's patience and understanding while we continue to investigate permanent solutions.



# Governance and Disclosures

# Democratic Governance

## Council Meetings and Committees

Council meetings are an important opportunity in which elected members evaluate plans, motions, strategies and other matters, and make well-informed decisions that benefit the Council and the community. Council decisions can only be made by a resolution at a properly convened meeting. As such, Council's meetings are conducted under the LG Act requirements and are run in accordance with Council's *Standing Orders for Council Meetings Policy*. This Policy outlines how meetings will be conducted and includes the order of meeting agendas. Elected members attend each month in accordance with the adopted Council meeting calendar available on Council's website.

There are four main types of Council meetings:

- Ordinary meetings
- General Committee meetings
- Standing Committee meetings
- Special meetings

Council conducts its business at open public meetings which are part of Council's commitment to transparent decision making, good governance and engagement with our community. Meetings are generally held in the Council Chambers at Tewantin. Council's General Committee, Ordinary and Special Meetings are live streamed on Council's YouTube channel with past recordings also available for viewing on this platform.

Generally, all standing committees are held once per month where a range of issues and recommendations are made for Council consideration.

There are other meetings, such as briefing sessions and workshops, that may involve elected members, but these are not formal, nor open to the public. No decisions are made at these meetings, rather they are held to provide elected members with information or may involve training sessions for Councillors. These meetings are considered to be non-statutory and operate in accordance with Council's *Councillor Briefing Sessions and Workshops Policy*.



## Councillor Meeting Attendance

In accordance with section 186(c) of the LG Regulation, meeting attendance for the period is shown in Table 7.

**Table 7: Mayor and Councillor meeting attendance for the period 1 July 2021 to 30 June 2022**

| Councillor                     | Ordinary Meeting | General | Planning & Environment Committee | Services & Organisation Committee | Special & Budgetary | Audit & Risk Committee |
|--------------------------------|------------------|---------|----------------------------------|-----------------------------------|---------------------|------------------------|
| Total Meetings Held            | 12               | 12      | 11                               | 11                                | 7                   | 4                      |
| Mayor Clare Stewart            | 12               | 12      | 11                               | 11                                | 7                   | 3                      |
| Cr Frank Wilkie (Deputy Mayor) | 11               | 11      | n/a                              | 10                                | 7                   | n/a                    |
| Cr Karen Finzel                | 12               | 12      | 11                               | n/a                               | 7                   | n/a                    |
| Cr Joe Jurisevic               | 12               | 11      | n/a                              | 11                                | 7                   | n/a                    |
| Cr Amelia Lorentson            | 12               | 12      | n/a                              | 11                                | 7                   | 3                      |
| Cr Brian Stockwell             | 12               | 12      | 11                               | n/a                               | 7                   | n/a                    |
| Cr Tom Wegener                 | 12               | 12      | 11                               | n/a                               | 7                   | 1                      |

*Note: N/A in the table indicates that the relevant councillor is not a representative of the particular Committee.*

## Councillor Remuneration

Councillor remuneration is determined by the Local Government Remuneration Commission (the Commission) established under the LG Act. The Commission determined remuneration for Mayors, Deputy Mayors and Councillors and released an annual report which established single remuneration levels for the year.

The *Local Government Remuneration Commission Annual Report 2020* listed Noosa Shire Council as a Category 3 Council, and prescribed the annual rate of remuneration for the Mayor and Councillors for the period 1 July 2021 to 30 June 2022 (the period) as follows:

- Mayor - \$133,196
- Deputy Mayor - \$83,247
- Councillors - \$70,759

In accordance with section 244(3) of the LG Regulation, the remuneration prescribed by the Commission cannot include:

- a) any amount for expenses to be paid or facilities to be provided to a Councillor of a local government under its expenses reimbursement policy, or
- b) any contribution a local government makes for a Councillor to a voluntary superannuation scheme for Councillors established or taken part in by the local government under section 226 of the LG Act.

The LG Act does however allow a local government to take part in a superannuation scheme for its Councillors and on 20 January 2014 Council authorised the payment of superannuation contributions for Councillors of up to 12% of their annual salary on the condition that Councillors:

- Contribute an amount of up to 6% from their salaries and Council contributes a proportionate amount of up to 12% to a nominated superannuation fund,
- Make contributions through an arrangement by way of a formal request to Council, and
- Nominate their preferred superannuation fund, and where no nomination has occurred, the superannuation payments be made to LG Super.

The total remuneration paid to the Councillors for the period is provided in the table below.

**Table 8: Councillor Remuneration for period 1 July 2021 to 30 June 2022**

| Councillor                     | Salary (\$) | Superannuation (\$) | TOTAL (\$) |
|--------------------------------|-------------|---------------------|------------|
| Mayor Clare Stewart            | 133,166     | 15,980              | 149,146    |
| Cr Frank Wilkie (Deputy Mayor) | 83,228      | 9,987               | 93,215     |
| Cr Karen Finzel                | 70,743      | 8,489               | 79,232     |
| Cr Joe Jurisevic               | 70,743      | 8,489               | 79,232     |
| Cr Amelia Lorentson            | 70,743      | 8,489               | 79,232     |
| Cr Brian Stockwell             | 70,743      | 8,489               | 79,232     |
| Cr Tom Wegener                 | 70,743      | 8,489               | 79,232     |

Notes:

1. Amounts rounded to nearest dollar
2. Superannuation shown is Council's 12% contribution

## Councillors' Expenses and Facilities

As required under section 250 of the LG Regulation, the *Councillors' Expenses Reimbursement and Provision of Facilities Policy* ensures Councillors are provided a reasonable level of resources and facilities, including administrative support, in order to carry out their duties in an effective and efficient manner.

Categories of expenses and eligibility for reimbursement prescribed by the Policy for the period include:

- Professional development & representation (Mandatory and Discretionary);
- Travel, as required to represent Council;
- Meals when travelling for Council business;
- Accommodation;
- Private and Council vehicle usage;
- Hospitality;
- Administration support and access to Council office facilities;
- Home office and telecommunication needs;
- Safety equipment; and
- Insurance cover.<sup>1</sup>

The reimbursements that were made to Councillors for the period are outlined in Table 9 below.

For the period, all claimed expenses were processed and fell within the required limits prescribed by the *Councillors' Expenses Reimbursement and Provision of Facilities Policy*.

**Table 9: Councillor Expenses for the period 1 July 2021 to 30 June 2022**

| Councillor                     | Mandatory professional development (\$) | Discretionary professional development (\$) | Use of private vehicle - option 1 (\$) | Home office & tele-communication (\$) | Travel expenses as required to represent Council | TOTAL (\$) |
|--------------------------------|---|---|--|---------------------------------------|--|------------|
| Mayor Clare Stewart            | 1,531                                   | 240   | 5,000                                  | 2,880                                 | -  | 9,651      |
| Cr Frank Wilkie (Deputy Mayor) | -                                       | -   | 5,000                                  | 2,880                                 | -  | 7,880      |
| Cr Karen Finzel                | -                                       | 332   | 5,000                                  | 2,880                                 | -  | 8,212      |
| Cr Joe Jurisevic               | -                                       | -   | 5,000                                  | 2,880                                 | -  | 7,880      |
| Cr Amelia Lorentson            | -                                       | 2,932                                       | 5,000                                  | 2,880                                 | -  | 10,812     |
| Cr Brian Stockwell             | -                                       | 71  | 5,000                                  | 2,880                                 | -  | 7,951      |
| Cr Tom Wegener                 | 615                                     | -   | 5,000                                  | 2,880                                 | -  | 8,495      |

*Note: Amounts exclude GST and are rounded to the nearest dollar*

<sup>1</sup> Councillors are covered under relevant Council insurance policies while on Council business, including for public liability, professional indemnity, Councillors liability and personal accident, and domestic and overseas travel.

## Overseas Travel

No official overseas travel was undertaken by Councillors or employees during the period.

## Councillor Conduct

Chapter 5A of the LG Act outlines the requirements for dealing with the conduct of Councillors. In particular, the Act prescribes the requirements for local governments for dealing with inappropriate conduct, misconduct and corrupt conduct of Councillors to ensure that:

- Appropriate standards of conduct and performance are maintained, and
- A Councillor who engages in inappropriate, misconduct or corrupt conduct is disciplined.

Councillors' conduct is governed by the *Code of Conduct for Councillors in Queensland*, approved by the Queensland Government on 4 August 2020 and adopted by Council on 19 November 2020, which sets out the principles and standards of behaviour expected of councillors and mayors when carrying out their roles, responsibilities and obligations as elected representatives of their community.

Complaints about the conduct of councillors are to be made, or referred, to the Independent Assessor for investigation and determination. The Office of the Independent Assessor will assess all complaints received and may also initiate their own investigation if they have reason to suspect Councillor misconduct or inappropriate conduct.

In accordance with section 186 of the LG Regulation, Table 10 outlines orders, actions and outcomes relating to the conduct of Councillors for the period.

**Table 10: Conduct of Councillors**

| Conduct of Councillors for the period 1 July 2021 to 30 June 2022  | Response |
|--|----------|
| The number of orders made under section 150I(2) of the LG Act.   | Nil      |
| The number of orders made under section 150AH(1) of the LG Act.  | Nil      |
| The number of decisions, orders and recommendations made under section 150AR(1) of the LG Act.   | Nil      |
| The name of each Councillor for whom a decision, order or recommendation under section 150I(2), 150AH(1) or 150 AR(1) of the LG Act was made.  | Nil      |
| A description of the unsuitable meeting conduct, inappropriate conduct or misconduct engaged in by each of the Councillors.  | Nil      |
| A summary of the decision, order or recommendation made for each Councillor.   | Nil      |
| The number of complaints referred to the assessor under section 150P(2)(a) of the LG Act by the local government, a Councillor of the local government or the Chief Executive Officer of the local government. | 2        |
| The number of matters, mentioned in section 150P(3) of the LG Act, notified to the Crime and Corruption Commission.  | Nil      |
| The number of notices given under section 150R(2) of the LG Act.   | Nil      |

| Conduct of Councillors for the period 1 July 2021 to 30 June 2022   | Response |
|---|----------|
| The number of notices given under section 150S(2)(a) of the LG Act.   | Nil      |
| The number of decisions made under section 150W(1)(a), (b) and (e) of the LG Act.   | Nil      |
| The number of referral notices accompanied by a recommendation mentioned in section 150AC(3)(a) of the LG Act.  | Nil      |
| The number of occasions information was given under section 150AF(4)(a) of the LG Act.  | Nil      |
| The number of occasions the local government asked another entity to investigate, under chapter 5A, part 3, division 5 of the LG Act for the local government, the suspected inappropriate conduct of a Councillor. | Nil      |
| The number of applications heard by the conduct tribunal under chapter 5A, part 3, division 6 of the LG Act about whether a Councillor engaged in misconduct or inappropriate conduct.                              | Nil      |



# Corporate Governance

## Governance Framework

Noosa Shire Council is a dynamic organisation providing various services to the Noosa Shire community. It is important to view our activities through the lens of good governance by recognising that activities, actions, policies, procedures and strategies provide an opportunity to demonstrate strong governance and leadership in facilitating good decision making for our community.

Council's Governance Framework provides a holistic and strategic overview of our current governance practices across Council. The framework consists of the rules, relationships, systems and processes within and by which authority is exercised and decisions are made and actioned within the organisation to optimise Council's performance to achieve its objectives.

## Public Sector Ethics

In accordance with sections 12M(2) and 23 of the *Public Sector Ethics Act 1994*, Council is required to have developed and implemented a code of conduct based on the following ethical principles and values:

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

Council's employees are bound by the standards of behaviour set in Council's *Employee Code of Conduct* (the Code). Agreeing to work in compliance of the Code is a mandatory requirement of all positions.

During the period, Council provided online e-learning and face-to-face training and education to all employees on its expectations regarding conduct through inductions of new staff members and re inductions of existing staff. This approach has made it easier for employees to complete timely training and testing to ensure they understand their responsibilities to adhere to the Code. For this reporting period, a total of 568 employees completed online Employee Code of Conduct training.

Additional targeted online e-learning training on elements of the Code was provided to all staff throughout the financial year on the following topics:

- Fraud and Corruption Prevention,
- Public Interest Disclosures,
- Conflicts of Interest,
- Human Rights, and
- Privacy and Information Access.

To further support Council's governance, ethics and integrity framework, several staff from the Governance Branch completed training on public interest disclosures, investigations, privacy and human rights.

Additionally, the following policies and procedures were reviewed and adopted by Council:

- *Fraud and Corruption Control Policy* (16 December 2021)
- *Conflict of Interest Organisational Policy and Guidelines* (20 December 2021)

During the financial year, Council's *2022 Public Interest Disclosure Program* was adopted and published on Council's website. To support this program, managers, supervisors and the executive team were provided with refresh training in Public Interest Disclosures to strengthen ethical principles and practices across Council.

Furthermore, substantial progress has been made to develop a new corporate Governance Framework, based on the four pillars of the *Public Sector Ethics Act 1994*, with the intention of adopting this framework in the following financial year.

## Enterprise Risk Management

Council manages risks and opportunities within a context of competing resources, financial and community priorities. It recognises that innovation involves risks, but also provides opportunities to create new ways to benefit the community and achieve its objectives.

Council's *Enterprise Risk and Opportunity Management Framework* is an organisation-wide commitment to foster innovation and enable opportunities within the context of identifying, managing and monitoring the internal and external risks that may impact the delivery of its strategies, services and projects. In alignment with the international standard for risk management – AS/NZS ISO 31000:2018, Council is undertaking continuous improvement in this area through further developing its Enterprise Risk and Opportunity Management Policy, Framework and supporting tools. Risk and opportunity management is considered part of normal business activity and is becoming more deeply embedded through Council's plans and strategies, service delivery and projects.

## Audit and Risk Committee

In accordance with Subdivision 2 of the LG Regulation, Council conducts Audit and Risk Committee meetings to promote good corporate governance through the provision of independent advice and counsel on audit and risk management issues covering a wide range of Council operations and projects.

Council's *Audit and Risk Committee Charter* (amendments adopted 17 March 2022) highlights that a key duty of the Committee is to provide reasonable assurance to Council that its core business goals and objectives are being achieved in an efficient and economical manner, within an appropriate framework of internal control and risk management.

Four formal Audit and Risk Committee meetings were held throughout the period. The Audit and Risk Committee comprises of two elected members and two expert independent external members. The current members of Council's Audit and Risk Committee are:

- Mayor Clare Stewart
- Cr Tom Wegener
- Tim Cronin (Chair)
- Kerry Phillips

## Internal Audit

Under section 105 of the LG Act, Council has established an efficient and effective internal audit function that will provide independent, objective assurance and appropriate services designed to add value and improve Council's operations.

On 17 March 2022, Council adopted amendments to the *Internal Audit Policy* (previously 18 March 2021) which provides the framework for the conduct of internal audit function of Council as endorsed by the Audit and Risk Committee.

The Policy identifies that internal audit will play an active role in:

- developing and maintaining a culture of accountability and integrity,
- facilitating the integration of risk management into day-to-day business activities and processes, and
- promoting a culture of cost-consciousness, self-assessment and adherence to high ethical standards.

Within this context, Council's internal audit activity over the medium-term is managed by its *Internal Audit Plan 2020 - 25* which is developed having regard to current strategic and operational risks and is regularly reviewed by the Audit and Risk Committee and adopted annually by Council. Council's internal audits are conducted in accordance with Council's *Internal Audit Terms of Reference and Internal Audit Policy*.

For the period, Council undertook an internal audit on Development Assessment and Approval Processes which commenced on 1 June 2022 with the final audit report delivered to Council on 9 August 2022. The internal audit was undertaken by a specialist external provider. Council has in place numerous systems and processes to ensure that recommendations resulting from its internal audits are appropriately actioned and implemented into day-to-day operations.

## Access to Information

Right to Information and Information Privacy gives the community greater access to government information, including from Council, unless contrary to public interest. Council processes Right to Information (RTI) and Information Privacy (IP) access applications in accordance with the following:

- *Right to Information Act 2009*
- *Right to Information Regulation 2009*
- *Information Privacy Act 2009*
- *Information Privacy Regulation 2009*

During this financial year, Council processed 15 formal information access applications. Table 11 provides a summary of information access applications for the period.

**Table 11: Information Access**

| Information Access – 1 July 2021 to 30 June 2022                                |         |
|---|---------|
| The number of Right to Information access applications received by Council      | 15      |
| The number of Information Privacy access applications received by Council       | 0       |
| The number of Right to Information access applications finalised by Council     | 11      |
| The number of Information Privacy access applications finalised by Council      | 0       |
| The number of pages released under the Right to Information Act 2009            | 728     |
| The number of pages released under the Information Privacy Act 2009             | 0       |
| The number of pages refused under the Right to Information Act 2009             | 474*    |
| The number of pages refused under the Information Privacy Act 2009              | 0       |
| The amount of fees and charges received under the Right to Information Act 2009 | \$4,748 |

Note: \* Part released pages and fully refused pages

## Council Registers

Under section 190 of the LG Regulation, Council must maintain certain registers. A number of these registers are available for public inspection at Council's Tewartin office or can be viewed on Council's website. Below is a list of registers kept by Council.

- Asbestos Register
- Asset Register
- Backflow Device Register
- Building and Plumbing Fees and Charges
- Cemetery Register
- Complaints Register
- Conflicts of Interest Register
- Contact with Lobbyists Register
- Contracts Register
- Corrupt Conduct Register
- Councillor Conduct Register
- Delegations Register
- Development Application Register
- Engineering and Environment Fees and Charges
- General Cost Fees and Commercial Charges
- Gifts and Benefits Register
- Health Licensing Register
- Instrument of Appointments
- Insurance Claims Register
- Local Laws Register
- Noosa Policy Register
- On-site Sewerage Facility Register
- Other Development Fees and Charges
- Planning and Development Fees and Charges
- Public Interest Disclosure Register
- Public Pool License Register
- Registers of Interests
- Regulated Dog Register
- Roads Register
- Secondary Employment Register
- Strategic Risk Register

## Administrative Action Complaints

Council is committed to ensuring that administrative action complaints are dealt with in a fair, prompt, confidential and respectful manner. This commitment is underpinned by our Administrative Action Complaints Process, which provides customers the opportunity to lodge a complaint about a decision or action Council has taken, or failed to take. This process allows customers to request a review of decisions made by Council where no other formal appeal provisions are available under legislation or within Council.

Administrative action complaints are managed in accordance with Council's *Administrative Action Complaints Policy* and *Procedure*. Council's Administrative Action Complaints Process has been developed to ensure:

- Complaints are handled in a professional, structured and timely manner which is objective, consistent and respectful of privacy,
- Procedural fairness is upheld and the community has confidence in Council's complaint handling process,
- All staff members are accountable regarding the management of complaints, and
- Complaints are used to identify problems and to continuously improve Council's services to the community.

The Administrative Action Complaints Process follows a three-tiered approach, whereby complaints are assessed objectively and may be allocated at a first level to be managed directly by the relevant operational area. If a complainant remains unsatisfied with a first level response, they may wish to have their complaint managed and investigated at a second level internal review. Where a complainant remains dissatisfied with the outcome of a second level review, they may wish to lodge a complaint with an external agency, such as the Queensland Ombudsman's Office. A copy of Council's *Administrative Action Complaints Process* is available on Council's website.

Table 12 provides statistics on Administrative action complaints received for the period.

The number of complaints received this financial year did not vary to last financial year, with the same number of complaints being received. However, the number of complaints resolved by Council this financial year increased by 11 complaints.

**Table 12: Administrative Action Complaints**

| Administrative Action Complaints – 1 July 2021 to 30 June 2022   |    |
|--|----|
| (a) The number of administrative action complaints made to Council   | 23 |
| (b) The number of administrative action complaints resolved under Council's Administrative Action Complaints Process     | 24 |
| (c) The number of administrative action complaints not resolved under Council's Administrative Action Complaints Process | 9  |
| (d) The number of administrative action complaints under (c) that were made in the previous financial year               | 0  |

## Privacy Complaints

A key aspect of good governance is the responsible handling of personal information and Council is strongly committed to protecting an individual's right to privacy and protecting the personal information of individuals. Queensland's *Information Privacy Act 2009* regulates how personal information is managed within government. Council's Governance Branch independently investigate complaints made by individuals who believe that Council has failed to fulfil its legislative obligations. Table 13 outlines privacy complaints for the period.

**Table 13: Privacy Complaints**

| Privacy Complaints – 1 July 2021 to 30 June 2022      |   |
|---|---|
| The number of privacy complaints received by Council  | 3 |
| The number of privacy complaints completed by Council | 3 |

## Human Rights Complaints

Noosa Council is committed to protecting and promoting human rights by ensuring that human rights are considered when making, interpreting and applying laws, developing policies, and providing services to our community. Council also recognises that it has an important role in complying with Queensland's *Human Rights Act 2019* through its actions, decisions, proposals and recommendations.

Under the *Human Rights Act 2019*, a person who believes a public entity has limited their human rights has the right to raise a complaint directly with Council. In accordance with section 65 of the *Human Rights Act 2019*, Council has 45 business days to respond, after which the individual can make a formal complaint to the Queensland Human Rights Commission if Council has not responded, or the person is not satisfied with Council's response.

Table 14 outlines human rights complaints for the period.

**Table 14: Human Rights Complaints**

| Human Rights Complaints – 1 July 2021 to 30 June 2022      |   |
|--|---|
| The number of human rights complaints received by Council  | 1 |
| The number of human rights complaints completed by Council | 1 |



## Customer Service

Council is committed to providing excellent customer service to its community. Council's *Customer Service Charter* describes Council's customer-centric approach and the standards our community can expect when engaging with Council. As such, the Charter confirms Council's commitment to:

- Provide excellence in customer service
- Engage with our community using best practice
- Provide quality local government services to the Noosa community
- Provide good governance and act ethically
- Be transparent in all our dealings
- Look after community and natural assets
- Manage community funds wisely
- Be as one with our community.

The table below highlights key customer service statistics for this reporting period. Overall, Council has experienced an upwards trend in customer service interactions.

Additionally, Council's Pulse Survey allows our customers to rate their customer service experience with Council out of five stars. For this period, Council received 136 responses and achieved a 4.85 Average Rating.

**Table 15: Customer Service**

| Customer Service – 1 July 2021 to 30 June 2022         |  |
|--|--|
| The number of customer service requests created        | 27,701   |
| The number of Front Counter interactions               | 10,169   |
| The number of online chat interactions                 | 3,379  |
| The number of inbound calls received                   | 53,832   |
| Top three requests raised for Council's business areas | <ol style="list-style-type: none"> <li>1. Waste and Environmental Health</li> <li>2. Roads</li> <li>3. Tree Maintenance</li> </ol> |



# Media and Community Engagement

Council is committed to keeping the community informed of its projects, plans, initiatives and activities which in turn help to build community trust and confidence. Council deploys various communication and engagement strategies, including social media, hard print publications, news and media releases, media events, live streaming and videos to support our messaging and news feeds.

## Social media and our websites

For this reporting period, Council recorded a 13% growth in followers on its three corporate social media platforms. Equally, our website traffic was substantial with the designated COVID-19 webpage attracting the most traffic on Council's website with 55,747 views.



22,807

Facebook followers



7,583

Linkedin followers



4,520

Instagram followers



1,094,554

Council website views

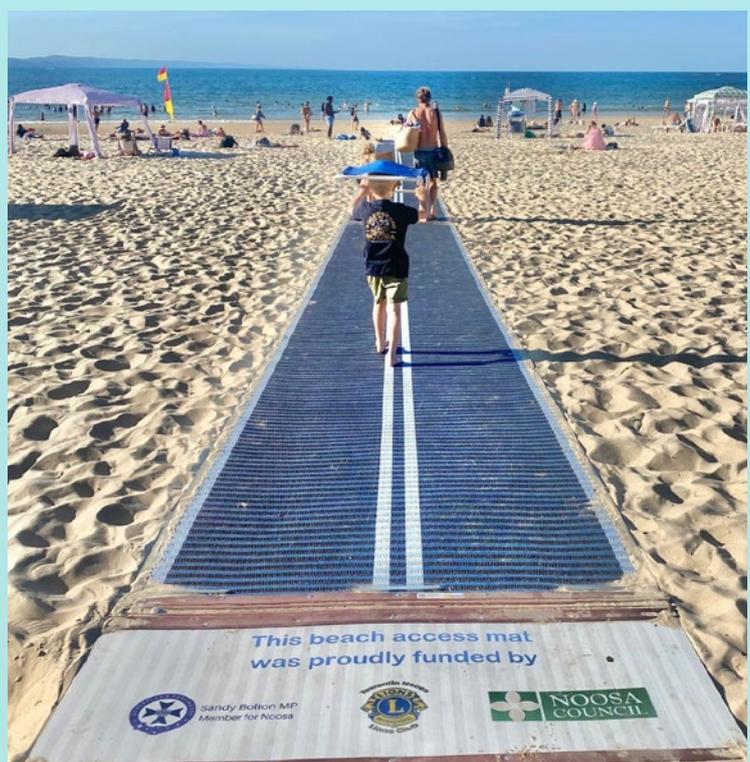
## Community engagement highlights

The most engaged post for the year was the launch of a **Disability beach mat for Noosa Main Beach**. It had a reach of 466,000, generating almost 600 comments and 252 shares. The jointly funded project between Council, Tewantin-Noosa Lions Club and Noosa MP Sandy Bolton proved a huge hit for social media audiences in April 2022.

The **February Floods** created plenty of social media traffic for Council's social media platforms. The week-long event registered an engagement of over 200,000.

Another significant story for 2021-22 was the official opening of the **Hinterland Adventure Playground**.

Two posts about the event, generated a reach of about 100,000.





## Executive Remuneration

Under section 201 of the LG Act, the annual report of a local government must state the total of all remuneration packages that were payable during the reporting period to the senior management of the local government and the number of employees in senior management who are being paid each band of remuneration.

The senior management of a local government consists of the CEO and all senior executive employees of the local government. A senior executive employee is an employee who reports directly to the CEO and whose position would ordinarily be considered to be a senior position in the corporate structure.

The total of remuneration packages payable to senior management during the period was \$1,393,455.

The annual package bands for Council's senior management team are outlined in Table 16.

**Table 16: Executive Remuneration for the period 1 July 2021 to 30 June 2022**

| Package Band          | Number of senior management employees |
|-----------------------|---------------------------------------|
| \$0 - \$100,000       | 1*                                    |
| \$100,001 - \$200,000 | 0                                     |
| \$200,001 - \$300,000 | 4                                     |
| \$300,001 - \$400,000 | 1                                     |

Note: \*Director is employed on a part time basis

## Resolutions

In accordance with section 185 of the LG Regulation, particular resolutions associated with expenses must be reported. These resolutions are outlined in Table 17 for the period.

**Table 17: Resolutions**

| LG Regulation provision  | Resolution Adoption   |
|--|---|
| Section 250(1)<br>(Adoption of an expense reimbursement policy)                          | Nil   |
| Section 250(2)<br>(Amendment of its expenses reimbursement policy)                       | Nil<br><i>No resolutions were made during the 2021-22 financial year.</i>   |
| Section 206(2)<br>(Threshold for non-current physical asset to be treated as an expense) | Nil<br><i>No resolutions were made during the 2020-21 financial year. Council's Non-Current Asset Accounting Policy adopted by Council resolution on 15 June 2017 includes recognition thresholds for non-current assets.</i> |

# Grants to Community Organisations

Council actively assists community organisations to implement projects and activities which benefit Noosa Shire residents. As such, Council's grants are intended to help organisations and individuals to meet community and environmental needs, build community skills and resilience and develop and maintain community infrastructure.

For the period, Council's grants were managed in accordance with several policies including:

- *Community Grants Policy* (adopted 21 May 2020),
- *Environment Grants Policy* (adopted 19 September 2019), and
- *Economic Development Grants Policy* (adopted 16 November 2017).

Council allocated a total of \$1,573,411.06 to support community organisations and activities. In accordance with section 189 of the LG Regulation, a summary of all grants to community organisations for the financial year is shown in the table below.

**Table 18: Expenditure on grants to community organisations**

| Grant Recipient                                    | Funding Amount (\$) |
|--|---------------------|
| <b>Community Program / Project Grant</b>           |                     |
| Cooroora United Football Club                      | 30,000.00           |
| Cooroy Tennis Club                                 | 8,000.00            |
| Friends of Noosa Botanic Gardens Inc.              | 11,825.00           |
| Katie Rose Cottage                                 | 10,000.00           |
| Noosa Community Gardens (NCG) Inc.                 | 30,000.00           |
| Noosa District Community FM Radio Association Inc. | 20,000.00           |
| Noosa District Netball                             | 5,000.00            |
| Noosa Malibu Club Inc.                             | 1,000.00            |
| Noosa Outrigger Canoe Club Inc.                    | 2,000.00            |
| Noosa Pickleball Club Inc.                         | 1,000.00            |
| Noosa Shire Arts and Crafts                        | 20,605.00           |
| Noosa Strade Bianche Association                   | 4,500.00            |
| Zero Emissions Noosa                               | 2,000.00            |
| Noosa District Rugby Union Club                    | 2,500.00            |
| Noosa Trailblazers Mountain Bike Club Inc.         | 13,000.00           |
| Noosa World Surfing Reserve                        | 1,900.00            |
| Peregian Beach Community House                     | 7,500.00            |
| Tewantin Pony Club                                 | 7,000.00            |

| Grant Recipient  | Funding Amount (\$) |
|--|---------------------|
| <b>Community Program / Project Grant</b>   |                     |
| Permaculture Noosa   | 30,000.00           |
| Pomona and District Community House Inc.   | 5,020.00            |
| Queensland Ultimate Disc Association Inc.  | 4,090.00            |
| Ridgewood Community Hall Assoc. Inc.   | 9,616.00            |
| Rowing Australia Ltd.  | 7,500.00            |
| Sports Federation of The Sunshine Coast  | 5,000.00            |
| Sunshine Butterflies Inc.  | 5,045.00            |
| Sunshine Butterflies Inc.  | 6,900.00            |
| Tewantin Tennis Club   | 20,000.00           |
| Tall Trees Arts Inc.   | 2,000.00            |
| The Australian Volunteer Coast Guard Assoc. Inc.   | 4,500.00            |
| The Property Industry Foundation -<br>in partnership with The Salvation Army Community Housing Service Limited | 30,000.00           |
| Slow Food Noosa Inc.   | 14,228.00           |
| <b>SUB-TOTAL</b>   | <b>321,729.00</b>   |
| <b>Regional Arts Development Fund</b>  |                     |
| Noosa Shire Arts and Crafts Association Inc.   | 4,820.00            |
| Megan Rowland  | 5,000.00            |
| Virgo Nash   | 4,700.00            |
| Goorie Vision  | 5,000.00            |
| Eco Trio   | 4,763.00            |
| Mrs Cara Robinson  | 5,000.00            |
| Petalia Humpries   | 3,700.00            |
| Sari Abbott  | 1,670.00            |
| Noosa Music Society  | 4,932.00            |
| Simone Eisler  | 4,500.00            |
| <b>SUB-TOTAL</b>   | <b>44,085.00</b>    |

| Grant Recipient  | Funding Amount (\$) |
|--|---------------------|
| <b>Community Program / Project Grant</b>                     |                     |
| Three Year Alliance Agreement - Community                    |                     |
| Cooroora Historical Society Inc. t/as Noosa Museum           | 5,402.34            |
| Cooroy-Noosa Genealogical and Historical Research Group Inc. | 5,402.34            |
| Noosa Arts Theatre   | 8,103.51            |
| Noosa Community Training Centre                              | 15,731.54           |
| Noosa District Community FM Radio Assn Inc.                  | 8,103.51            |
| SunnyKids (formerly Cooroy Family Support Centre)            | 11,344.91           |
| Sunshine Butterflies   | 8,103.51            |
| Salvation Army Property Trust                                | 16,454.28           |
| St Vincent de Paul   | 11,344.91           |
| You Turn   | 11,344.91           |
| Pomona Arts Inc.   | 8,103.51            |
| <b>SUB-TOTAL</b>   | <b>109,439.27</b>   |
| Three Year Alliance Agreement – Emergency                    |                     |
| Australian Volunteer Coast Guard Association Noosa QF5       | 11,344.91           |
| LifeFlight Foundation Ltd                                    | 11,344.91           |
| <b>SUB-TOTAL</b>   | <b>22,689.82</b>    |
| Three Year Festive Season Event Agreement                    |                     |
| Cooroy Chamber of Commerce Inc. - Christmas in Cooroy        | 7,563.28            |
| Kin Kin Community Group Inc. - Kin Kin Community Christmas   | 1,620.70            |
| Noosaville Lions Park Noosa Christian Outreach Centre        | 8,643.75            |
| Noosa Marina (auspiced by Noosa Strade Bianche) - NYE Event  | 5,402.34            |
| Tewantin Noosa Lions Club Inc. - Australia Day Celebrations  | 10,804.68           |
| Peregian Family & Friends Assoc. - Peregian Beach Carols     | 3,781.63            |
| Lake Cootharaba Sailing Club Inc.                            | 3,241.41            |
| Tewantin Noosa RSL - Gala Christmas                          | 3,781.63            |
| <b>SUB-TOTAL</b>   | <b>44,839.42</b>    |

| Grant Recipient  | Funding Amount (\$) |
|--|---------------------|
| <b>Community Program / Project Grant</b>   |                     |
| <b>Three Year Signature Community Event Agreement</b>                              |                     |
| Cooroy Pomona Lions Club - Pomona King of the Mountain                             | 11,345.45           |
| Noosa Heads Jazz Club  | 5,322.50            |
| Noosa Open Studios - Noosa Open Studios Art Trail                                  | 7,232.89            |
| Noosa Anywhere Festival - Noosa Anywhere Festival                                  | 7,500.00            |
| Cooroy Future Group Inc.   | 7,563.28            |
| Noosa Long Weekend Festival Inc.   | 11,345.45           |
| Noosa Show Society   | 11,345.45           |
| <b>SUB-TOTAL</b>   | <b>61,655.02</b>    |
| <b>Three Year Community Halls and Centres Management and Maintenance Agreement</b> |                     |
| Cooran Memorial School of Arts Inc.  | 7,756.79            |
| Cooroy Memorial Hall   | 12,967.35           |
| Federal Memorial Hall and Community Centre Inc.                                    | 5,306.81            |
| Kin Kin Community Group Inc.   | 6,435.29            |
| Peregian Beach Community House Inc.  | 9,848.47            |
| Pomona & District Community House Inc.   | 18,424.14           |
| Pomona Memorial School Of Arts Hall Inc.   | 13,178.75           |
| Ridgewood Community Hall Assn Inc.   | 4,624.40            |
| Tait Duke Community Cottage (Rotary Club of Noosa Heads Inc.)                      | 2,701.17            |
| Tinbeerwah Hall Inc.   | 3,279.23            |
| <b>SUB-TOTAL</b>   | <b>84,522.40</b>    |
| <b>Three Year Sports Field Maintenance Agreement</b>                               |                     |
| Cooroora United Football Club Inc.   | 9,179.17            |
| Cooroy Eumundi Cricket Club Inc.   | 9,179.17            |
| Noosa Australian Football Club Inc.  | 18,359.35           |
| Noosa District Rugby League  | 27,537.27           |
| Noosa District Rugby Union Club  | 15,298.62           |
| Noosa District Softball Association Inc.   | 15,298.62           |
| Noosa Lions Football Club Inc.   | 21,418.00           |

| Grant Recipient   | Funding Amount (\$) |
|---|---------------------|
| <b>Community Program / Project Grant</b>                |                     |
| Noosa Touch Association Inc.                            | 12,238.90           |
| Pomona & Cooran Amateur Rugby League Football Club Inc. | 15,298.62           |
| Tewantin Noosa Cricket Club                             | 22,948.07           |
| <b>SUB-TOTAL</b>  | <b>166,755.79</b>   |
| <b>Three Year Alliance Agreement – Environment</b>      |                     |
| Country Noosa   | 3,241.41            |
| <b>SUB-TOTAL</b>  | <b>3,241.41</b>     |
| <b>Environment Grants</b>                               |                     |
| Wildlife Noosa Ltd                                      | 1,400.00            |
| Wildlife Noosa Ltd                                      | 6,000.00            |
| Mary River Catchment Association Inc.                   | 7,200.00            |
| Flying-fox Rescue Release Noosa Inc.                    | 11,000.00           |
| Noosa & District Landcare Group                         | 11,330.00           |
| Noosa Integrated Catchment Association Inc.             | 11,670.00           |
| Noosa Integrated Catchment Association Inc.             | 14,977.00           |
| Noosa Environmental Education Hub                       | 16,000.00           |
| Noosa Integrated Catchment Association Inc.             | 16,000.00           |
| Hinterland Bush Links                                   | 23,620.00           |
| Mary River Catchment Association Inc.                   | 35,000.00           |
| Tourism Noosa Ltd                                       | 61,800.00           |
| Noosa Integrated Catchment Association Inc.             | 75,220.00           |
| Noosa & District Landcare Group                         | 80,739.12           |
| <b>SUB-TOTAL</b>  | <b>371,956.12</b>   |
| <b>Partnership - Environment</b>                        |                     |
| The Nature Conservancy                                  | 200,000.00          |
| <b>SUB-TOTAL</b>  | <b>200,000.00</b>   |
| <b>Economic Development Grants</b>                      |                     |
| Generation Innovation Ltd                               | 2,000.00            |
| Social Tap Pty Ltd                                      | 2,000.00            |

| Grant Recipient                                | Funding Amount (\$) |
|--|---------------------|
| <b>Community Program / Project Grant</b>       |                     |
| Generation Innovation Ltd                      | 3,750.00            |
| Noosa Chamber of Commerce and Industry         | 15,000.00           |
| <b>SUB-TOTAL</b>                               | <b>22,750.00</b>    |
| <b>Sustainability Grants</b>                   |                     |
| Permaculture Noosa Inc.                        | 1,730.00            |
| Tourism Noosa Ltd                              | 6,820.00            |
| Zero Emissions Noosa Inc.                      | 18,270.00           |
| Zero Emissions Noosa Inc.                      | 20,500.00           |
| <b>SUB-TOTAL</b>                               | <b>47,320.00</b>    |
| <b>Water and Sewage Grants</b>                 |                     |
| Various not-for-profit community organisations | 72,427.81           |
| <b>SUB-TOTAL</b>                               | <b>72,427.81</b>    |
| <b>TOTAL EXPENDITURE FOR THE PERIOD:</b>       | <b>1,573,411.06</b> |



## Discretionary Funds

Section 109 of the LG Act defines discretionary funds as funds in the local government's operating fund that are:

- budgeted for community purposes
- allocated by a Councillor at the Councillor's discretion.

For the period, Council did not establish any discretionary funds.

## Beneficial Enterprises

Section 39(3) of the LG Act defines a beneficial enterprise as an enterprise that a local government considers is directed to benefiting, and can reasonably be expected to benefit, the whole or part of its local government area. Additionally, section 39(4) of the LG Act provides that a local government is conducting a beneficial enterprise if the local government is engaging in, or helping, the beneficial enterprise.

During the period, Council did not engage in any beneficial enterprises.

## Business Activities

A business activity is defined in Schedule 4 of the LG Act as the trading in goods and services by the local government.

Council conducted the following business activities during the period:

- Waste management
- Holiday parks, including the Boreen Point Campground, Noosa North Shore Beachfront Caravan Park and Noosa River Holiday Park.

## Significant Business Activity

In accordance with threshold of expenditure and the methodology prescribed by sections 19 and 20 of the LG Regulation, Council's waste management activity was considered a significant business activity for the period.

## Commercial Business Units

Pursuant to section 27(2) of the LG Regulation, a commercial business unit is a business unit that conducts business in accordance with the prescribed key principles of commercialisation.

Council did not nominate any business activities as commercial business units during the period.

## Competitive Neutrality

Council is committed to ongoing compliance with National Competition Policy principles and its legislative obligations in this area. Furthermore, Council is committed to ensuring that its business activities operate on a level playing field with private businesses in the community.

Council ensures that the pricing practises for each business activity comply with the principles of full cost pricing such that total revenue, inclusive of identified and measured community service

obligations and net of any advantages and disadvantages of public ownership, should aim to cover the following elements:

- Operational and resource costs
- Administration and overhead costs
- Depreciation
- Tax and debt equivalents
- Return on capital / return on cost.

During the period, there were no investigation notices provided to Council relating to competitive neutrality complaints. Accordingly, the Queensland Competition Authority did not make any reportable recommendations to Council in relation to a competitive neutrality complaint.

## Services, Facilities and Activities for which Special Rates/Charges were Levied

Below is a list of Council levies and special rates/charges for the period:

- Noosa Waters Lock and Weir Maintenance Levy
- Noosa Waters Canal Maintenance Levy
- Noosa Junction Levy
- Hastings Street Precinct Levy
- Noosa Main Beach Levy
- Hastings Street Community Safety Program Charge
- Lower Noosa North Shore Electricity Charge

There were no levies or special charges supplied by another local government under an agreement for conducting a joint government activity.

## Summary of Concessions for Rates and Charges

### General Rate Concessions

In addition to those classes of land granted a general rate exemption, Council also provides general rates concessions to land deemed eligible in accordance with Council's General Rate Donation Policy. Applications received during the 2021/22 year that meet the policy eligibility requirements will be granted a general rate concession for the year. Property owners must immediately notify Council if there is a substantive change of land use for a property in receipt of a general rate concession.

### Deferment of General Rates

Chapter 4 Part 10 of the LG Regulation allows Council to grant a rating concession to certain ratepayers by entering an agreement to defer the payment of rates and charges.

Pursuant to section 120(1)(a), section 121(b) and section 122(1)(b) of the LG Regulation, Council may allow eligible pensioners to enter into an agreement to defer the payment of rates.

### Deferment for Pensioners

To assist eligible pensioners who have experienced large increases in the value of their property as determined by the Department of Natural Resources, Mines and Energy or have experienced financial hardship, Council will allow deferment of up to 50% of the general rate. The deferred rates will accumulate as a debt against the property until it is sold or until the death of the ratepayer.

The deferment of general rates applies only to rates payable with respect to land included in Differential General Rates Categories 1, 5, 6, 7, 8, 9, 10, or 23.

To be eligible to defer up to 50% of the general rate the applicant must:

- a) own and occupy the property, and
- b) have no overdue rates and charges on the said property, and
- c) be the holder of a Pension Concession Card issued by Centrelink or the Department of Veteran Affairs, or
- d) a Repatriation Health (Gold) Card issued by the Department of Veteran Affairs; or
- e) a Commonwealth Seniors Health Card, or
- f) a Queensland Seniors Card issued by the Queensland State Government.

Noting that automatic eligibility applies to those ratepayers currently receiving a Pension Concession on their rate notice. Eligibility for those ratepayers with a Seniors Card will be assessed accordingly.

In accordance with s122(5) of the LG Regulation, Council is authorised to charge interest, or request payment of an additional charge, to all deferred general rates for the relevant period.

For the period one ratepayer had their general rates deferred.

### Pensioner Concessions

Council's pensioner rate concession to eligible pensioners shall be allowed under Chapter 4, Part 10 of the LG Regulation.

**Table 19: Method of Calculation**

| Pension Rate                 | Sole title to the property                  | Joint title to the property                |
|------------------------------|---|--|
| Maximum level of pension     | \$230 p.a. maximum<br>\$115 per half year   | \$180 p.a. maximum<br>\$90 per half year   |
| Not Maximum level of pension | \$115 p.a. maximum<br>\$57.50 per half year | \$65 p.a. maximum<br>\$32.50 per half year |

### Single Owner on the Maximum Rate of Pension

Where the pensioner is in receipt of the maximum level of pension and has sole title to the property that is their principal place of residence the concession shall be 25% of the general rate up to a maximum amount of \$230.00 per annum.

### Joint Owner on the Maximum Rate of Pension

Where the pensioner is in receipt of the maximum level of pension and owns the property jointly with one or more people the concession shall be 25% of the general rate up to a maximum amount of \$180.00 per annum.

### Single Owner not on the Maximum Rate of Pension

Where the pensioner is not in receipt of the maximum level of pension and has sole title to the property that is their principal place of residence the concession shall be 25% of the general rate up to a maximum amount of \$115.00 per annum.

### Joint Owner not on the Maximum Rate of Pension

Where the pensioner is not in receipt of the maximum level of pension and owns the property jointly with one or more people the concession shall be 25% of the general rate up to a maximum amount of \$65.00 per annum.

### Arrangements to Pay

Chapter 4 Part 10 of the LG Regulation allows Council to grant a rating concession to certain ratepayers by entering into an arrangement to pay rates and charges.

Pursuant to section 120(1)(c), section 121(b) and section 122(1)(b) of the LG Regulation, Council may allow ratepayers to enter into an arrangement to pay rates and charges by weekly, fortnightly or monthly payments.

These arrangements will be entered into for properties where there were no overdue rates and charges from previous rating periods and the ratepayer and Council agree that such payments will allow the outstanding rates or charges payable to be paid by the end of the current billing period.

An application for an arrangement to pay should be received by Council prior to 31 July 2021 or 31 January 2022. Under an arrangement, no discount will be provided for rates which are due. Repayments will be calculated as at the time of applying for an arrangement and will not incur interest charges.

Where a ratepayer defaults on an arrangement to pay, the arrangement will be cancelled, and interest will be charged on the overdue rates and charges in accordance with section 2.5.1 of the revenue statement.

### Invitations to Change Tenders

There were no reportable invitations made by Council to change tenders during the period.

### Infrastructure Charges

Under Queensland infrastructure charges legislation, Council levies infrastructure charges on development approvals. They can be collected in the form of monetary contributions, or in some instances in the form of physical trunk infrastructure in lieu of paying the charge. The timing of money contributions received may differ from the timing of when the infrastructure is constructed, and any unspent funds are held by Council in reserve for that purpose in future years.

Council's planning scheme identifies the particular trunk infrastructure can be funded through infrastructure charges in its Local Government Infrastructure Plan (LGIP).

Table 20 summarises the infrastructure charges revenue and expenditure for the 2021-22 financial year. In accordance with the Planning Regulation 2017, full details of infrastructure charges are provided on Council's website.

**Table 20: Infrastructure charges summary**

| Infrastructure charges revenue   |  | Infrastructure charges revenue expenditure   |   |  |
|--|--|--|---|--|
| Total amount of infrastructure charges revenue collected (by way of infrastructure charges levied) | Total amount of infrastructure charges that were offset (i.e. infrastructure provided by a developer in lieu of paying the charge) | Total amount of infrastructure charges revenue spent on the supply of trunk infrastructure | Total amount of infrastructure charges that the local government refunded | Total amount of unspent infrastructure charges revenue |
| \$'000   | \$'000   | \$'000   | \$'000  | \$'000   |
| 2,015.3  | 22.1   | 1,267.7  | 0.0   | 747.6  |

The following table outlines the trunk infrastructure that was funded through infrastructure charges during the 2021-22 financial year.

**Table 21: Trunk infrastructure**

| Trunk infrastructure description  | Trunk infrastructure network        | Locality       | Method of delivery | Value (\$'000) |
|---|-------------------------------------|----------------|--------------------|----------------|
| Upgrade existing trunk footpath along frontage  | Transport (Pathways)                | Tewantin       | Developer          | 7.8            |
| Upgrade existing trunk footpath along frontage  | Transport (Bus Stop and Pathways)   | Peregian Beach | Developer          | 14.2           |
| Funding of loan repayment costs associated with loan funds raised historically to construct trunk infrastructure in the Noosa Shire | Transport, Public Parks, Stormwater | Various        | Council            | 1,089.7        |
| Upgrade to Shire bus stops  | Transport (Bus Stops)               | Various        | Council            | 248.6          |
| Wapunga Lane Bridge   | Transport (Roads)                   | Kin Kin        | Council            | 2,029.6        |
| Noosa Parade Upgrade  | Transport (Roads)                   | Noosa Heads    | Council            | 2,769.8        |
| Cooroy Hinterland Playground  | Public Parks                        | Cooroy         | Council            | 4,041.6        |
| Landfill site expansion   | Public Parks                        | Doonan         | Council            | 2,555.8        |
| Rufous St Community Facility Redevelopment  | Public Parks                        | Peregian Beach | Council            | 2,632.9        |
| Beckmans Road Upgrade   | Transport (Roads)                   | Tewantin       | Council            | 3,594.7        |
| Tewantin Doonella Bridge  | Transport (Roads)                   | Tewantin       | Council            | 172.7          |
| Sports Complex Upgrades   | Public Parks                        | Various        | Council            | 14.0           |
| Garth Prowd Bridge  | Transport (Roads)                   | Tewantin       | Council            | 145.2          |
| Pathway and intersection upgrades   | Transport (Roads)                   | Various        | Council            | 62.7           |

Council's long term financial plan, adopted as part of the 2022-2023 budget, provides a forward projection of anticipated infrastructure charges revenue and expenditure.

**Table 22: Forecast infrastructure charges and expenditure**

| Financial Year                   | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 | Total    |
|----------------------------------|-----------|-----------|-----------|-----------|----------|
|                                  | \$'000    | \$'000    | \$'000    | \$'000    | \$'000   |
| Infrastructure charges revenue   | 1,500.0   | 1,500.0   | 1,500.0   | 1,500.0   | 6,000.0  |
| Trunk infrastructure expenditure | 10,414.5  | 8,634.7   | 3,162.0   | 2,041.0   | 24,252.2 |



# Financial Performance

# Community Financial Report

## Highlights and achievements

Council has achieved another positive financial result this year. The following outcomes were achieved during the year:

1. An overall net financial result of \$17.9 million when including Council's share of Unitywater's annual profit, capital revenue and capital expenditure to Council's operating position.
2. State and federal government support for both operating and capital projects continued with grant funding increasing over the previous year with \$21.5 million received.
3. Continued investment in infrastructure replacement to maintain service levels to the community, with a record \$36 million in capital works delivered.
4. A net operating deficit of \$1.6 million resulted after the inclusion of an \$8.0 million increase in Council's landfill restoration provision. This increase was due to emergent site issues identified upon commencement of construction works and an escalation in forecast costs.



## Background

Council's annual financial statements are prepared to comply with Australian Accounting Standards and contain specific information regarding financial performance.

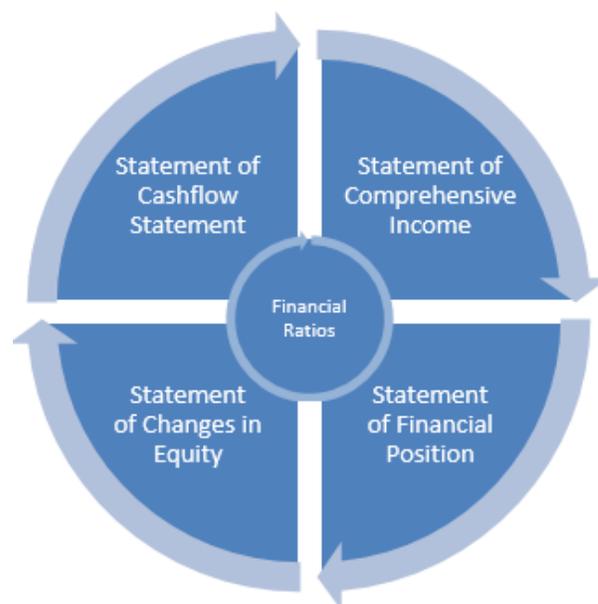
Financial statements include:

- a Statement of Comprehensive Income (i.e. Profit and Loss),
- a Statement of Financial Position (i.e. Balance Sheet),
- a Statement of Changes in Equity, and
- a Statement of Cash Flows.

Collectively, these financial statements provide a formal picture of the financial strength of an organisation.

The Community Financial Report (CFR) consists of five key reporting elements, each of which has a specific purpose for the measurement and presentation of Council's finances. The linkages between the five key elements are shown in Figure 1.

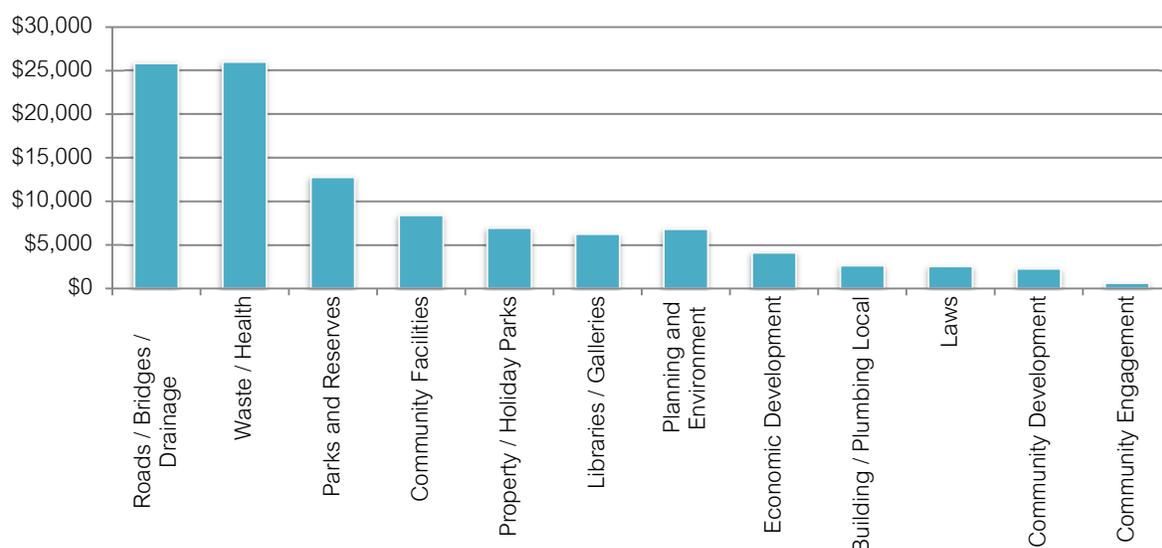
Figure 1 – Financial Reporting Elements



## Where was the budget spent?

Council spends significant amounts of ratepayer funds providing a range of services to the Noosa community. A summary of the cost of the services for our major service areas is provided in Figure 2. Spending on these services (including roads, bridges, parks, community facilities and waste management) makes up a significant component of Council's annual budget.

Figure 2 – Operating Cost of Core Council Services 2021/22 (\$'000)



## Statement of Comprehensive Income

This statement (also known as the profit and loss) measures how Council performed financially in relation to funding its operations during the financial year. In simple terms, it summarises how much money was received by Council and how much was spent in a particular year. Figure 3 summarises Council's 2021/22 financial performance.

The 2021/22 net result of \$17.96 million includes non-operational items such as revenue received specifically to fund capital expenditure (including grants and subsidies and developer contributions), Council's share of Unitywater's annual profit and movements in investment property valuations. This result also includes an increase in Council's landfill restoration provision of \$8.0 million.

Figure 3 – Council Net Result Financial Performance 2021/22 (\$'000)

|                   | 2020/21 (\$'000) | 2021/22 (\$'000) |
|-------------------|------------------|------------------|
| <b>Revenue</b>    | 120,407          | 135,376          |
| <b>Expenses</b>   | 106,941          | 117,416          |
| <b>Net Result</b> | <b>13,466</b>    | <b>17,960</b>    |

The removal of \$13.1 million of non-operational items shows Council's actual operating deficit to be \$1.6 million.

## Operating revenue – where the money came from

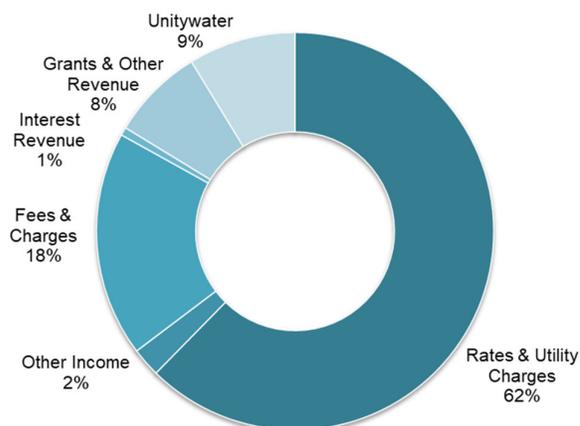
Throughout the financial year, Council received a total of \$113.1 million in operating revenues (rates, fees, operating grants), \$15.7 million in capital revenues and income (developer contributions, capital grants) and \$6.5 million recorded as revenue from Council's share of investment in Unitywater.

Figure 4 outlines the sources of Council's operating revenues including Unitywater distributions received in 2021/22.

Key Council revenue sources include:

- Rates and utility charges comprising general rates, charges for waste collection and disposal, special rates such as the environment levy as well as other separate rates and special charges.
- Fees and charges include a range of regulatory fees and charges as well as revenue from commercial operations such as holiday parks and waste management.
- Interest revenue includes the return from the investment of available cash.
- Revenue from other income includes tax payments from Council's shareholding in Unitywater

Figure 4 – Operating Revenue Sources 2021/22



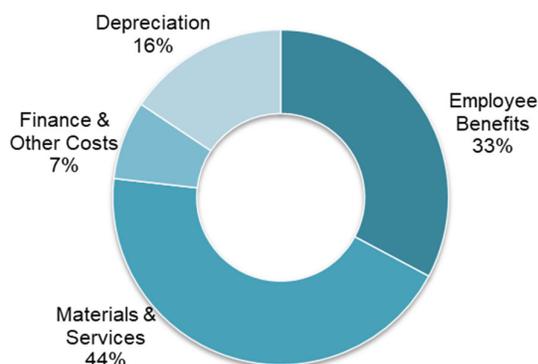
The above breakdown in operating revenue confirms that Council continues to have significant control over the majority of its income sources, and as a result is not reliant on other levels of government or external agencies to maintain its financial independence.

## Operating expenditure – where the money goes

Council expended a total of \$114.7 million in undertaking operating activities during the financial year.

Figure 5 presents a breakdown by expenditure type for operating expenditure incurred during 2021/22.

Figure 5 – Operating Expenses by Function



Key Council expenditure sources include:

- Employee benefits - includes staff wages, superannuation, fees paid to Councillors and other employment costs.
- Depreciation expenditure – records the consumption of community infrastructure assets over their respective useful lives and provides an indication of the level of required expenditure on the rehabilitation and renewal of existing assets annually. The revaluation of infrastructure assets during the year has also impacted the annual depreciation charge.
- Materials and services – includes information communication technology, consultancy services, contractor services, electricity, external hire, rentals, repairs and maintenance, and advertising and donations.
- Finance and other costs – include interest paid on loan borrowings, bank charges and movements in the provision for future landfill rehabilitation costs.

## Statement of Financial Position

The Statement of Financial Position (or balance sheet) measures what Council owns (i.e. its assets), and what we owe (i.e. liabilities) to determine the total community equity (net worth) at the end of each financial year. Overall, Council's investment in community capital continues to grow steadily.

Figure 6 summarises the movement in Council's assets and liabilities that comprise community equity.

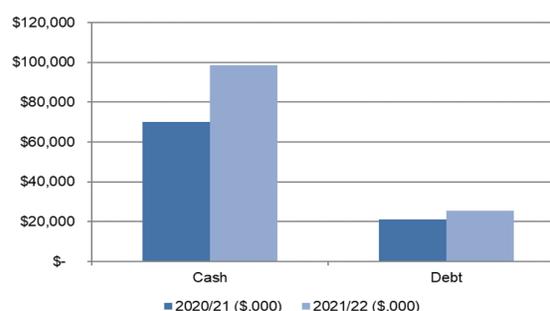
**Figure 6 – Comparative Statement of Financial Position 2021/22 (\$'000)**

|                         | 2020/21<br>(\$'000) | 2021/22<br>(\$'000) |
|-------------------------|---------------------|---------------------|
| <b>Assets</b>           | 1,180,249           | 1,443,840           |
| <b>Liabilities</b>      | 61,682              | 94,032              |
| <b>Community Equity</b> | 1,118,567           | 1,349,808           |

Figure 7 shows Council's cash and debt holdings as at 30 June 2022 compared to the previous year.

Cash levels have increased due to sustainable cash management practices, the advance payment of multi-year waste levy subsidies, increased capital grant funding and the timing of capital works projects. Debt levels have remained consistent as Council continues to strengthen its debt position. Overall, our net cash position (i.e. cash less debt) continues to be strong with an increase of \$28.4 million year on year.

**Figure 7 – Cash and Debt Comparison 2021/22 (\$'000)**



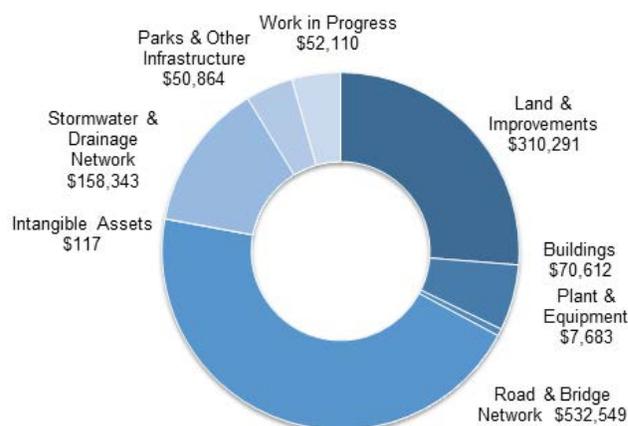
## Assets – what we own

Current assets are represented by cash, investments, inventories and receivables (money owed to Council). Council's current assets as at 30 June 2022 equated to \$112.0 million.

Non-current assets of \$1.3 billion includes property, plant and equipment totalling \$1.2 billion, as well as the value of Council's investment in Unitywater. Property, Plant and Equipment represents community infrastructure which includes roads, bridges, stormwater, buildings, land and other operational assets owned and controlled by Council.

The main non-current asset categories and their respective values are shown in the Figure 8.

**Figure 8 – Non-Current Assets and Community Infrastructure 2021/22 (\$'000)**



## Liabilities – what we owe

Money owed by Council is presented as both current and non-current liabilities in the statement of financial position. Current liabilities are those amounts that are payable by Council within the next twelve months, and non-current liabilities are payable beyond the twelve month horizon.

The most significant elements are loans raised by Council to fund investment in community infrastructure and provisions for future landfill restoration works. Total loans increased as funds were drawn down to fund infrastructure works relating to the landfill expansion. Council's annual loan repayment schedule was met.

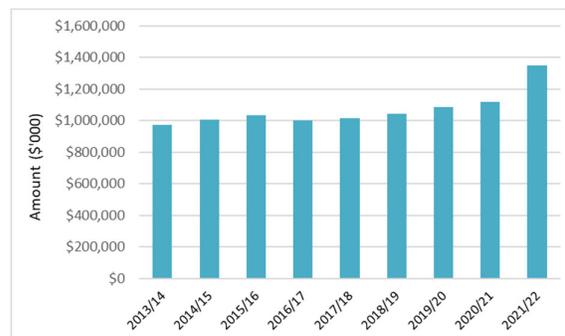
## Statement of Changes in Equity

The Statement of Changes in Equity illustrates how the net worth of Council has changed as a result of activities undertaken during the period. Council's total community equity as at 30 June 2022 is \$1.3 billion.

Community equity is equal to total assets (what we own) less total liabilities (what we owe) and represents Council's net investment in assets.

Figure 9 shows the movement in Community Equity since the De-Amalgamation of Council in 2014.

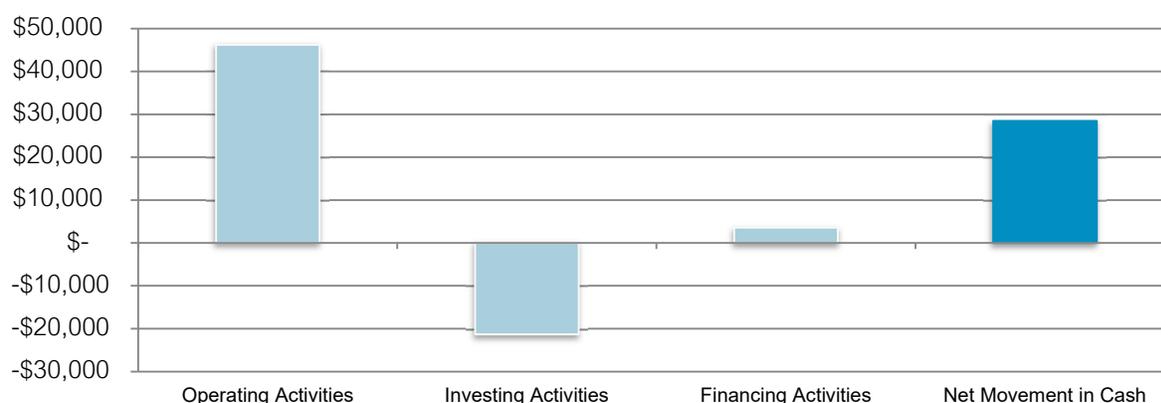
Figure 9 - Community Equity movement



## Statement of Cash Flows

The Statement of Cash Flows shows where Council has generated cash and where these funds have been expended. The detailed schedule in the financial statements is summarised in Figure 10 (columns above the line represent cash flowing into the organisation, and columns below the line represent cash payments made).

Figure 10 – Net Cash Flow Sources 2021/22 (\$'000)



Key elements to Council's annual cash flow include:

- **Operating activities** depicts the net of income received from rates, interest, grants, etc. and payments made to suppliers and employees.
- **Investing activities** relate to the acquisition and sale/disposal of long-term assets, generally in the form of roads, bridges, plant and equipment, etc. A negative outcome here represents a net investment in community infrastructure during the reporting period.
- **Financing activities** shows the receipt and repayment of Council borrowings. A negative outcome here represents that Council has repaid more loans compared to new borrowings raised.
- **Net movement in cash** represents the total physical movement of cash, with any accounting adjustments and accruals removed. The net positive movement in cash for the year of \$28.4 million represents a net increase in cash on hand, with all significant outlays fully funded within the period.

## Financial ratios

Ratios are useful tools for getting a snapshot of the financial status and trends of an organisation. Ratios can also be useful in comparing Noosa Council to other Councils to gain an understanding of relative financial strength. This analysis is undertaken periodically by the Queensland Treasury Corporation (QTC) in assessing the financial sustainability of Council.

A number of sustainability ratios are mandated under the *Local Government Regulation 2012*, including target ranges for each measure. Details of these ratios are shown in Figure 11, including actual results for the current reporting period plus projections over the next 9 years.

Figure 11 – Financial Ratios 2021/22 (Actual) to 2031/32 (Forecast)

| Period Ended 30 June                   | 2022         | 2023     | 2024          | 2025  | 2026  | 2027   | 2028   | 2029  | 2030   | 2031   | 2032   |  |
|--|--------------|----------|---------------|-------|-------|--------|--------|-------|--------|--------|--------|--|
| <b>Sustainability Ratios</b>           |              |          |               |       |       |        |        |       |        |        |        |  |
| <b>Operating Surplus Ratio</b>         |              |          |               |       |       |        |        |       |        |        |        |  |
| Operating Position                     | 4.3%         | (0.6)%   | 0.3%          | 0.2%  | 0.2%  | 0.2%   | 0.2%   | 0.2%  | 0.2%   | 0.2%   | 0.2%   |  |
| Local Govt Act upper indicator         | 10%          | 10%      | 10%           | 10%   | 10%   | 10%    | 10%    | 10%   | 10%    | 10%    | 10%    |  |
| <b>Net Financial Liabilities Ratio</b> |              |          |               |       |       |        |        |       |        |        |        |  |
| Net Financial Liabilities Ratio        | (15.9)%      | 1.0%     | 5.8%          | 4.4%  | 0.1%  | 1.6%   | 2.4%   | 1.2%  | (2.3)% | (3.8)% | (6.4)% |  |
| Local Govt Act upper indicator         | 60%          | 60%      | 60%           | 60%   | 60%   | 60%    | 60%    | 60%   | 60%    | 60%    | 60%    |  |
| <b>Asset Sustainability Ratio</b>      |              |          |               |       |       |        |        |       |        |        |        |  |
| Asset Sustainability Ratio             | 121.1%       | 188.0%   | 165.4%        | 98.6% | 88.4% | 121.6% | 119.4% | 86.7% | 73.6%  | 79.5%  | 65.2%  |  |
| Local Govt Act minimum indicator       | 90%          | 90%      | 90%           | 90%   | 90%   | 90%    | 90%    | 90%   | 90%    | 90%    | 90%    |  |
| <b>Colour Scale:</b>                   | Within range | Moderate | Outside range |       |       |        |        |       |        |        |        |  |

### Operating surplus ratio

Council should be aiming to achieve as a minimum a balanced operating position to ensure that revenues received are sufficient to fund operations and capital replacement works. A surplus will be represented by a positive result.

**Operating Surplus / (Deficit)**

**Total Operating Revenue**

The 2021/22 operating surplus ratio of 4.29% is a reflection of consistent revenue growth along with good management of our expenditure. The forecast shows Council's ongoing commitment management.

### Net financial liabilities ratio

The target range is less than 60%. A negative percentage indicates that current assets exceed total liabilities and is considered a very strong position.

**Net Financial Liabilities**

(Total Liabilities less Current Assets)

**Total Operating Revenue**

The strong position of (15.93%) at 30 June 2022 indicates that Council has the capacity to service higher levels of debt if needed.

### Asset sustainability ratio

This is a measure of whether Council is reinvesting in existing assets to ensure that they meet required levels of service for the community.

**Annual Asset Renewal and Rehabilitation Expenditure**

**Annual Depreciation Charge**

During 2021/22 Council achieved a ratio of 121.13%. This ratio is reflective of the delivery of the capital program during the year, including an investment of \$21.5 million in the replacement of infrastructure such as roads, bridges and buildings. This result reflects Council's investment in infrastructure replacement and adherence to sound asset management principles to maintain levels of service to the community.

# Financial Statements 2021-22

## General Purpose Financial Statements

for the year ended 30 June 2022

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# Noosa Council

## Statement of Comprehensive Income

for the year ended 30 June 2022

| \$ '000  | Notes | 2022           | Restated<br>2021 |
|--|-------|----------------|------------------|
| <b>Income</b>  |       |                |                  |
| <b>Revenue</b>   |       |                |                  |
| <b>Recurrent Revenue</b>   |       |                |                  |
| Rates, Levies and Charges  | 3a    | 74,580         | 69,168           |
| Fees and Charges   | 3b    | 8,979          | 7,504            |
| Sales Revenue  | 3c    | 12,970         | 11,557           |
| Grants, Subsidies, Contributions and Donations                   | 3d    | 9,038          | 6,107            |
| <b>Total Recurrent Revenue</b>                                   |       | <b>105,567</b> | <b>94,336</b>    |
| <b>Capital Revenue</b>   |       |                |                  |
| Grants, Subsidies, Contributions and Donations                   | 3d    | 15,355         | 13,177           |
| <b>Total Capital Revenue</b>                                     |       | <b>15,355</b>  | <b>13,177</b>    |
| <b>Other Income</b>  |       |                |                  |
| Rental Income  |       | 1,810          | 1,365            |
| Interest and Investment Revenue                                  | 4a    | 2,813          | 3,021            |
| Equity share of profit in Associate through Participation Rights | 13    | 6,508          | 5,556            |
| Other Income   | 4     | 2,923          | 2,952            |
| Capital Income   | 5     | 400            | –                |
| <b>Total Other Income</b>  |       | <b>14,454</b>  | <b>12,894</b>    |
| <b>Total Income</b>  |       | <b>135,376</b> | <b>120,407</b>   |
| <b>Expenses</b>  |       |                |                  |
| <b>Recurrent Expenses</b>  |       |                |                  |
| Employee Benefits  | 6     | 37,652         | 35,932           |
| Materials and Services   | 7     | 50,491         | 44,300           |
| Finance Costs  | 8     | 8,699          | 4,827            |
| Depreciation and Amortisation:                                   |       |                |                  |
| - Property, Plant and Equipment                                  | 15    | 17,854         | 16,978           |
| - Intangible Assets  | 16    | 50             | 55               |
| - Right of Use Assets  | 18    | 25             | 49               |
| <b>Total Recurrent Expenses</b>                                  |       | <b>114,771</b> | <b>102,141</b>   |
| <b>Other Expenses</b>  |       |                |                  |
| Capital Expenses   | 9     | 2,645          | 4,800            |
| <b>Total Other Expenses</b>                                      |       | <b>2,645</b>   | <b>4,800</b>     |
| <b>Total Expenses</b>  |       | <b>117,416</b> | <b>106,941</b>   |
| <b>Net Result</b>  |       | <b>17,960</b>  | <b>13,466</b>    |
| <b>Other Comprehensive Income</b>                                |       |                |                  |
| <b>Items that will not be reclassified to Net Result</b>         |       |                |                  |
| Increase in Asset Revaluation Surplus                            | 23,15 | 213,281        | 21,949           |
| <b>Total Other Comprehensive Income for the year</b>             |       | <b>213,281</b> | <b>21,949</b>    |
| <b>Total Comprehensive Income for the year</b>                   |       | <b>231,241</b> | <b>35,415</b>    |

The comparatives have been restated following the IFRIC decision clarifying the capitalisation of costs relating to Software as a Service (SaaS). Further details on the impact of this change are outlined in Note 28.

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

# Noosa Council

## Statement of Financial Position

as at 30 June 2022

| \$ '000                              | Notes | 2022             | Restated<br>2021 |
|--------------------------------------|-------|------------------|------------------|
| <b>Assets</b>                        |       |                  |                  |
| <b>Current Assets</b>                |       |                  |                  |
| Cash and Cash Equivalents            | 10    | 98,501           | 70,028           |
| Receivables                          | 11    | 10,507           | 9,485            |
| Inventories                          |       | 143              | 143              |
| Contract Assets                      | 17    | –                | 487              |
| Other Assets                         | 12    | 2,898            | 2,938            |
| <b>Total Current Assets</b>          |       | <u>112,049</u>   | <u>83,081</u>    |
| <b>Non-Current Assets</b>            |       |                  |                  |
| Receivables                          | 11    | 49,343           | 49,468           |
| Equity Investments                   | 13    | 96,515           | 91,724           |
| Investment Property                  | 14    | 3,300            | 2,900            |
| Intangible Assets                    | 16    | 392              | 407              |
| Property, Plant and Equipment        | 15    | 1,182,177        | 952,580          |
| Right of Use Assets                  | 18    | 64               | 89               |
| <b>Total Non-Current Assets</b>      |       | <u>1,331,791</u> | <u>1,097,168</u> |
| <b>Total Assets</b>                  |       | <u>1,443,840</u> | <u>1,180,249</u> |
| <b>Liabilities</b>                   |       |                  |                  |
| <b>Current Liabilities</b>           |       |                  |                  |
| Payables                             | 19    | 15,982           | 7,344            |
| Contract Liabilities                 | 17    | 3,830            | 4,377            |
| Borrowings                           | 20    | 1,186            | 955              |
| Lease Liabilities                    | 18    | 26               | 25               |
| Provisions                           | 21    | 9,758            | 8,103            |
| Other Liabilities                    | 22    | 7,804            | 3,999            |
| <b>Total Current Liabilities</b>     |       | <u>38,586</u>    | <u>24,803</u>    |
| <b>Non-Current Liabilities</b>       |       |                  |                  |
| Borrowings                           | 20    | 24,114           | 20,258           |
| Lease Liabilities                    | 18    | 40               | 66               |
| Provisions                           | 21    | 22,466           | 16,555           |
| Other Liabilities                    | 22    | 8,826            | –                |
| <b>Total Non-Current Liabilities</b> |       | <u>55,446</u>    | <u>36,879</u>    |
| <b>Total Liabilities</b>             |       | <u>94,032</u>    | <u>61,682</u>    |
| <b>Net Community Assets</b>          |       | <u>1,349,808</u> | <u>1,118,567</u> |
| <b>Community Equity</b>              |       |                  |                  |
| Asset Revaluation Surplus            | 23    | 321,754          | 108,473          |
| Retained Surplus/(Deficit)           |       | 1,028,054        | 1,010,094        |
| <b>Total Community Equity</b>        |       | <u>1,349,808</u> | <u>1,118,567</u> |

The comparatives have been restated following the IFRIC decision clarifying the capitalisation of costs relating to Software as a Service (SaaS). Further details on the impact of this change are outlined in Note 28.

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

## Statement of Changes in Equity

for the year ended 30 June 2022

| \$ '000  | Notes | Asset<br>revaluation<br>surplus | Retained<br>surplus | Total<br>equity  |
|--|-------|---------------------------------|---------------------|------------------|
| <b>2022</b>                                    |       |                                 |                     |                  |
| Balance as at 1 July                           |       | 108,473                         | 1,010,094           | 1,118,567        |
| <b>Restated Balance as at 1 July</b>           |       | <b>108,473</b>                  | <b>1,010,094</b>    | <b>1,118,567</b> |
| <b>Net Result</b>                              |       | –                               | 17,960              | 17,960           |
| <b>Other Comprehensive Income for the year</b> |       |                                 |                     |                  |
| - Increase in Asset Revaluation Surplus        | 15    | 213,281                         | –                   | 213,281          |
| <b>Other Comprehensive Income</b>              |       | <b>213,281</b>                  | <b>–</b>            | <b>213,281</b>   |
| <b>Total Comprehensive Income for the year</b> |       | <b>213,281</b>                  | <b>17,960</b>       | <b>231,241</b>   |
| <b>Balance as at 30 June</b>                   |       | <b>321,754</b>                  | <b>1,028,054</b>    | <b>1,349,808</b> |
| <b>2021</b>                                    |       |                                 |                     |                  |
| Balance as at 1 July                           |       | 86,524                          | 998,584             | 1,085,108        |
| Correction of Prior Period Errors              |       | –                               | 928                 | 928              |
| Changes in Accounting Policies                 |       | –                               | (2,884)             | (2,884)          |
| <b>Restated Balance as at 1 July</b>           |       | <b>86,524</b>                   | <b>996,628</b>      | <b>1,083,152</b> |
| <b>Net Result</b>                              |       | –                               | 13,466              | 13,466           |
| <b>Other Comprehensive Income for the year</b> |       |                                 |                     |                  |
| - Increase in Asset Revaluation Surplus        | 15    | 21,949                          | –                   | 21,949           |
| <b>Other Comprehensive Income</b>              |       | <b>21,949</b>                   | <b>–</b>            | <b>21,949</b>    |
| <b>Total Comprehensive Income for the year</b> |       | <b>21,949</b>                   | <b>13,466</b>       | <b>35,415</b>    |
| <b>Balance as at 30 June</b>                   |       | <b>108,473</b>                  | <b>1,010,094</b>    | <b>1,118,567</b> |

The comparatives have been restated following the IFRIC decision clarifying the capitalisation of costs relating to Software as a Service (SaaS). Further details on the impact of this change are outlined in Note 28.

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

Statement of Cash Flows

for the year ended 30 June 2022

| \$ '000   | Notes | 2022            | Restated<br>2021 |
|---|-------|-----------------|------------------|
| <b>Cash Flows from Operating Activities</b>                       |       |                 |                  |
| Receipts from Customers   |       | 116,636         | 95,823           |
| Payments to Suppliers and Employees                               |       | (87,449)        | (86,431)         |
|   |       | <u>29,187</u>   | <u>9,392</u>     |
| <b>Receipts</b>   |       |                 |                  |
| Rental Income   |       | 1,810           | 1,365            |
| Income Tax Equivalent Received                                    |       | 1,913           | 1,936            |
| Dividend from Equity Investment                                   |       | 1,717           | 1,495            |
| Interest and Investment Revenue Received                          |       | 2,813           | 3,021            |
| Non Capital Grants and Contributions                              |       | 8,910           | 6,225            |
| <b>Payments</b>   |       |                 |                  |
| Borrowing Costs   |       | (156)           | (133)            |
| <b>Net Cash Inflows/(Outflows) from Operating Activities</b>      | 27    | <u>46,194</u>   | <u>23,301</u>    |
| <b>Cash Flows from Investing Activities</b>                       |       |                 |                  |
| <b>Receipts</b>   |       |                 |                  |
| Proceeds from Sale of Property, Plant and Equipment               |       | 356             | 217              |
| Grants, Subsidies, Contributions and Donations                    |       | 14,745          | 13,678           |
| <b>Payments</b>   |       |                 |                  |
| Payments for Intangible Assets                                    |       | (192)           | (36)             |
| Payments for Property, Plant and Equipment                        |       | (36,315)        | (20,519)         |
| Net movement in Loans and Advances                                |       | 125             | 125              |
| <b>Net Cash Inflows/(Outflows) from Investing Activities</b>      |       | <u>(21,281)</u> | <u>(6,535)</u>   |
| <b>Cash Flows from Financing Activities</b>                       |       |                 |                  |
| <b>Receipts</b>   |       |                 |                  |
| Proceeds from Borrowings  |       | 4,859           | 21,082           |
| <b>Payments</b>   |       |                 |                  |
| Repayment of Borrowings   |       | (1,299)         | (24,844)         |
| <b>Net Cash Inflows/(Outflows) from Financing Activities</b>      |       | <u>3,560</u>    | <u>(3,762)</u>   |
| <b>Net Increase/(Decrease) in Cash and Cash Equivalents held</b>  |       | <u>28,473</u>   | <u>13,004</u>    |
| Cash and Cash Equivalents at the beginning of the financial year  |       | 70,028          | 57,024           |
| <b>Cash and Cash Equivalents at the end of the financial year</b> | 10    | <u>98,501</u>   | <u>70,028</u>    |

The comparatives have been restated following the IFRIC decision clarifying the capitalisation of costs relating to Software as a Service (SaaS). Further details on the impact of this change are outlined in Note 28.

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

## Notes to the Financial Statements

for the year ended 30 June 2022

### Note 1. Information about these Financial Statements

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#### (a) Basis of preparation

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

These general purpose financial statements are for the period 1 July 2021 to 30 June 2022. They are prepared in accordance with the *Local Government Act 2009* and the *Local Government Regulation 2012*.

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

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

#### (b) New and revised Accounting Standards adopted during the year

Noosa Shire Council has adopted all standards which became mandatorily effective for annual reporting periods beginning on 1 July 2021.

Council also made a change in accounting policy relating to the application of AASB 138 - Intangibles following the International Financial Reporting Interpretations Committee (IFRIC) decision clarifying how configuration and customisation costs relating to Software as a Service (SaaS) should be accounted for. This change resulted in a material impact on the reported position, performance and cash flows. Further details of this change are outlined in Note 28.

#### (c) Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not yet effective at 30 June 2022, these standards have not been adopted by Council and will be included in the financial statements on their effective date.

While Council will align with any changes in :

- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current and associated standards,
- AASB 2020-3 Amendments to Australian Accounting standards – Annual Improvements 2018-2020 and Other Amendments, and
- AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates

it does not currently anticipate any material impact upon its future financial statements.

#### (d) Estimates and Judgements

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

- Valuation of investment property - Note 15
- Valuation and depreciation of property, plant and equipment - Note 15
- Provisions - Note 21
- Contingent liabilities - Note 25
- Financial instruments and financial assets - Note 30
- Revenue recognition - Note 3

#### (e) Rounding and Comparatives

The financial statements are in Australian dollars and have been rounded to the nearest \$1,000, unless otherwise stated.

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

#### (f) Volunteer Services

Council currently utilises volunteer resources at Noosa Community Support Centre, Noosaville & Cooroy Libraries, Noosa Botanic Gardens, Noosa Bushland Care and Noosa Gallery.

Council has not recognised the value of volunteer services in these financial statements as the value donated cannot be reliably measured at this time. Furthermore, if these volunteer services had not been donated they would not have been procured.

#### (g) Taxation

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

#### (h) COVID-19

The COVID-19 pandemic has continued to impact staff resources at some Council operations however there has been no significant financial impact on Council for the year ended 30 June 2022.

## Notes to the Financial Statements

for the year ended 30 June 2022

### Note 1. Information about these Financial Statements (continued)

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#### (i) Natural Disasters

In February 2022, the Noosa shire was impacted by a severe rain event, which resulted in a major landslide at Black Mountain, cutting road access for residents, as well as several smaller landslips across the region. Council infrastructure, principally roads and stormwater assets, were also damaged during the event and restoration works continues to occur. An impairment assessment was undertaken on the impacted assets, which resulted in the write off of the road assets associated with the Black Mountain landslide and this has been reflected in the financial statements.

Council has worked closely with the Queensland Reconstruction Authority (QRA) to secure funding for both remediation and long-term reconstruction works and to date has received \$1.3 million in funding for emergent works, counter disaster operations and relief, recovery and resilience activities across impacted communities.

Given the size and nature of the reconstruction works, Council has engaged an external contractor to assess and quantify the damage to Council assets. This independent assessment has identified significant reconstruction works with an estimated cost in excess of \$45 million, with the largest component relating to the Black Mountain landslip. Council, supported by external consultants and QRA, is currently finalising the disaster reconstruction grant submissions which will provide the funding for these remediation works to be completed.

#### (j) Climate Change

Committed to driving an urgent and sustained response to climate change, Council adopted an Emissions Reduction Policy and Zero Emissions Strategy in 2016, and also declared a climate emergency in 2019. The Zero Emission Strategy outlines a commitment for Council to be net zero in its emissions by 2026, and outlines a range of actions to achieve this which are in the process of being implemented.

Council continues to develop its assessment of the emerging climate-related risks and opportunities that impact its operations and the community. Risks include climate extremes such as storm events, floods, bushfires, droughts, heatwaves and tidal inundation.

Council assesses the potential impact of the physical risks of climate change in line with its Risk Management Framework, through the development and implementation of related critical plans, including the Climate Change Response Plan, Coastal Foreshore Management Plan, Coastal Hazards Adaptation Plan, Flood Management Plan, Bushfire Management Plan and Business Continuity Plans.

## Notes to the Financial Statements

for the year ended 30 June 2022

### Note 2a. Council Functions – Component Descriptions

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

#### **CEO OFFICE**

The goal of the Chief Executive Officer function is to provide leadership to the organisation to ensure it meets its strategic and operational objectives, as well as to provide executive support to Councillors and guidance to the Council leadership team. Service areas include the CEO's Office and Internal Audit.

#### **COMMUNITY SERVICES**

The Community Service department's goal is to provide facilities and opportunities for residents and visitors to participate in community, cultural and recreational activities across the shire; protect the health and safety of the Noosa community; and assist community groups and organisations through the provision of advice and community grants. Service areas include Cemeteries, Community Development, Cooroy and Noosaville Libraries, Environmental Health, Local Laws, Noosa Aquatic Centre, Noosa Community Support, Noosa Leisure Centre, Noosa Regional Gallery, Pest and Vector Control, the J and Waste Management.

#### **INFRASTRUCTURE SERVICES**

The goal of the Infrastructure Services department is to provide efficient planning, maintenance and delivery of infrastructure over its lifecycle. The department operates and maintains infrastructure including roads and bridges, buildings, canals, parks, stormwater drainage, waterways and beaches in the Noosa Shire in accordance with established service levels. Service areas include Asset Management, Council Buildings and Facilities, Civil Operations, Infrastructure Planning, Design and Delivery.

#### **EXECUTIVE SERVICES**

The goal of the Executive Services department is to provide effective governance oversight of the organisation, human resource management support to the organisation and ensure Council's customer focus including communication and community engagement processes. Service areas include Community Engagement, Customer Service, Executive Services, Governance as well as People and Culture.

#### **CORPORATE SERVICES**

The goal of the Corporate Services department is to provide effective support to the organisation to ensure that Council services are provided in accordance with agreed service levels that ensure Council's ongoing sustainability. Service areas include Financial Services, Information Communication Technology, Procurement and Fleet, Property and Facilities as well as Revenue Services.

#### **ENVIRONMENT AND SUSTAINABLE DEVELOPMENT**

The goal of the Environment and Sustainable Development department is to provide effective planning, development compliance, economic development and environmental services that promote long-term sustainable outcomes for the Noosa community. Service areas include Building and Plumbing Services, Economic Development, Development Assessment, Environmental Services and Strategic Land Use Planning.

# Noosa Council

## Notes to the Financial Statements

for the year ended 30 June 2022

### Note 2b. Council Functions - Analysis of Results by Function

| Functions<br>\$ '000                    | Gross Program Income<br>Recurring<br>Grants | Gross Program Income<br>Recurring<br>Other | Elimination of<br>Inter- function<br>Transactions | Total<br>Income | Gross Program<br>Expenses -<br>Recurring | Elimination of<br>Inter- function<br>Transactions | Total<br>Expenses | Net<br>Result | Total<br>Assets  |
|---|---|--|---|-----------------|--|---|-------------------|---------------|------------------|
| <b>2022</b>                             |   |  |   |                 |  |   |                   |               |                  |
| CEO Office                              | –   | 46   | (46)  | –               | (2,655)                                  | 299   | (2,356)           | (2,356)       | –                |
| Community services                      | 3,566                                       | 28,062                                     | (1,626)   | 30,002          | (46,818)                                 | 7,500   | (39,318)          | (9,316)       | 1,984            |
| Infrastructure Services                 | 12,075                                      | 5,536                                      | (2,984)   | 14,627          | (41,915)                                 | 7,236   | (34,679)          | (20,052)      | 2,123            |
| Executive Services                      | –   | 4,104                                      | (4,101)   | 3               | (5,676)                                  | 869   | (4,807)           | (4,804)       | 813              |
| Corporate Services                      | 4,666                                       | 82,302                                     | (12,477)  | 74,491          | (25,045)                                 | 3,062   | (21,983)          | 52,508        | 1,402,217        |
| Environment and Sustainable Development | 1,228                                       | 10,507                                     | (273)   | 11,462          | (16,815)                                 | 2,542   | (14,273)          | (2,811)       | 1,166            |
| Investment in Associates                | –   | 4,791                                      | –   | 4,791           | –  | –   | –                 | 4,791         | 35,537           |
| <b>Total</b>                            | <b>21,535</b>                               | <b>135,348</b>                             | <b>(21,507)</b>                                   | <b>135,376</b>  | <b>(138,924)</b>                         | <b>21,508</b>                                     | <b>(117,416)</b>  | <b>17,960</b> | <b>1,443,840</b> |
| <b>2021</b>                             |   |  |   |                 |  |   |                   |               |                  |
| CEO Office                              | –   | 50   | (45)  | 5               | (1,925)                                  | 291   | (1,634)           | (1,629)       | 3                |
| Community services                      | 3,292                                       | 25,922                                     | (1,584)   | 27,630          | (36,152)                                 | 7,256   | (28,896)          | (1,266)       | 459              |
| Infrastructure Services                 | 8,536                                       | 6,483                                      | (3,144)   | 11,875          | (39,927)                                 | 7,140   | (32,787)          | (20,912)      | 551              |
| Executive Services                      | –   | 4,021                                      | (4,001)   | 20              | (5,271)                                  | 838   | (4,433)           | (4,413)       | 759              |
| Corporate Services                      | 2,612                                       | 73,623                                     | (11,532)  | 64,703          | (28,817)                                 | 2,678   | (26,139)          | 38,564        | 1,146,487        |
| Environment and Sustainable Development | 580   | 11,799                                     | (266)   | 12,113          | (15,420)                                 | 2,368   | (13,052)          | (939)         | 1,244            |
| Investment in Associates                | –   | 4,061                                      | –   | 4,061           | –  | –   | –                 | 4,061         | 30,746           |
| <b>Total</b>                            | <b>15,020</b>                               | <b>125,959</b>                             | <b>(20,572)</b>                                   | <b>120,407</b>  | <b>(127,512)</b>                         | <b>20,571</b>                                     | <b>(106,941)</b>  | <b>13,466</b> | <b>1,180,249</b> |

# Noosa Council

## Notes to the Financial Statements

for the year ended 30 June 2022

### Note 3. Revenue

| \$ '000   | 2022          | 2021          |
|---|---------------|---------------|
| <b>(a) Rates, Levies and Charges</b>  |               |               |
| Rates and annual charges are recognised as revenue when the Council obtains control over the assets comprising these receipts which is the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period. |               |               |
| General Rates   | 59,540        | 52,207        |
| Separate rates  | 3,669         | 5,599         |
| Special Rates   | 1,350         | 1,159         |
| Waste Utility Charges   | 13,468        | 13,208        |
| <b>Total Rates and Utility Charge Revenue</b>   | <b>78,027</b> | <b>72,173</b> |
| Less: Discounts   | (2,592)       | (2,178)       |
| Less: Pensioner Remissions  | (855)         | (827)         |
| <b>Total Rates, Levies and Charges</b>  | <b>74,580</b> | <b>69,168</b> |

From the 1 July 2021, Council resolved that tourism and economic development activities should be funded by general rates rather than through the continuation of a separate levy. The amount of revenue collected and subsequently spent on delivering these services remained unchanged, however this revenue is now reported as general rates.

Council also introduced a new general rating category for properties offered for transitory or short stay accommodation on the basis those properties contribute more towards the demand on Council services and infrastructure than land that is not used for short stay purposes.

| \$ '000  | 2022         | 2021         |
|--|--------------|--------------|
| <b>(b) Fees and Charges</b>  |              |              |
| Revenue arising from fees and charges are recognised at the point in time when the performance obligation is completed and the customer receives the benefit of the services being provided.   |              |              |
| The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases, the customer is required to pay on arrival, for example caravan parks. There is no material obligation for Council in relation to refunds or returns. |              |              |
| Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than the term of the licence.  |              |              |
| Revenue from infringements is recognised on issue of infringement notice after applying the expected credit loss model relating to impairment of receivables for initial recognition of statutory receivables.   |              |              |
| Building and Development Fees  | 4,518        | 3,312        |
| Permits and Licences   | 1,125        | 786          |
| Fines and Penalties  | 289          | 517          |
| Registration Fees  | 452          | 423          |
| Parking Penalties  | 1,118        | 984          |
| User Fees and Charges  | 842          | 757          |
| Other Statutory Fees   | 635          | 725          |
| <b>Total Fees and Charges</b>  | <b>8,979</b> | <b>7,504</b> |

Notes to the Financial Statements

for the year ended 30 June 2022

Note 3. Revenue (continued)

**(c) Sales Revenue**

Sale of goods revenue is recognised at the point in time when the customer obtains control of the goods. Revenue from services is recognised when the service is rendered.

Revenue from contracts and recoverable works generally comprises a recoupment of material costs together with an hourly charge for use of equipment and employees. This revenue and the associated costs are recognised by reference to the stage of completion of the contract activity, based on costs incurred at the reporting date. Where consideration is received for the service in advance it is included in other liabilities and is recognised as revenue in the period when the service is performed.

| \$ '000                        | 2022          | 2021          |
|--------------------------------|---------------|---------------|
| <b>Rendering of Services</b>   |               |               |
| Contract and Recoverable Works | 8             | 28            |
| Waste Management Charges       | 4,251         | 3,783         |
| Venue Hire                     | 391           | 276           |
| Holiday Parks Fees and Charges | 3,777         | 3,832         |
| Learn to Swim                  | 706           | 655           |
| Admission Fees                 | 1,408         | 1,306         |
| <b>Total Sale of Services</b>  | <b>10,541</b> | <b>9,880</b>  |
| <b>Sale of Goods</b>           |               |               |
| Sale of Recyclables            | 1,732         | 1,119         |
| Retail Shop Sales              | 697           | 558           |
| <b>Total Sale of Goods</b>     | <b>2,429</b>  | <b>1,677</b>  |
| <b>Total Sales Revenue</b>     | <b>12,970</b> | <b>11,557</b> |

**(d) Grants, Subsidies, Contributions and Donations**

**Grant Income under AASB 15**

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

The performance obligations vary in each agreement but include respite and care service hours completed; events, workshops and exhibitions held; and programs developed and completed.

Payment terms vary depending on the terms of the grant. Cash is received upfront for some grants and on the achievement of certain payment milestones for others.

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

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

**Grant Income under AASB 1058**

Assets arising from grants in the scope of AASB 1058 are recognised at the asset's fair value when the asset is received. Councils considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

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

## Notes to the Financial Statements

for the year ended 30 June 2022

### Note 3. Revenue (continued)

#### Capital Grants

Capital grants received to enable Council to acquire or construct an item of property, plant and equipment to identified specifications which will be under Council's control and which is enforceable are recognised as revenue as and when the obligation to construct or purchase is completed. For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin.

#### Donations and Contributions

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

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

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

| \$ '000   | 2022         | 2021         |
|---|--------------|--------------|
| <b>(i) Operating</b>  |              |              |
| General Purpose Grants  | 3,168        | 2,300        |
| State Government Subsidies and Grants                                 | 1,827        | 1,496        |
| Commonwealth Government Subsidies and Grants                          | 3,982        | 2,298        |
| Donations   | 53           | 13           |
| Contributions   | 8            | –            |
| <b>Total Recurrent Grants, Subsidies, Contributions and Donations</b> | <b>9,038</b> | <b>6,107</b> |

#### (ii) Capital

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

|   |               |               |
|---|---------------|---------------|
| State Government Subsidies and Grants                                 | 10,239        | 5,059         |
| Commonwealth Government Subsidies and Grants                          | 2,319         | 3,866         |
| Contributions   | 2,098         | 2,522         |
| Non-monetary Developer Assets Contributed by Developers at Fair Value | 699           | 1,730         |
|   | <b>15,355</b> | <b>13,177</b> |
| <b>Total Capital Grants, Subsidies, Contributions and Donations</b>   | <b>15,355</b> | <b>13,177</b> |

# Noosa Council

## Notes to the Financial Statements

for the year ended 30 June 2022

### Note 3. Revenue (continued)

#### (iii) Timing of Revenue Recognition for Grants, Subsidies, Contributions and Donations

| \$ '000              | 2022                                  |                              | 2021                                  |                              |
|----------------------|---------------------------------------|------------------------------|---------------------------------------|------------------------------|
|                      | Revenue recognised at a point in time | Revenue recognised over time | Revenue recognised at a point in time | Revenue recognised over time |
| Grants and Subsidies | 6,818                                 | 14,718                       | 4,307                                 | 10,712                       |
| Donations            | 3                                     | –                            | 13                                    | –                            |
| Contributions        | 2,854                                 | –                            | 4,252                                 | –                            |
|                      | <u>9,675</u>                          | <u>14,718</u>                | <u>8,572</u>                          | <u>10,712</u>                |

### Note 4. Interest and Other income

| \$ '000 | 2022 | 2021 |
|---------|------|------|
|---------|------|------|

#### (a) Interest and Investment Revenue

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

|  |              |              |
|--|--------------|--------------|
| Interest from Financial Institutions and Term Deposits | 414          | 421          |
| Interest from Overdue Rates and Utility Charges        | 381          | 380          |
| Loan to Unitywater                                     | 2,018        | 2,220        |
| <b>Total Interest and Investment Revenue</b>           | <u>2,813</u> | <u>3,021</u> |

#### (b) Other Income

Dividends are recognised when they are declared.

|   |              |              |
|---|--------------|--------------|
| Unitywater Income Tax Equivalent Received | 1,913        | 1,936        |
| Other                                     | 1,010        | 1,016        |
| <b>Total Other Income</b>                 | <u>2,923</u> | <u>2,952</u> |

### Note 5. Capital Income

| \$ '000 | Notes | 2022 | 2021 |
|---------|-------|------|------|
|---------|-------|------|------|

#### Revaluations

|   |    |            |          |
|---|----|------------|----------|
| Revaluation Increment relating to Investment Property | 14 | 400        | –        |
|   |    | <u>400</u> | <u>–</u> |
| <b>Total Capital Income</b>                           |    | <u>400</u> | <u>–</u> |

# Noosa Council

## Notes to the Financial Statements

for the year ended 30 June 2022

### Note 6. Employee Benefits

| \$ '000  | Notes | 2022          | 2021<br>Restated |
|--|-------|---------------|------------------|
| Employee benefit expenses are recorded when the service has been provided by the employee. |       |               |                  |
| Wages and Salaries   |       | 28,377        | 27,969           |
| Councillors Remuneration   |       | 573           | 561              |
| Annual, Sick and Long Service Leave Entitlements   |       | 4,957         | 4,726            |
| Superannuation   | 26    | 3,767         | 3,594            |
|  |       | <u>37,674</u> | <u>36,850</u>    |
| Other Employee Related Expenses  |       | 2,024         | 1,594            |
|  |       | <u>39,698</u> | <u>38,444</u>    |
| Less: Capitalised Employee Expenses  |       | (2,046)       | (2,512)          |
| <b>Total Employee Benefits</b>   | 28    | <u>37,652</u> | <u>35,932</u>    |

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

|  | 2022<br>Number | 2021<br>Number |
|--|----------------|----------------|
| <b>Additional information:</b>                 |                |                |
| Total Council employees at the reporting date: |                |                |
| Elected Members                                | 7              | 7              |
| Administration Staff                           | 280            | 273            |
| Depot and Outdoors Staff                       | 107            | 111            |
| <b>Total Full Time Equivalent Employees</b>    | <u>394</u>     | <u>391</u>     |

### Note 7. Materials and Services

| \$ '000   | 2022          | 2021<br>Restated |
|---|---------------|------------------|
| Expenses are recorded on an accruals basis as Council receives the goods or services. |               |                  |
| Administration Supplies and Consumables   | 651           | 617              |
| Audit Services *  | 170           | 161              |
| Communications and IT   | 928           | 679              |
| Consultancy Services  | 1,598         | 1,251            |
| Contract Services   | 24,698        | 21,473           |
| Commission Paid   | 1,449         | 1,217            |
| Donations, Contributions and Prizes   | 3,532         | 3,787            |
| Electricity   | 1,654         | 1,580            |
| Fleet Operating Costs   | 1,996         | 1,859            |
| Grants Paid to Community Organisations  | 1,573         | 1,033            |
| Insurance   | 688           | 645              |
| Legal Expenses  | 1,741         | 1,648            |
| Operating Leases - Rentals  | 306           | 262              |
| Software and Maintenance  | 2,144         | 1,829            |
| Water and Sewerage Costs  | 854           | 851              |
| Other Materials and Services  | 6,554         | 5,518            |
| Less: Capitalised Internal Expenses   | (45)          | (110)            |
| <b>Total Materials and Services</b>   | <u>50,491</u> | <u>44,300</u>    |

Audit fees quoted by the Queensland Audit Office relating to the 2021/22 financial statements were \$153,500 (2021: \$138,000).

# Noosa Council

## Notes to the Financial Statements

for the year ended 30 June 2022

### Note 8. Finance Costs

| <b>\$ '000</b>                                  | Notes | <b>2022</b>  | <b>2021</b>  |
|---|-------|--------------|--------------|
| Finance Costs - Queensland Treasury Corporation | 20    | 527          | 3,458        |
| Bank Charges                                    |       | 147          | 138          |
| Impairment of Receivables                       |       | 7            | (8)          |
| Interest on Leases                              | 18    | 2            | 3            |
| Landfill Restoration                            | 21    | 8,016        | 1,236        |
| <b>Total Finance Costs</b>                      |       | <b>8,699</b> | <b>4,827</b> |

In the 2020/21 financial year Council elected to refinance its existing QTC debt pool under the Local Government Debt Refinancing Program. As a result, an early repayment adjustment of \$2.5 million reflecting the difference between the book value and the market value of the debt was incurred.

### Note 9. Capital Expenses

| <b>\$ '000</b>                               | Notes | <b>2022</b>  | <b>2021</b>  |
|--|-------|--------------|--------------|
| <b>(a) Revaluation Decrement</b>             |       |              |              |
| Downwards Revaluation of Investment Property | 14    | —            | 100          |
|  |       | <u>—</u>     | <u>100</u>   |
| <b>(b) Other Capital Expenses</b>            |       |              |              |
| Loss on Write-off of Assets                  |       | 2,645        | 4,700        |
|  |       | <u>2,645</u> | <u>4,700</u> |
| <b>Total Capital Expenses</b>                |       | <b>2,645</b> | <b>4,800</b> |

### Note 10. Cash, Cash Equivalents and Financial Assets

| <b>\$ '000</b>   | <b>2022</b>   | <b>2021</b>   |
|--|---------------|---------------|
| Cash and cash equivalents in the statement of cash flows include cash on hand, all cash and cheques receipted but not banked at the year end, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to cash and which are subject to an insignificant risk of changes in value. |               |               |
| <b>Cash and Cash Equivalents</b>   |               |               |
| Cash at Bank and On Hand   | 1,484         | 1,237         |
| Deposits at Call   | 97,017        | 68,791        |
| <b>Balance per Statement of Financial Position</b>   | <b>98,501</b> | <b>70,028</b> |
| <b>Balance per Statement of Cashflows</b>  | <b>98,501</b> | <b>70,028</b> |

# Noosa Council

## Notes to the Financial Statements

for the year ended 30 June 2022

### Note 10. Cash, Cash Equivalents and Financial Assets (continued)

| \$ '000  | 2022          | 2021          |
|--|---------------|---------------|
| <b>Restricted and Internally Allocated Cash and Cash Equivalents</b> |               |               |
| Cash and Cash Equivalents  | 98,501        | 70,028        |
| Less: Externally Imposed Restrictions on Cash                        | (26,091)      | (12,064)      |
| <b>Unrestricted cash</b>   | <b>72,410</b> | <b>57,964</b> |

#### Restricted Cash and Cash Equivalents

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

##### (i) Externally imposed expenditure restrictions at the reporting date relate to the following cash assets:

|   |               |               |
|---|---------------|---------------|
| Unspent Government Grants and Subsidies                     | 16,731        | 4,878         |
| Unspent Levy Funds  | 6,297         | 5,208         |
| Unspent Developer Contributions                             | 748           | 1,978         |
| Unspent Loan Monies   | 2,315         | –             |
| <b>Total Externally Imposed Restrictions on Cash Assets</b> | <b>26,091</b> | <b>12,064</b> |

##### (ii) Internal allocations of cash at the reporting date:

Internal allocations of cash may be lifted by a Council with a resolution.

|  |               |               |
|--|---------------|---------------|
| Future Asset Replacement               | 1,848         | 4,197         |
| Natural Disaster Rehabilitation        | 2,977         | 2,610         |
| Waste Management                       | 2,509         | 2,073         |
| Specific Purpose Recurrent             | 1,487         | 1,543         |
| <b>Total Internally Allocated Cash</b> | <b>8,821</b>  | <b>10,423</b> |
| <b>Total Unspent Restricted Cash</b>   | <b>34,912</b> | <b>22,487</b> |

Cash and deposits at call are held in the Commonwealth Bank in a normal business cheque account. On call accounts are also held with QTC. Deposits at call earned variable interest over varying terms at interest rates between 0.00% and 0.95%.

#### Investments

Term deposits with an initial maturity term greater than three months are treated as investments, with deposits of less than three months being reported as cash equivalents.

### Note 11. Receivables

Receivables, loans and advances are amounts owed to Council at year end. They are recognised at the amount due at the time of sale or service delivery or advance. Settlement of receivables is required within 30 days after invoice is issued. Terms for loans and advances are usually a maximum of five years with interest charged at non-commercial rates. Security is not normally obtained.

Debts are regularly assessed for collectability and allowance is made where appropriate for impairment, with any loss recognised in finance costs. The amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated cash flows discounted at the effective interest rate.

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

All known bad debts were written-off at 30 June. If an amount is recovered in a subsequent period it is recognised as revenue.

Notes to the Financial Statements

for the year ended 30 June 2022

Note 11. Receivables (continued)

| \$ '000   | 2022          | 2021          |
|---|---------------|---------------|
| <b>Current</b>                                      |               |               |
| Rates and Charges                                   | 4,686         | 4,543         |
| Other Debtors                                       | 36            | 12            |
| GST Recoverable                                     | 1,084         | 808           |
| Accrued Revenues                                    | 2,188         | 2,018         |
| Fees and Charges                                    | 2,390         | 1,981         |
| Loans and Advances to Community Organisations       | 125           | 125           |
| <b>Total</b>  | <b>10,509</b> | <b>9,487</b>  |
| <b>less: Provision for Impairment</b>               |               |               |
| Fees and Charges                                    | (2)           | (2)           |
| <b>Total Provision for Impairment - Receivables</b> | <b>(2)</b>    | <b>(2)</b>    |
| <b>Total Current Receivables</b>                    | <b>10,507</b> | <b>9,485</b>  |
| <b>Non-Current</b>                                  |               |               |
| Loans and Advances to Associates                    | 49,218        | 49,218        |
| Loans and Advances to Community Organisations       | 125           | 250           |
| <b>Total Non-Current Receivables</b>                | <b>49,343</b> | <b>49,468</b> |

Refer also to Note 30 for further information about credit risk.

Interest is charged on outstanding rates (8.03% per annum from 1 July 2021, previously 8.53% per annum). No interest is charged on other debtors. There is no concentration of credit risk for rates and utility charges, fees and other debtors receivables.

A loan agreement for the subordinated debt was executed on the 21 June 2013. The interest only loan structure terminates on the 30 June 2033 with the interest rate set by QTC annually. Applicable interest rate for 2022 was 4.10% (2021: 4.51%).

**Accounting Policies - Receivables**

Receivables are measured at amortised cost which approximates fair value at reporting date. Trade debtors are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase/contract price. Settlement of these amounts is required within 30 days from invoice date.

**Accounting Policies - Grouping**

When Council has no reasonable expectation of recovering an amount owned by a debtor, and has ceased enforcement activity, the debt is written-off by directly reducing the receivable against the loss allowance. If the amount of debt written off exceeds the loss allowance, the excess is recognised as an impairment loss.

Accounting for impairment losses is dependent upon the individual group of receivables subject to impairment. The loss allowance for grouped receivables reflects lifetime expected credit losses (ECL) and incorporates reasonable and supportable forward-looking information. Economic changes impacting debtors, and relevant industry data form part of the impairment assessment. Council has identified 3 distinctive groupings of its receivables: rates and charges, statutory charges and other debtors.

Rates and charges: Council is empowered under the provisions of the Local Government Act 2009 to sell an owner's property to recover outstanding rate debts and therefore the expected credit loss is immaterial. Impairment of rates and charges will occur only if arrears are deemed to be greater than the proceeds Council would receive from the sale of the respective property.

Statutory charges: In some limited circumstances Council may write off impaired statutory charges, on this basis Council calculates an ECL for statutory charges (non-rates and utility charges). Although not material, disclosure is being made for the purposes of public interest and transparency.

Notes to the Financial Statements

for the year ended 30 June 2022

Note 11. Receivables (continued)

Other debtors: Council identifies other debtors as receivables which are not rates and charges or statutory charges. This includes, but is not limited to property leases, respite services, venue hire, commercial waste charges and grants.

**Credit risk exposure and impairment of receivables**

The maximum exposure to credit risk at balance date for receivables is the gross carrying amount of those assets. No collateral is held as security.

Council uses a provision matrix to measure the expected credit losses on statutory charges and other debtors. These calculations reflect current conditions and Council's view of economic conditions over the expected lives of the receivable. As well as historically observed default rates, calculated using credit losses experienced on past transactions for each group.

Council considers forecasts of macroeconomic conditions such as inflation, unemployment rates and interest rates and their expected impacts on the default rates. Using this forward-looking information, Council would adjust its historical loss rates upwards or downwards to incorporate these forecasts.

After reviewing macro economic conditions, Council has determined that while forward looking conditions are expected to deviate from those observed historically, any potential impact is expected to be immaterial given the type and nature of Council receivables, accordingly no forward looking adjustments were made.

**Expected credit loss assessment**

The Council uses an allowance matrix to measure the expected credit losses of trade receivables from individual customers, which comprise a very large number of small balances.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off.

| 2022                                       | Closing Balance | Historical Probability of Default | Loss Given Default | Lifetime Expected Credit Loss |
|--|-----------------|-----------------------------------|--------------------|-------------------------------|
| Ageing                                     | \$ '000         | %                                 | %                  | \$ '000                       |
| <b>Rates and Charges</b>                   | 4,685           | 0%                                | 0%                 | –                             |
| <b>Statutory Charges and Other Debtors</b> | –               |                                   |                    |                               |
| Current                                    | 2,018           | 0.07%                             | 100%               | 1                             |
| 1-30 days                                  | 134             | 0.25%                             | 100%               | –                             |
| 31-60 days                                 | 56              | 0.21%                             | 100%               | –                             |
| 61-90 days                                 | 55              | 1.11%                             | 100%               | 1                             |
| 90+ days                                   | 1,248           | 0.00%                             | 100%               | –                             |
| <b>Total</b>                               | <b>8,196</b>    |                                   |                    | <b>2</b>                      |

| 2021                                       | Closing Balance | Historical Probability of Default | Loss Given Default | Lifetime Expected Credit Loss |
|--|-----------------|-----------------------------------|--------------------|-------------------------------|
| Ageing                                     | \$ '000         | %                                 | %                  | \$ '000                       |
| <b>Rates and Charges</b>                   | 4,537           | 0%                                | 100%               | –                             |
| <b>Statutory Charges and Other Debtors</b> | –               |                                   |                    |                               |
| Current                                    | 1,641           | 0.00%                             | 100%               | 1                             |
| 1-30 days                                  | 60              | 0.08%                             | 100%               | –                             |
| 31-60 days                                 | 32              | 0.09%                             | 100%               | –                             |
| 61-90 days                                 | 39              | 0.22%                             | 100%               | 1                             |
| 90+ days                                   | 1,035           | 0.01%                             | 100%               | –                             |
| <b>Total</b>                               | <b>7,344</b>    |                                   |                    | <b>2</b>                      |

# Noosa Council

## Notes to the Financial Statements

for the year ended 30 June 2022

### Note 12. Other Assets

| \$ '000                           | 2022         | 2021         |
|-----------------------------------|--------------|--------------|
| <b>Current</b>                    |              |              |
| Prepayments                       | 2,898        | 2,938        |
| <b>Total Current Other Assets</b> | <b>2,898</b> | <b>2,938</b> |

### Note 13. Equity Investments

#### Accounting Recognition:

As at 1 July 2010 a water distribution and retail business called Unitywater was established in accordance with the *South-East Queensland Water (Distribution and Retail Restructuring) Act 2009* to deliver water and waste water services to customers within the local government areas of Moreton Bay Regional Council, Sunshine Coast Regional Council and Noosa Shire Council.

Under the Act, governance arrangements for Unitywater were established in a Participation Agreement which commenced from 1 July 2010. The agreement provides for participation rights to be held by the participating Councils. The participating Councils are Noosa Shire Council, Moreton Bay Regional Council and the Sunshine Coast Regional Council. The Participation Rights effectively represent an investment in an associate by Noosa Shire Council.

Investment in Associates are accounted for using the Equity method whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Council's share of the Unitywater's net assets.

Council's Statement of Comprehensive Income includes its share in Unitywater's profit or loss and other comprehensive income for the year ended 30 June 2022.

During the year, Unitywater revised its accounting policy in relation to configuration and customisation costs incurred in implementing cloud computing arrangements in response to the IFRIC agenda decision clarifying its interpretation of how current accounting standards apply to these types of arrangements. The change in policy has been retrospectively applied and comparative financial information has been restated. Further information on this change is outlined in Note 28.

| \$ '000      | Council's Share of Net Income |                  | Council's Share of Net Assets |                  |
|--------------|-------------------------------|------------------|-------------------------------|------------------|
|              | 2022                          | 2021<br>Restated | 2022                          | 2021<br>Restated |
| Unitywater   | 6,508                         | 5,556            | 100,140                       | 95,349           |
| <b>Total</b> | <b>6,508</b>                  | <b>5,556</b>     | <b>100,140</b>                | <b>95,349</b>    |

### Associates

Council has incorporated the following Associates into its consolidated Financial Statements.

#### (a) Net Carrying Amounts – Council's Share

| \$ '000                       | Nature of Relationship | Measurement Method | 2022          | 2021          |
|-------------------------------|------------------------|--------------------|---------------|---------------|
|                               |                        |                    |               | Restated      |
| Unitywater                    | Associate              | Equity             | 96,515        | 91,724        |
| <b>Total Carrying Amounts</b> |                        |                    | <b>96,515</b> | <b>91,724</b> |

# Noosa Council

## Notes to the Financial Statements

for the year ended 30 June 2022

### Note 13. Equity Investments (continued)

#### (b) Details

|            | Principal Activity            | Place of Business                             |
|------------|-------------------------------|---|
| Unitywater | Water and Wastewater Services | Moreton Bay, Sunshine Coast and Noosa Regions |

#### (c) Relevant Interests

|            | Participation Portion |       |
|------------|-----------------------|-------|
|            | 2022                  | 2021  |
| Unitywater | 4.25%                 | 4.25% |

#### (d) Summarised Financial Information for Associates

| \$ '000   | Unitywater<br>2022 | 2021<br>Restated |
|---|--------------------|------------------|
| Current Assets                                      | 12,136             | 12,090           |
| Non-Current Assets                                  | 171,524            | 165,104          |
| <b>Total Assets</b>                                 | <b>183,660</b>     | <b>177,194</b>   |
| Current Liabilities                                 | 7,508              | 6,782            |
| Non-Current Liabilities                             | 76,012             | 75,063           |
| <b>Total Liabilities</b>                            | <b>83,520</b>      | <b>81,845</b>    |
| <b>Net Assets</b>                                   | <b>100,140</b>     | <b>95,349</b>    |
| <b>Reconciliation of the Carrying Amount</b>        |                    |                  |
| Opening Net Assets (1 July)                         | 91,724             | 87,599           |
| Profit/(Loss) for the period                        | 6,508              | 5,556            |
| Dividends Payable                                   | (1,717)            | (1,495)          |
| Other Adjustments to Equity                         | –                  | 64               |
| <b>Closing Participation Rights</b>                 | <b>96,515</b>      | <b>91,724</b>    |
| Council's share in %                                | 4.25%              | 4.25%            |
| Council's share in \$                               | 100,140            | 95,349           |
| <b>Summarised Statement of Comprehensive Income</b> |                    |                  |
| Income  | 32,229             | 30,756           |
| Income Tax Expense                                  | (2,787)            | (2,379)          |
| Other Expenses                                      | (22,934)           | (22,821)         |
| <b>Profit/(Loss) for the period</b>                 | <b>6,508</b>       | <b>5,556</b>     |
| <b>Total Comprehensive Income</b>                   | <b>6,508</b>       | <b>5,556</b>     |
| Dividends received by Council                       | 1,717              | 1,495            |

## Notes to the Financial Statements

for the year ended 30 June 2022

### Note 14. Investment Property

Investment property is property held for the primary purpose of earning rentals and/or capital appreciation. This includes land held by Council for a currently undetermined future use. Investment property does not include community housing or other property held to provide a social service.

Investment property is initially recognised at cost (including transaction costs) and subsequently at fair value. Where investment property is acquired for significantly below fair value it is recorded at fair value on initial recognition. The methodology used for determining subsequent fair value is outlined in Note 15.

Gains or losses arising from changes in the fair value of investment property are recognised as incomes or expenses respectively for the period in which they arise. Investment property is not depreciated and is not tested for impairment.

#### Owned Investment Property

| <b>\$ '000</b>                            | <b>2022</b>  | <b>2021</b>  |
|---|--------------|--------------|
| Fair value at Beginning of Financial Year | 2,900        | 3,000        |
| Revaluation Increment/(Decrement)         | 400          | (100)        |
| <b>Total Investment Property</b>          | <b>3,300</b> | <b>2,900</b> |

Operating expenses in respect of investment property are reported in Note 7 and 18.

# Noosa Council

## Notes to the Financial Statements

for the year ended 30 June 2022

### Note 15. Property, Plant and Equipment

| \$ '000                                      | Capital Work in Progress | Land           | Buildings      | Plant and Equipment | Road and Bridge Network | Storm Water    | Other Infrastructure Assets | Total            |
|--|--------------------------|----------------|----------------|---------------------|-------------------------|----------------|-----------------------------|------------------|
| <b>2022</b>                                  |                          |                |                |                     |                         |                |                             |                  |
| Measurement basis                            | Cost                     | Fair Value     | Fair Value     | Cost                | Fair Value              | Fair Value     | Fair Value                  | –                |
| <b>Opening Gross Balance</b>                 | 26,458                   | 176,062        | 90,276         | 14,217              | 629,097                 | 190,940        | 84,800                      | 1,211,850        |
| Additions                                    | 36,315                   | –              | –              | –                   | –                       | –              | –                           | 36,315           |
| Discovered Assets                            | –                        | 2              | –              | –                   | 93                      | 129            | 16                          | 240              |
| Contributed Assets                           | –                        | –              | –              | –                   | 166                     | 519            | 14                          | 699              |
| Disposals                                    | –                        | (635)          | (346)          | (930)               | (940)                   | (349)          | (215)                       | (3,415)          |
| Write-offs                                   | (1,229)                  | –              | –              | –                   | –                       | –              | –                           | (1,229)          |
| Revaluation Adjustments to Equity (ARS)      | –                        | 134,773        | 14,102         | –                   | 63,892                  | 19,495         | 10,743                      | 243,005          |
| Work in Progress Transfers                   | (9,866)                  | 89             | 1,060          | 1,787               | 3,647                   | 1,824          | 1,459                       | –                |
| Transfers from/(to) Intangible Assets        | 157                      | –              | –              | –                   | –                       | –              | –                           | 157              |
| Transfers to / from Other Asset Classes      | –                        | –              | –              | (597)               | 539                     | –              | 58                          | –                |
| <b>Total Gross Value</b>                     | <b>51,835</b>            | <b>310,291</b> | <b>105,092</b> | <b>14,477</b>       | <b>696,494</b>          | <b>212,558</b> | <b>96,875</b>               | <b>1,487,622</b> |
| <b>Opening Accumulated Depreciation</b>      | –                        | –              | 28,033         | 6,318               | 140,198                 | 47,169         | 37,552                      | 259,270          |
| Correction to Opening Balances               | –                        | –              | –              | –                   | –                       | –              | –                           | –                |
| Depreciation Expense                         | –                        | –              | 1,936          | 1,193               | 9,132                   | 2,174          | 3,419                       | 17,854           |
| Write-offs                                   | –                        | –              | (115)          | (567)               | (476)                   | (101)          | (144)                       | (1,403)          |
| Revaluation Adjustments to Equity (ARS)      | –                        | –              | 4,626          | –                   | 15,040                  | 4,973          | 5,085                       | 29,724           |
| Transfers to / from Other Asset Classes      | –                        | –              | –              | (150)               | 51                      | –              | 99                          | –                |
| <b>Total Accumulated Depreciation</b>        | <b>–</b>                 | <b>–</b>       | <b>34,480</b>  | <b>6,794</b>        | <b>163,945</b>          | <b>54,215</b>  | <b>46,011</b>               | <b>305,445</b>   |
| <b>Consolidated Book Value as at 30 June</b> | <b>51,835</b>            | <b>310,291</b> | <b>70,612</b>  | <b>7,683</b>        | <b>532,549</b>          | <b>158,343</b> | <b>50,864</b>               | <b>1,182,177</b> |
| <b>Other Information</b>                     |                          |                |                |                     |                         |                |                             |                  |
| Range of Estimated Useful Life (years)       |                          |                | 0 - 100        | 1 - 50              | 0 - 120                 | 10 - 100       | 2 - 120                     | –                |
| <b>*Asset Additions comprise</b>             |                          |                |                |                     |                         |                |                             |                  |
| Asset Renewals                               | –                        | –              | 554            | 1,666               | 14,797                  | 947            | 3,663                       | 21,627           |
| Other Additions                              | –                        | –              | 3,380          | 20                  | 5,807                   | 350            | 5,131                       | 14,688           |
| <b>Total Asset Additions</b>                 | <b>–</b>                 | <b>–</b>       | <b>3,934</b>   | <b>1,686</b>        | <b>20,604</b>           | <b>1,297</b>   | <b>8,794</b>                | <b>36,315</b>    |

# Noosa Council

## Notes to the Financial Statements

for the year ended 30 June 2022

### Note 15. Property, Plant and Equipment (continued)

| \$ '000                                      | Capital Work in Progress | Land           | Buildings     | Plant and Equipment | Road and Bridge Network | Storm Water    | Other Infrastructure Assets | Total            |
|--|--------------------------|----------------|---------------|---------------------|-------------------------|----------------|-----------------------------|------------------|
| <b>2021</b>                                  |                          |                |               |                     |                         |                |                             |                  |
| Measurement basis                            | Cost                     | Fair Value     | Fair Value    | Cost                | Fair Value              | Fair Value     | Fair Value                  | –                |
| <b>Opening Gross Balance</b>                 | 36,707                   | 151,706        | 90,212        | 14,153              | 607,191                 | 187,834        | 91,592                      | 1,179,395        |
| Correction to Opening Balances               | –                        | –              | –             | –                   | –                       | –              | 1,375                       | 1,375            |
| Additions                                    | 20,839                   | –              | –             | –                   | –                       | –              | –                           | 20,839           |
| Contributed Assets                           | –                        | 353            | –             | –                   | 1,221                   | 117            | 39                          | 1,730            |
| Disposals                                    | –                        | –              | (1,008)       | (451)               | (5,576)                 | (537)          | (1,136)                     | (8,708)          |
| Write-offs                                   | (977)                    | –              | –             | –                   | –                       | –              | –                           | (977)            |
| Revaluation Adjustments to Equity (ARS)      | –                        | 23,059         | –             | –                   | –                       | –              | (5,213)                     | 17,846           |
| Work in Progress Transfers                   | (30,461)                 | 944            | 4,454         | 472                 | 18,249                  | 2,956          | 3,386                       | –                |
| Transfers from/(to) Intangible Assets        | 350                      | –              | –             | –                   | –                       | –              | –                           | 350              |
| Transfers to / from Other Asset Classes      | –                        | –              | (3,382)       | 43                  | 8,012                   | 570            | (5,243)                     | –                |
| <b>Total Gross Value</b>                     | <b>26,458</b>            | <b>176,062</b> | <b>90,276</b> | <b>14,217</b>       | <b>629,097</b>          | <b>190,940</b> | <b>84,800</b>               | <b>1,211,850</b> |
| <b>Opening Accumulated Depreciation</b>      | <b>–</b>                 | <b>–</b>       | <b>26,738</b> | <b>5,354</b>        | <b>130,052</b>          | <b>44,896</b>  | <b>43,265</b>               | <b>250,305</b>   |
| Correction to Opening Balances               | –                        | –              | –             | –                   | –                       | –              | 446                         | 446              |
| Depreciation Expense                         | –                        | –              | 1,902         | 1,182               | 8,805                   | 2,145          | 2,944                       | 16,978           |
| Write-offs                                   | –                        | –              | (540)         | (236)               | (2,894)                 | (86)           | (600)                       | (4,356)          |
| Revaluation Adjustments to Equity (ARS)      | –                        | –              | –             | –                   | –                       | –              | (4,103)                     | (4,103)          |
| Transfers to / from Other Asset Classes      | –                        | –              | (67)          | 18                  | 4,235                   | 214            | (4,400)                     | –                |
| <b>Total Accumulated Depreciation</b>        | <b>–</b>                 | <b>–</b>       | <b>28,033</b> | <b>6,318</b>        | <b>140,198</b>          | <b>47,169</b>  | <b>37,552</b>               | <b>259,270</b>   |
| <b>Consolidated Book Value as at 30 June</b> | <b>26,458</b>            | <b>176,062</b> | <b>62,243</b> | <b>7,899</b>        | <b>488,899</b>          | <b>143,771</b> | <b>47,248</b>               | <b>952,580</b>   |
| <b>Other Information</b>                     |                          |                |               |                     |                         |                |                             |                  |
| Range of Estimated Useful Life (years)       |                          |                | 0 - 100       | 1-50                | 0-120                   | 10-100         | 2-120                       | –                |
| <b>*Asset Additions comprise</b>             |                          |                |               |                     |                         |                |                             |                  |
| Asset Renewals                               | –                        | –              | 1,071         | 364                 | 11,117                  | 550            | 439                         | 13,541           |
| Other Additions                              | –                        | 944            | 1,830         | 71                  | 1,724                   | 21             | 2,708                       | 7,298            |
| <b>Total Asset Additions</b>                 | <b>–</b>                 | <b>944</b>     | <b>2,901</b>  | <b>435</b>          | <b>12,841</b>           | <b>571</b>     | <b>3,147</b>                | <b>20,839</b>    |

## Notes to the Financial Statements

for the year ended 30 June 2022

### Note 15. Property, Plant and Equipment (continued)

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#### (a) Recognition and Measurement

##### Recognition

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment losses. Items of property, plant and equipment with a total value of less than \$5,000, \$1,000 for computer equipment and \$15,000 for buildings, except for land and network assets (which have a recognition threshold of \$1) are treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised.

The classes of property, plant and equipment recognised by Council are set out in the table contained in this note.

##### Acquisition of Assets

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

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

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

##### Capital Work in Progress

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

#### (b) Depreciation

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

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

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

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

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

The condition assessments performed as part of the annual valuation process for assets measured at depreciated current replacement cost are used to estimate the useful lives of these assets at each reporting date. Road formation has an unlimited life and is not subject to depreciation. The range of estimated useful lives for each class of asset are detailed in the table contained in this note.

## Notes to the Financial Statements

for the year ended 30 June 2022

### Note 15. Property, Plant and Equipment (continued)

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#### (c) Impairment

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

#### (d) Valuation

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

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

Council uses internal engineers to assess the condition and cost assumptions associated with all infrastructure assets, the results of which are considered in combination with the relevant cost index for region. Together these are used to form the basis of a management valuation for infrastructure asset classes in each of the intervening years.

With respect to the valuation of land and improvements, and buildings classes in the intervening years, management performs a desktop valuation. A desktop valuation involves management assessing the condition and cost assumptions associated with each asset class in conjunction with the movements in the relevant indices as outlined in the valuation techniques table in Note 15(3). Together these are used to form the basis of the desktop valuation.

During the year Council engaged APV Valuers (APV) to undertake the comprehensive valuation of Council owned land. A significant proportion of this land is subject to special zoning restrictions and/or other limitations which impact the ability to sell this land in an open market without these constraints being removed. AASB 13 – Fair Value Measurement requires that assets are valued at their highest and best use for reporting purposes. APV have adopted a cost approach for the majority of Council's land parcels with a small proportion valued using the market approach.

In adopting the cost approach, APV have analysed and investigated property sales in areas surrounding the subject land to inform the basis of their valuation. Where a parcel of land is specialised in nature and there are no comparable land sales available to conduct a direct comparison approach the hypothetical development approach has been used.

The application of the cost approach to the majority of Council's land parcels by APV is different to the market value approach largely adopted in the previous valuation conducted in March 2018. While the market approach also uses recent sales evidence to determine land value, a discount factor is applied to take into account zoning restrictions and constraints attached to the land parcels. This change in approach is one of the major drivers for the significant increases observed in land valuations.

#### Recognised Fair Value Measurement

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

- Investment property
- Land
- Buildings
- Road and bridge network
- Storm water
- 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 the other notes.

Council borrowings are measured at amortised cost with interest recognised in profit or loss when incurred.

The fair value of borrowings disclosed in Note 20 is provided by the Queensland Treasury Corporation (QTC) and represents the market value to extinguish the debt at balance date. This information was provided by QTC and represents the contractual undiscounted cash flows at balance date. Liquidity risk information on Council's borrowings is also disclosed in Note 30.

Notes to the Financial Statements

for the year ended 30 June 2022

Note 15. Property, Plant and Equipment (continued)

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

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities,

**Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly,

**Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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 below presents all items that are measured and recognised within the Statement of Financial Position at fair value. In accordance with AASB 13, all fair value measurements are on a recurring basis and categorised as either Level 2 or Level 3 fair value measurements. Council does not have any assets or liabilities measured at fair value which meet the criteria for categorisation as Level 1.

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

| \$ '000                                    | Date of latest valuation | Fair value measurement using          |   | Total            |
|--|--------------------------|---------------------------------------|---|------------------|
|  |                          | Level 2 Significant observable inputs | Level 3 Significant unobservable inputs |                  |
| <b>2022</b>                                |                          |                                       |   |                  |
| <b>Property, Plant and Equipment</b>       |                          |                                       |   |                  |
| Land                                       | 30/06/2022               | 135,187                               | 175,104                                 | 310,291          |
| Buildings                                  | 30/06/2020               | –                                     | 70,611                                  | 70,611           |
| Road and Bridge Network                    | 31/03/2018               | –                                     | 532,548                                 | 532,548          |
| Storm Water                                | 30/06/2020               | –                                     | 158,343                                 | 158,343          |
| Other Infrastructure Assets                | 30/06/2021               | –                                     | 50,864                                  | 50,864           |
| Investment Property                        | 30/06/2022               | 3,300                                 | –                                       | 3,300            |
| <b>Total Property, Plant and Equipment</b> |                          | <b>138,487</b>                        | <b>987,470</b>                          | <b>1,125,957</b> |
| <b>2021</b>                                |                          |                                       |   |                  |
| <b>Property, Plant and Equipment</b>       |                          |                                       |   |                  |
| Land                                       | 13/03/2018               | 8,388                                 | 167,674                                 | 176,062          |
| Buildings                                  | 30/06/2020               | –                                     | 62,243                                  | 62,243           |
| Road and Bridge Network                    | 31/03/2018               | –                                     | 488,899                                 | 488,899          |
| Storm Water                                | 30/06/2020               | –                                     | 143,771                                 | 143,771          |
| Other Infrastructure Assets                | 30/06/2021               | –                                     | 47,248                                  | 47,248           |
| Investment Property                        | 30/06/2021               | 2,900                                 | –                                       | 2,900            |
| <b>Total Property, Plant and Equipment</b> |                          | <b>11,288</b>                         | <b>909,835</b>                          | <b>921,123</b>   |

**(2) Transfers between level 1 and level 2 fair value hierarchies**

During the year, there were no transfers between Level 1 and Level 2 Fair Value hierarchies for recurring fair value measurements.

Council's policy for determining transfers between fair value hierarchies is at the end of the reporting period.

Notes to the Financial Statements

for the year ended 30 June 2022

Note 15. Property, Plant and Equipment (continued)

**(3) Valuation techniques used to derive level 2 and level 3 fair values**

Where Council is unable to derive fair valuations using quoted market prices of identical assets (ie. Level 1 inputs) Council instead utilises a spread of both observable inputs (Level 2 inputs) and unobservable inputs (Level 3 inputs).

The Fair Valuation techniques Council has employed while utilising Level 2 and Level 3 inputs are as follows:

| <b>Asset Class and Fair Value Hierarchy</b>      | <b>Valuation approach</b> | <b>Last comprehensive valuation date</b> | <b>Valuer engaged</b>            | <b>Key assumptions and estimates (related data sources)</b>  | <b>Index applied (change in index recognised this year)</b>   | <b>Other interim revaluation adjustment</b> |
|--|---------------------------|--|----------------------------------|--|---|---|
| Land (Level 2)<br>2022: \$135.2m<br>2021: \$8.4m | Cost Approach             | 30/06/22                                 | APV Valuers and Asset Management | Active and liquid market available for comparison when determining replacement cost.<br>Land sales for similar properties are analysed and compared taking into account area, location and other general site characteristics. | Queensland Government Statistician's Office Land Development Activity Profile for Noosa Shire (Median Residential Sale Price)<br>Most Recent Index Applied: 15.2% - equivalent to 2 years movement (2021) | Nil   |

Notes to the Financial Statements

for the year ended 30 June 2022

Note 15. Property, Plant and Equipment (continued)

| <b>Asset Class and Fair Value Hierarchy</b>           | <b>Valuation approach</b> | <b>Last comprehensive valuation date</b> | <b>Valuer engaged</b>            | <b>Key assumptions and estimates (related data sources)</b>  | <b>Index applied (change in index recognised this year)</b>   | <b>Other interim revaluation adjustment</b> |
|---|---------------------------|--|----------------------------------|--|---|---|
| Land (Level 3)<br>2022: \$175.1m<br>2021: \$167.7m    | Cost Approach             | 30/06/22                                 | APV Valuers and Asset Management | No observable active market - (i.e land utilised for footpaths, access restriction purposes or has a volumetric title). Land sales are analysed and compared taking into account area, location and other general site characteristics. The hypothetical development approach is used for land which is specialised in nature and where no comparable land sales are available.  | Queensland Government Statistician's Office Land Development Activity Profile for Noosa Shire (Median Residential Sale Price)<br>Most Recent Index Applied: 15.2% - equivalent to 2 years movement (2021) | Nil   |
| Buildings (Level 3)<br>2022: \$70.6m<br>2021: \$62.2m | Current replacement cost  | 30/06/2020                               | Australis Asset Advisory Group   | No active market due to the specialised nature of the assets and the services local government buildings provide. Valuations are determined using unit rates for construction taking into consideration industry standard cost guides, project costs from recently completed buildings. Other inputs to cost, useful life and remaining life include economic value, legal and commercial obsolescence, industry standards, asset condition and consumption rating applied. All buildings are separated into different components with value determined based on a range of interrelating factors. i.e. sub-structure, superstructure, roof, electrical and lighting, fitout and fittings, fire services, HVA, mechanical and security services. | ABS Producer Price Index: 3020 Non-residential building construction, Queensland Most Recent Index Applied: 15.5% equivalent to 2 years (2022)  | Nil   |

Notes to the Financial Statements

for the year ended 30 June 2022

Note 15. Property, Plant and Equipment (continued)

| <b>Asset Class and Fair Value Hierarchy</b>                             | <b>Valuation approach</b> | <b>Last comprehensive valuation date</b> | <b>Valuer engaged</b>          | <b>Key assumptions and estimates (related data sources)</b>  | <b>Index applied (change in index recognised this year)</b>   | <b>Other interim revaluation adjustment</b> |
|---|---------------------------|--|--------------------------------|--|---|---|
| Other Infrastructure Assets (Level 3)<br>2022: \$50.8m<br>2021: \$47.2m | Current replacement cost  | 30/06/2021                               | Australis Asset Advisory Group | No active market due to the specialised nature of services these assets provide. Unit rates are developed by estimating labour and materials required for asset replacement. Base rates were sourced using actual contract prices for recently completed projects or supply quotes for similar assets based on age, size, location and condition. Where costs are not available, rates were obtained from the valuer's database or the Rawlinson's Australian Construction Handbook, 2021 Edition.   | ABS Producer Price Index: 3020 Non-residential building construction, Queensland Most Recent Index Applied: 12.3% equivalent to 1 year (2022) | Nil   |
| Roads (Level 3)<br>2022: \$452.4m<br>2021: \$416.9m                     | Current replacement cost  | 31/03/2018                               | AssetVal Pty Ltd               | Unit rates are developed using actual contract prices for recently completed projects or supply quotes for similar assets based on age, size, location and condition. A first principles approach has been applied to developing unit rates by estimating plant, material and labour inputs required for design and construction. Where costs are not available rates were obtained from the valuer's database or the Rawlinson's Australian Construction Handbook, 2017 Edition. Roads are categorised as sealed or unsealed and separated into segments with three location factors for urban, rural and commercial/industrial. All segments are then componentised into sub-classes that make up each segment. i.e. road surface, road pavement base, road pavement sub-base, road shoulder, formation, kerb, footpath, signage, etc. | ABS Producer Price Index: 3101 Road and bridge construction, Queensland Most Recent Index Applied: 10.1% equivalent to 2 years (2022)         | Nil   |

Notes to the Financial Statements

for the year ended 30 June 2022

Note 15. Property, Plant and Equipment (continued)

| <b>Asset Class and Fair Value Hierarchy</b>                                 | <b>Valuation approach</b> | <b>Last comprehensive valuation date</b> | <b>Valuer engaged</b> | <b>Key assumptions and estimates (related data sources)</b>   | <b>Index applied (change in index recognised this year)</b>   | <b>Other interim revaluation adjustment</b> |
|---|---------------------------|--|-----------------------|---|---|---|
| Bridges (Level 3)<br>2022: \$80.2m<br>2021: \$72.0m                         | Current replacement cost  | 31/03/2018                               | AssetVal Pty Ltd      | Unit rates are developed according to varying material types used for construction, as well as deck area, size and length. Construction estimates were based on actual contract prices for recently completed projects or supply quotes for similar assets. Significant bridges were separately assessed by the valuer.   | ABS Producer Price Index: 3101 Road and bridge construction, Queensland Most Recent Index Applied: 10.1% equivalent to 2 years (2022) | Nil   |
| Storm water (Level 3)<br>2022: \$158.3m<br>2021: \$143.7m                   | Current replacement cost  | 30/06/2020                               | Jones Lang LaSalle    | Unit rates determined using market costs for supply and installation of similar assets or their modern equivalent taking into consideration variables such as asset size, depth, location and soil type. The first principles approach to deriving unit rates also consists of breaking down each asset into its construction elements including demolition, reinstatement, excavation, construction, delivery and installation. Stormwater assets are componentised into the significant components which may provide different function, economic benefit life. i.e. pipework, valves, culverts, manholes, headwalls, bio-retention basins. | ABS Producer Price Index: 3101 Road and bridge construction, Queensland Most Recent Index Applied: 10.1% equivalent to 2 years (2022) | Nil   |
| Investment Property (Level 2)<br>2022: \$3.3 million<br>2021: \$2.9 million | Market value              | 30/06/2022                               | AEC Group             | Two calculation methodologies underpin the market based valuation approach:<br>- Capitalisation rate valuation approach<br>- Discounted cashflow valuation approach   | Not Applicable<br>Valuations completed annually   | Nil   |

# Noosa Council

## Notes to the Financial Statements

for the year ended 30 June 2022

### Note 16. Intangible Assets

| \$ '000  | 2022  | 2021<br>Restated |
|--|-------|------------------|
| <b>Intangible Assets are as follows:</b>               |       |                  |
| <b>Opening Gross Carrying Value</b>                    | 616   | 616              |
| Work in Progress                                       | 275   | 240              |
| <b>Closing Gross Carrying Value</b>                    | 891   | 856              |
| <b>Opening Accumulated Amortisation and Impairment</b> | (449) | (394)            |
| Amortisation in the Period                             | (50)  | (55)             |
| <b>Closing Accumulated Amortisation and Impairment</b> | (499) | (449)            |
| <b>Total Intangible Assets - Net Book Value</b>        | 392   | 407              |

Software assets have a finite life estimated at 10 years.

In April 2021 the IFRS Interpretation Committee (IFRIC) clarified the position and treatment for accounting for costs of configuring or customising a suppliers application software in a Software as a Service (SaaS) arrangement pursuant to AASB 138 – Intangible Assets. The outcome is that Council is not able to recognise an intangible asset where it does not control the underlying software and those configuration or customisation activities do not create a resource controlled by Council that is separate from the software.

Council's principle cloud-based enterprise computer system, Technology One and several subsidiary platforms have been identified as meeting this criteria and as such these previously capitalised costs have been expensed. The application of this change in accounting policy is outlined in Note 28.

### Note 17. Contract Balances

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

| \$ '000                                     | 2022 | 2021 |
|---|------|------|
| <b>(a) Contract Assets</b>                  |      |      |
| <b>Current</b>                              |      |      |
| Contract Assets                             | –    | 487  |
| <b>Total Current Contract Assets</b>        | –    | 487  |
| <b>Classified as:</b>                       |      |      |
| Current Contract Assets                     | –    | 487  |
| <b>Total Contract Assets</b>                | –    | 487  |
| Contracts to Construct Council Owned Assets | –    | 487  |

# Noosa Council

## Notes to the Financial Statements

for the year ended 30 June 2022

### Note 17. Contract Balances (continued)

| \$ '000  | 2022         | 2021         |
|--|--------------|--------------|
| <b>(b) Contract Liabilities</b>  |              |              |
| <b>Current</b>   |              |              |
| <b>Grants</b>  |              |              |
| Funds received upfront to construct Council Controlled Assets  | 3,729        | 4,126        |
| <b>Total Grants</b>  | <b>3,729</b> | <b>4,126</b> |
| <b>Other Services</b>  |              |              |
| Non-Capital Performance Obligations not yet satisfied  | 101          | 251          |
| <b>Total Other Services</b>  | <b>101</b>   | <b>251</b>   |
| <b>Total Current Contract Liabilities</b>  | <b>3,830</b> | <b>4,377</b> |
| <b>Classified as:</b>  |              |              |
| Current Contract Liabilities   | 3,830        | 4,377        |
| <b>Total Contract Liabilities</b>  | <b>3,830</b> | <b>4,377</b> |
| <b>Revenue recognised that was included in the Contract Liability balance at the beginning of the year</b> |              |              |
| Funds to construct Council Controlled Assets   | 3,861        | 1,434        |
| Funds received in advance of services provided   | 251          | 127          |
| <b>Total Revenue included in the Contract Liability</b>  | <b>4,112</b> | <b>1,561</b> |

### Note 18. Leases

#### Council as a Lessee

Council has leases in place over property and various IT and Office equipment. Council has applied the exception to lease accounting for leases of low-value assets and short-term leases.

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

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

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

#### Exceptions to Lease Accounting

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

Notes to the Financial Statements

for the year ended 30 June 2022

Note 18. Leases (continued)

Terms and Conditions of Leases

Land

Council leases a parcel of land which is currently being utilised as a commercial slipway. The term of the lease was for 20 years and will expire in 2025, there are no extension provisions contained in the lease. Rent is calculated based on a 3 years average rental value at 6% and is payable for the term of the lease.

IT and Office Equipment

Council leases a number of items of equipment, many of these assets are considered low value and are therefore not subject to lease accounting. The more significant items have lease terms of 3 or more years with fixed payments for the term of the lease.

| \$ '000                                 | Buildings | Land      | IT and Office Equipment | Total     |
|---|-----------|-----------|-------------------------|-----------|
| <b>Right of Use Assets (ROU)</b>        |           |           |                         |           |
| <b>2022</b>                             |           |           |                         |           |
| Opening Balance at 1 July               | –         | 81        | 8                       | 89        |
| Depreciation Charge                     | –         | (21)      | (4)                     | (25)      |
| <b>Balance at 30 June</b>               | <b>–</b>  | <b>60</b> | <b>4</b>                | <b>64</b> |
| <b>2021</b>                             |           |           |                         |           |
| Opening Balance at 1 July               | 40        | 102       | 19                      | 161       |
| Adjustments for re-measurement of Lease | (23)      | –         | –                       | (23)      |
| Depreciation Charge                     | (17)      | (21)      | (11)                    | (49)      |
| <b>Balance at 30 June</b>               | <b>–</b>  | <b>81</b> | <b>8</b>                | <b>89</b> |

| \$ '000                        | 2022      | 2021      |
|--------------------------------|-----------|-----------|
| <b>Lease Liabilities</b>       |           |           |
| <b>Classified as:</b>          |           |           |
| Current Lease Liability        | 26        | 25        |
| Non-Current Lease Liability    | 40        | 66        |
| <b>Total Lease Liabilities</b> | <b>66</b> | <b>91</b> |

The following table shows the maturity analysis of the Lease Liability based on contracted cashflows and therefore the amounts will not be the same as the recognised Lease Liability in the Statement of Financial Position.

| \$ '000               | < 1 year  | 1 – 5 years | > 5 years | Total     | Total per Statement of Financial Position |
|-----------------------|-----------|-------------|-----------|-----------|---|
| <b>2022</b>           |           |             |           |           |   |
| Land                  | 22        | 39          | –         | 61        | 59  |
| IT & Office Equipment | 4         | 1           | –         | 5         | 5   |
|                       | <b>26</b> | <b>40</b>   | <b>–</b>  | <b>66</b> | <b>64</b>                                 |

Notes to the Financial Statements

for the year ended 30 June 2022

Note 18. Leases (continued)

| \$ '000               | < 1 year  | 1 – 5 years | > 5 years | Total     | Total per<br>Statement of<br>Financial<br>Position |
|-----------------------|-----------|-------------|-----------|-----------|--|
| <b>2021</b>           |           |             |           |           |  |
| Land                  | 23        | 63          | –         | 86        | 82   |
| IT & Office Equipment | 4         | 5           | –         | 9         | 9  |
|                       | <u>27</u> | <u>68</u>   | <u>–</u>  | <u>95</u> | <u>91</u>  |

**Future Cash Outflows not reflected in the measurement of Lease Liabilities**

The slipway lease liability has been calculated based on the current 3 years average rental value at 6%, no adjustment has been included for movement in the rental value over the remainder of the lease term. No allowance has been included for restoration costs that may be incurred at the end of the lease. The lease also contains various restrictions and conditions about what the site can be used for.

IT and Office equipment lease payments are generally fixed for the term of the arrangement and are not subject to any residual values at the end of the lease.

**Amounts included in the Statement of Comprehensive Income related to Leases**

The following amounts have been recognised in the statement of comprehensive income for leases where Council is the lessee.

| \$ '000   | 2022         | 2021         |
|---|--------------|--------------|
| <b>Expenses</b>                                 |              |              |
| Depreciation of Right-of-Use assets             | 25           | 49           |
| Interest expense on Lease Liabilities           | 2            | 2            |
| Expenses relating to Low-Value Assets           | 292          | 246          |
| <b>Net Expense relating to Leases</b>           | <u>319</u>   | <u>297</u>   |
| <b>Total Cash Inflows/(Outflows) for Leases</b> | <u>(320)</u> | <u>(298)</u> |

**Leases at significantly below market value – concessionary / peppercorn leases**

Council has a number of leases at significantly below market for land which are used for access easements and parklands.

The leases are generally between 10 and 20 years and require payments between \$1 and \$143 per annum. The use of the right-to-use asset is restricted by the lessors to specified community services which Council must provide, these services are detailed in the leases.

Council does not believe that any of the leases in place are individually material.

**Council as a Lessor**

When Council is a lessor, the lease is classified as either an operating or finance lease at inception date, based on whether substantially all of the risks and rewards incidental to ownership of the asset have been transferred to the lessee. If the risks and rewards have been transferred then the lease is classified as a finance lease, otherwise it is an operating lease.

If the lease contains lease and non-lease components then the non-lease components are accounted for in accordance with *AASB 15 Revenue from Contracts with Customers*.

The lease income is recognised on a straight-line basis over the lease term.

# Noosa Council

## Notes to the Financial Statements

for the year ended 30 June 2022

### Note 18. Leases (continued)

#### Operating Leases

Where Council retains the risks and rewards relating to a lease, they are classified as operating leases and relate to the investment property in the statement of financial position.

Rent from investment and other property is recognised as income on a periodic straight line basis over the lease term.

#### The minimum lease receipts are as follows:

|                             |              |            |
|-----------------------------|--------------|------------|
| Not later than one year     | 331          | 237        |
| Between one and five years  | 941          | 521        |
| Later than five years       | 527          | –          |
| <b>Total Lease Receipts</b> | <b>1,799</b> | <b>758</b> |

Rental income from investment property recognised in the operating result is \$283,449 (2021: \$257,088).

Direct operating expenses primarily for repairs and maintenance on property that did not generate rental income for the period were \$7,249 (2021: \$5,245). Direct operating expenses primarily for repairs and maintenance on property that did generate rental income for the period were \$50,741 (2021: \$36,713).

There are no restrictions on the realisability of investment property or remittance of income and proceeds of disposal. The Council does not have any contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

### Note 19. Payables

| \$ '000 | 2022 | 2021 |
|---------|------|------|
|---------|------|------|

#### Trade Creditors

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

#### Employee Related Accruals

Employee related accruals comprise annual leave, long service leave and accrued salaries and wages in respect of services provided by the employees up to the reporting date. Liabilities for employee benefits are assessed at each reporting date. Where it is expected that the leave will be paid in the next twelve months the liability is treated as a current liability. Otherwise the liability is treated as non-current.

#### Current

|                               |               |              |
|-------------------------------|---------------|--------------|
| Employee Entitlements         | 62            | 71           |
| GST Payable                   | 157           | 335          |
| Trade Creditors               | 3,662         | 1,728        |
| Accruals                      | 11,519        | 4,806        |
| Employee Related Accruals     | 582           | 404          |
| <b>Total Current Payables</b> | <b>15,982</b> | <b>7,344</b> |

## Notes to the Financial Statements

for the year ended 30 June 2022

### Note 20. Borrowings

Loans payable are measured at amortised cost using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument. Borrowing costs, which includes interest calculated using the effective interest method and administration fees, are expensed in the period in which they arise. Costs that are not settled in the period in which they arise are added to the carrying amount of the borrowing.

All borrowing costs are expensed in the period in which they are incurred.

Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

Council adopts an annual debt policy that sets out council's management of existing and future debt. Council's current policy is to only borrow for capital projects and for a term no longer than the expected life of the asset. Council also aims to comply with the Queensland Treasury Corporation's borrowing guidelines and ensure that sustainability indicators remain within acceptable levels at all times.

| \$ '000                                 | 2022          | 2021          |
|---|---------------|---------------|
| <b>Current</b>                          |               |               |
| Loans - Queensland Treasury Corporation | 1,186         | 955           |
| <b>Total Current Borrowings</b>         | <b>1,186</b>  | <b>955</b>    |
| <b>Non-Current</b>                      |               |               |
| Loans - Queensland Treasury Corporation | 24,114        | 20,258        |
| <b>Total Non-Current Borrowings</b>     | <b>24,114</b> | <b>20,258</b> |

#### Reconciliation of Loan Movements for the year

|  |               |               |
|--|---------------|---------------|
| <b>Loans - Queensland Treasury Corporation</b> |               |               |
| Opening balance at beginning of financial year | 21,213        | 21,516        |
| Loans raised                                   | 4,859         | 21,082        |
| Principal repayments                           | (1,299)       | (24,843)      |
| Loan Interest capitalised in period            | 527           | 3,458         |
| <b>Book Value at end of Financial Year</b>     | <b>25,300</b> | <b>21,213</b> |

The QTC loan market value at the reporting date was \$22,145,160 (2021: \$21,732,591). 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. No assets have been pledged as security by the council for any liabilities.

During the year Council drew down \$4,859,000 from its QTC loan facility to fund the construction of the Noosaville Eumundi Road Landfill Cell Expansion. This loan drawdown was over a 20 year term with a fixed interest rate of 4.275%

Borrowings are all in \$AUD and are underwritten by the Queensland State Government.

## Notes to the Financial Statements

for the year ended 30 June 2022

### Note 21. Provisions

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#### **Annual Leave Provision**

A liability for annual leave is recognised. Amounts expected to be settled within 12 months are calculated on current wage and salary levels and includes related employee on-costs. Amounts not expected to be settled within 12 months are calculated on projected futures wage and salary levels and related employee on-costs, and are discounted to present values. This liability represents an accrued expense. As Council does not have an unconditional right to defer this liability beyond 12 months annual leave is classified as a current liability.

#### **Long Service Leave Provision**

Long service leave liability 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. The provision is discounted using the Commonwealth Bond yield rates published on the Department of State Development, Infrastructure, Local Government and Planning website.

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

#### **Restoration Provisions**

A provision is made for the cost of rehabilitation of assets and other future restoration costs where it is probable the Council will be liable, or required, to incur such a cost on the cessation of use of the facility. This liability is provided in respect of Quarries and Landfill sites.

Council has the following restoration provisions:

#### **Landfill Sites**

The provision represents the present value of the anticipated future costs associated with the closure of the Eumundi Rd landfill sites, decontamination and monitoring of historical residues and leaching on the site.

The calculation of this provision requires assumptions such as application of environmental legislation, site closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from amounts currently provided. Because of the long-term nature of the liability, the most significant uncertainty in estimating the provision is the costs that will be incurred.

The provision recognised for the Eumundi Rd landfill sites is reviewed at least annually and updated based on the facts and circumstances available at the time. Management estimates that the site will fully close in 2070 and that site restoration will occur progressively over the subsequent thirty years. The provision recognises the costs associated with closure and rehabilitation of historical and existing cells as well as the rehabilitation of the site following full closure in 2070.

#### **Quarry Sites**

The provision represents the present value of the anticipated future costs associated with the closure of the Ringtail Creek quarry site, reclamation and rehabilitation of the site.

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

## Noosa Council

### Notes to the Financial Statements

for the year ended 30 June 2022

#### Note 21. Provisions (continued)

| \$ '000                             | 2022          | 2021          |
|-------------------------------------|---------------|---------------|
| <b>Current</b>                      |               |               |
| Annual Leave                        | 3,158         | 3,156         |
| Long Service Leave                  | 4,657         | 4,947         |
| Landfill Sites                      | 1,943         | –             |
| <b>Total Current Provisions</b>     | <b>9,758</b>  | <b>8,103</b>  |
| <b>Non-Current</b>                  |               |               |
| Long Service Leave                  | 815           | 977           |
| Quarry Rehabilitation               | 50            | 50            |
| Landfill Sites                      | 21,601        | 15,528        |
| <b>Total Non-Current Provisions</b> | <b>22,466</b> | <b>16,555</b> |

#### Details of Movements in Provisions

##### Quarry Rehabilitation

|   |           |           |
|---|-----------|-----------|
| Balance at beginning of financial year  | 50        | 50        |
| <b>Balance at end of financial year</b> | <b>50</b> | <b>50</b> |

##### Landfill Sites

|   |               |               |
|---|---------------|---------------|
| Balance at beginning of financial year                            | 15,528        | 14,292        |
| Additional Provision  | 10,860        | 1,975         |
| Amounts Used  | (85)          | (84)          |
| Increase in provision due to unwinding of Discount                | 240           | 156           |
| Increase/(Decrease) in provision due to change in Discount rate   | (6,285)       | (4,023)       |
| Increase/(Decrease) in provision due to change in Escalation rate | 3,286         | 3,212         |
| <b>Balance at end of financial year</b>                           | <b>23,544</b> | <b>15,528</b> |

#### Note 22. Other Liabilities

| \$ '000                                    | 2022         | 2021         |
|--|--------------|--------------|
| <b>Current</b>                             |              |              |
| Waste Levy Subsidy received in advance     | 3,232        | –            |
| Unearned Revenue                           | 2,689        | 2,159        |
| Prepaid Rates Liability                    | 1,883        | 1,840        |
| <b>Total Current Other Liabilities</b>     | <b>7,804</b> | <b>3,999</b> |
| <b>Non-Current</b>                         |              |              |
| Waste Levy Subsidy received in advance     | 8,826        | –            |
| <b>Total Non-Current Other Liabilities</b> | <b>8,826</b> | <b>–</b>     |

Council is liability to pay the State a waste levy on most forms of commercial and household waste delivered to its disposal sites. The State government provides Council with an annual subsidy to mitigate the impact on households resulting from this levy. In June 2022, the State made an advance payment of the equivalent of four annual payments of the waste levy subsidy. The advance payment provides certainty to Council for budget planning purposes and enables greater flexibility when making investment decisions to help reduce waste generation and increase resource recovery. The full amount has been recognised as a liability at 30 June 2022.

## Notes to the Financial Statements

for the year ended 30 June 2022

### Note 23. 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 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 in respect of that asset is retained in the asset revaluation surplus and not transferred to retained surplus.

### Note 24. Commitments for Expenditure

| \$ '000  | 2022          | 2021         |
|--|---------------|--------------|
| <b>Capital Commitments (exclusive of GST)</b>  |               |              |
| <b>Commitment for the construction of the following assets contracted for at the reporting date but not recognised as liabilities:</b> |               |              |
| <b>Property, Plant and Equipment</b>   |               |              |
| Roads, Bridges and Stormwater  | 7,867         | 464          |
| Buildings  | 1,936         | 2,337        |
| Other  | 7,911         | 2,972        |
| <b>Total Commitments</b>   | <b>17,714</b> | <b>5,773</b> |
| <b>These expenditures are payable as follows:</b>  |               |              |
| Within the next year   | 17,294        | 5,773        |
| Later than one year and not later than 5 years   | 420           | –            |
| Later than 5 years   | –             | –            |
| <b>Total Payable</b>   | <b>17,714</b> | <b>5,773</b> |

### Note 25. Contingent Liabilities

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

#### Local Government Mutual

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

As at 30 June 2022 the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

#### Local Government Mutual

The Council is a member of the Queensland local government worker's compensation self-insurance scheme, Local Government Workcare. Under this scheme the Council has provided an indemnity towards a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled and there was insufficient funds available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise. The Council's maximum exposure to the bank guarantee is \$1,334,123 (2021: \$1,080,275).

## Notes to the Financial Statements

for the year ended 30 June 2022

### Note 26. 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 pooled defined benefit plan and it is not in accordance with the deed to obligations, plan assets and costs at the Council level.

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

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

The last completed actuarial assessment of the scheme was undertaken as at 1 July 2021. The actuary indicated that "At the valuation date of 1 July 2021, the net assets of the scheme exceeded the vested benefits and the scheme was in a satisfactory financial position as at the valuation date." The measure of vested benefits represents the value of benefit entitlements should all participating employees voluntarily exit the scheme. 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.

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

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

The most significant risks that may result in 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.

| \$ '000   | Notes | 2022         | 2021         |
|---|-------|--------------|--------------|
| Superannuation contributions made to the Regional Defined Benefits Fund |       | 168          | 189          |
| Other Superannuation Contributions for employees                        |       | 3,599        | 3,405        |
| <b>Total Superannuation Contributions paid by Council for employees</b> | 6     | <b>3,767</b> | <b>3,594</b> |

Notes to the Financial Statements

for the year ended 30 June 2022

Note 27. Reconciliation of Net Result for the year to Net Cash Inflow/(Outflow) from Operating Activities

| \$ '000   | 2022     | 2021     |
|---|----------|----------|
| <b>Net Operating Result from Income Statement</b>   | 17,960   | 13,466   |
| <b>Non-Cash Items</b>   |          |          |
| Depreciation and Amortisation   | 17,929   | 17,082   |
| Non-cash Capital Contributions  | (699)    | (1,730)  |
|   | 17,230   | 15,352   |
| <b>Losses/(Gains) recognised on fair value re-measurements through the Income Statement</b>   |          |          |
| Investment Properties   | (400)    | 100      |
| Movement in Restoration Provisions  | 8,016    | 1,236    |
|   | 7,616    | 1,336    |
| <b>Investing and Development Activities</b>   |          |          |
| Net (Profit)/Loss on Disposal of Assets   | 2,645    | 4,700    |
| Capital Grants and Contributions  | (14,745) | (11,447) |
| Share of Net (Profits)/Losses of Associates   | (6,508)  | (5,556)  |
| Impairment of Receivables and Bad Debts Written Off   | 7        | (8)      |
| Interest Expense capitalised in QTC loans   | 527      | 3,458    |
|   | (18,074) | (8,853)  |
| <b>Changes in Operating Assets and Liabilities:</b>   |          |          |
| (Increase)/Decrease in Receivables  | (970)    | (365)    |
| Increase/(Decrease) in Provision for Doubtful Debts   | –        | (6)      |
| (Increase)/Decrease in Inventories  | 1        | 37       |
| (Increase)/Decrease in Contract Assets  | 487      | –        |
| (Increase)/Decrease in Other Assets   | 1,717    | 1,497    |
| Increase/(Decrease) in Payables   | 8,671    | 554      |
| Increase/(Decrease) in Contract Liabilities   | (547)    | 118      |
| Increase/(Decrease) in Employee Leave Entitlements  | (282)    | 328      |
| Increase/(Decrease) in Other Liabilities  | 12,385   | (163)    |
|   | 21,462   | 2,000    |
| <b>Net Cash provided from/(used in) Operating Activities from the Statement of Cash Flows</b> | 46,194   | 23,301   |

Note 28. Changes in Accounting Policy

Software as a Service (SaaS) Arrangements

In April 2021, the International Financial Reporting Interpretations Committee (IFRIC), published an agenda decision clarifying how the configuration and customisation costs incurred in implementing Software as a Service (SaaS) should be accounted for.

SaaS arrangements are service contracts providing the customer with the right to access the provider's application software over the contract period. Costs incurred to configure or customise software in a cloud computing arrangement, can be recognised as intangible assets only if the activities create an intangible asset that the entity controls and the intangible asset meets the recognition criteria.

Some of these costs incurred are for the development of software code that enhances or modifies, or creates additional capability to, existing on-premises systems and meets the definition of and recognition criteria for an intangible asset. These costs are recognised as intangible software assets and amortised over the useful life of the software on a straight-line basis.

Notes to the Financial Statements

for the year ended 30 June 2022

Note 28. Changes in Accounting Policy (continued)

The useful lives are reviewed at least at the end of each financial year, and any change accounted for prospectively as a change in accounting estimate.

Costs that do not result in intangible assets are expensed as incurred unless they represent payment for future services to be received. In which case a prepayment is initially recognised and then expensed as those subsequent services are received.

These provisions also apply to Unitywater and as such Council's investment in an associate has also been impacted with comparatives being restated.

Retrospective adjustments have not been applied as the adjustments span more than 5 years.

Changes to the opening Statement of Financial Position at 1 July 2020

Statement of Financial Position

| \$ '000                       | Original<br>Balance<br>1 July, 2020 | Impact<br>Increase/<br>(Decrease) | Restated<br>Balance<br>1 July, 2020 |
|-------------------------------|-------------------------------------|-----------------------------------|-------------------------------------|
| Equity Investment             | 88,040                              | (375)                             | 87,665                              |
| Intangible Assets             | 3,211                               | (2,509)                           | 702                                 |
| <b>Total Assets</b>           | <b>1,142,095</b>                    | <b>(2,884)</b>                    | <b>1,139,211</b>                    |
| Retained Surplus/Deficit      | 999,512                             | (2,884)                           | 996,628                             |
| <b>Total Community Equity</b> | <b>1,085,108</b>                    | <b>(2,884)</b>                    | <b>1,082,224</b>                    |

Adjustments to the Comparative Figures for the year ended 30 June 2021

Statement of Financial Position

| \$ '000                         | Original<br>Balance<br>30 June, 2021 | Impact<br>Increase/<br>(Decrease) | Restated<br>Balance<br>30 June, 2021 |
|---------------------------------|--------------------------------------|-----------------------------------|--------------------------------------|
| Equity Investments              | 92,433                               | (709)                             | 91,724                               |
| Intangibles                     | 3,036                                | (2,629)                           | 407                                  |
| <b>Total Assets</b>             | <b>1,183,587</b>                     | <b>(3,338)</b>                    | <b>1,180,249</b>                     |
| <b>Total Liabilities</b>        | <b>61,682</b>                        | <b>-</b>                          | <b>61,682</b>                        |
| Retained Surplus / (Deficiency) | 1,013,432                            | (3,338)                           | 1,010,094                            |
| <b>Total Community Equity</b>   | <b>1,121,905</b>                     | <b>(3,338)</b>                    | <b>1,118,567</b>                     |

## Noosa Council

### Notes to the Financial Statements

for the year ended 30 June 2022

#### Note 28. Changes in Accounting Policy (continued)

##### Statement of Comprehensive Income

| \$ '000   | Original<br>Balance<br>30 June, 2021 | Impact<br>Increase/<br>(Decrease) | Restated<br>Balance<br>30 June, 2021 |
|---|--------------------------------------|-----------------------------------|--------------------------------------|
| Equity Share of profit (loss) in Associate through Participation Rights | 5,890                                | (334)                             | 5,556                                |
| <b>Total Income</b>   | <b>120,741</b>                       | <b>(334)</b>                      | <b>120,407</b>                       |
| Employee Benefits   | 35,692                               | 240                               | 35,932                               |
| Materials & Services  | 44,071                               | 229                               | 44,300                               |
| Amortisation - Intangibles  | 404                                  | (349)                             | 55                                   |
| <b>Total Expenses</b>   | <b>106,821</b>                       | <b>120</b>                        | <b>106,941</b>                       |
| <b>Net Result</b>   | <b>13,920</b>                        | <b>(454)</b>                      | <b>13,466</b>                        |

##### Statement of Cash Flows

| \$ '000  | Original<br>Balance<br>30 June, 2021 | Impact<br>Increase/<br>(Decrease) | Restated<br>Balance<br>30 June, 2021 |
|--|--------------------------------------|-----------------------------------|--------------------------------------|
|  | –                                    | –                                 | –                                    |
| <b>Cash Flows from Operating Activities</b>                      |                                      |                                   |                                      |
| Payments to Suppliers and Employees                              | (85,962)                             | (469)                             | (86,431)                             |
| <b>Net Cash Inflows/(Outflows) from Operating Activities</b>     | <b>23,770</b>                        | <b>(469)</b>                      | <b>23,301</b>                        |
| <b>Cash Flows from Investing Activities</b>                      |                                      |                                   |                                      |
| Payments for Intangible Assets                                   | (505)                                | 469                               | (36)                                 |
| <b>Net Cash Inflows/(Outflows) from Investing Activities</b>     | <b>(7,004)</b>                       | <b>469</b>                        | <b>(6,535)</b>                       |
| <b>Net Increase/(Decrease) in Cash and Cash Equivalents held</b> | <b>13,004</b>                        | <b>–</b>                          | <b>13,004</b>                        |

##### Changes in Accounting Estimates

When completing the comprehensive valuation of land, APV used the cost approach for the majority of land parcels. This approach differs significantly to the market approach which was used in the previous land valuation in March 2018. As such there has been an underlying change in methodology adopted in respect to the valuation of land. Further details on this valuation approach are outlined in Note 15.

Given the significant movement in land values generally and the complex nature of valuations, in that they are subject to judgement, interpretation, and market conditions, Council is unable to determine the quantum of adjustment relating specifically to this change in underlying methodology.

No retrospective adjustments have been made in this regard and any resulting movements have been recorded through the asset revaluation reserve.

##### Note 29. Events after the Reporting Period

Council is unaware of any material or significant "adjusting" or "non adjusting events" that should be disclosed.

## Notes to the Financial Statements

for the year ended 30 June 2022

### Note 30. Financial Instruments and Financial Risk Management

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Noosa Shire Council has exposure to the following risks arising from financial instruments; (i) interest rate risk, (ii) credit 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.

Council has reviewed its exposure to financial risk as a result of the COVID-19 pandemic, and at present does not anticipate likelihood of increased financial risk through either the decline in credit rating of financial institutions or increased levels of default in receivables.

#### Financial Risk Management

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

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

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 and risk committee (ARC) oversees how management monitors compliance with the Council's risk management policies and procedures, and reviews the adequacy of the risk managements framework in relation to the risks faced by the Council. The ARC is assisted in its oversight role by internal audits conducted by external consultants, the results of which are reported to the ARC. Council's internal audit register, which is approved by the ARC, details target areas and the timing for the completion of internal audits.

Council does not enter into derivatives.

#### Credit Risk

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

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

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

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

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

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.

Other investments are held with financial institutions, which are rated AAA to AA- based on rating agency Standard and Poor's ratings, and whilst not capital guaranteed, the likelihood of a credit failure is assessed as remote (if applicable).

Notes to the Financial Statements

for the year ended 30 June 2022

Note 30. Financial Instruments and Financial Risk Management (continued)

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.

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

At 30 June 2022, the exposure to credit risk for trade receivables by type of counterparty was as follows:

| \$ '000                 | 2022          | 2021          |
|-------------------------|---------------|---------------|
| Community Organisations | 250           | 375           |
| Property Charges        | 4,884         | 4,673         |
| Fees and Charges        | 2,191         | 1,850         |
| GST Recoverable         | 1,083         | 807           |
| Associates              | 49,218        | 49,218        |
| Other                   | 36            | 12            |
| <b>Total</b>            | <b>57,662</b> | <b>56,935</b> |

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. Noosa Shire 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.

Exposure to Liquidity Risk

Council is exposed to liquidity risk through its normal course of business and through its borrowings with QTC and other financial institutions.

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. These facilities are disclosed in Note 20.

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

| \$ '000     | 0 to 1<br>year | 1 to 5<br>years | Over 5<br>years | Total<br>Contractual<br>Cash Flows | Carrying<br>amount |
|-------------|----------------|-----------------|-----------------|------------------------------------|--------------------|
| <b>2022</b> |                |                 |                 |                                    |                    |
| Payables    | 15,920         | –               | –               | 15,920                             | 15,920             |
| Loans - QTC | 1,652          | 6,837           | 24,292          | 32,781                             | 25,300             |
|             | <b>17,572</b>  | <b>6,837</b>    | <b>24,292</b>   | <b>48,701</b>                      | <b>41,220</b>      |
| <b>2021</b> |                |                 |                 |                                    |                    |
| Payables    | 7,236          | –               | –               | 7,236                              | 7,236              |
| Loans - QTC | 1,299          | 5,381           | 20,180          | 26,860                             | 21,213             |
|             | <b>8,535</b>   | <b>5,381</b>    | <b>20,180</b>   | <b>34,096</b>                      | <b>28,449</b>      |

Notes to the Financial Statements

for the year ended 30 June 2022

Note 30. Financial Instruments and Financial Risk Management (continued)

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.

Market risk

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

Interest rate risk

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

It also has access to a mix of variable and fixed rate funding options through QTC so that interest rate risk exposure can be minimised.

Sensitivity

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

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

| \$ '000           | Net Carrying Amount | Net Result  |              | Equity      |              |
|-------------------|---------------------|-------------|--------------|-------------|--------------|
|                   |                     | 1% Increase | 1% Decrease  | 1% Increase | 1% Decrease  |
| <b>2022</b>       |                     |             |              |             |              |
| QTC Cash Fund     | 95,576              | 956         | (956)        | 956         | (956)        |
| Other Investments | 2,574               | 26          | (26)         | 26          | (26)         |
| Loans - QTC       | (25,300)            | (253)       | 253          | (253)       | 253          |
| <b>Net</b>        | <b>72,850</b>       | <b>729</b>  | <b>(729)</b> | <b>729</b>  | <b>(729)</b> |
| <b>2021</b>       |                     |             |              |             |              |
| QTC Cash Fund     | 66,852              | 669         | (669)        | 669         | (669)        |
| Other Investments | 1,939               | 19          | (19)         | 19          | (19)         |
| Loans - QTC       | (21,213)            | (212)       | 212          | (212)       | 212          |
| <b>Net</b>        | <b>47,578</b>       | <b>476</b>  | <b>(476)</b> | <b>476</b>  | <b>(476)</b> |

In relation to the QTC loans held by the Council, the following has been applied:

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

(b) Fair Value

The fair value of trade and other receivables and payables is assumed to approximate the value of the original transaction, less any allowance for impairment.

The fair value of borrowings with QTC is based on the market value of debt outstanding. The market value of a debt obligation is the discounted value of future cash flows based on prevailing market rates and represents the amount required to be repaid if this was to occur at balance date. The market value of debt is provided by QTC and disclosed in Note 20.

QTC applies a book rate approach in the management of debt and interest rate risk, to limit the impact of market value movements to clients' cost of funding. The book value represents the carrying value based on amortised cost using the effective interest method.

Notes to the Financial Statements

for the year ended 30 June 2022

Note 31. National Competition Policy

**Business activities to which the code of competitive conduct is applied**

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

- Waste Management
- Holiday parks

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:**

| \$ '000   | Waste<br>Management | Holiday Parks |
|---|---------------------|---------------|
| Revenue for services provided to the Council      | 263                 | –             |
| Revenue for services provided to external clients | 20,073              | 3,777         |
| Community Service Obligations                     | 126                 | –             |
|   | <b>20,462</b>       | <b>3,777</b>  |
| Less: Operational Expenditure                     | (16,578)            | (3,071)       |
| Less: Landfill Restoration Provision              | (8,016)             | –             |
| <b>Surplus/(Deficit)</b>                          | <b>(4,132)</b>      | <b>706</b>    |

**Description of CSO's provided to business activities:**

| Activities       | CSO Description   | Net Cost<br>\$ '000 |
|------------------|---|---------------------|
| Waste Management | Waste collection and disposal charges for charitable organisations. | 126                 |

Note 32. Trust Funds

| \$ '000   | 2022         | 2021         |
|---|--------------|--------------|
| Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities | 5,097        | 3,971        |
|   | <b>5,097</b> | <b>3,971</b> |

Funds held in trust represent security deposits lodged to guarantee contract performance, operational works, event impacts and maintenance obligations. Council performs only a custodian role in respect of these funds until such times as the underlying obligations are met and the funds are released. As these funds cannot be used for Council purposes, they are not brought to account in the financial statements.

Where performance obligations are not met then the funds are transferred to Council as compensation towards undertaking associated rectification works.

# Noosa Council

## Notes to the Financial Statements

for the year ended 30 June 2022

### Note 33. Transactions with Related Parties

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#### (a) Subsidiaries (ie. entities and operations controlled by Council)

Council has no interest in any Subsidiaries.

#### (b) Associates

Council has a participating interest in the Northern SEQ Distributor-Retailer Authority (trading as Unitywater) governed by a Participation Agreement.

##### Transactions with Unitywater

The amount of revenue and expenditure include in the Statement of Comprehensive Income, and the amount receivable or payable to Unitywater are as follows:

| \$ '000                   | Notes | 2022   | 2021   |
|---------------------------|-------|--------|--------|
| <b>Revenue</b>            |       |        |        |
| Interest on loans         | 4(a)  | 2,018  | 2,219  |
| Taxation Equivalents      | 4(b)  | 1,913  | 1,932  |
| Dividends                 | 13(d) | 1,717  | 1,495  |
| <b>Amounts receivable</b> |       |        |        |
| Interest                  |       | 504    | 554    |
| Dividends                 |       | 869    | 630    |
| Taxation equivalents      |       | 228    | 478    |
| <b>Loans</b>              |       |        |        |
| Loans                     | 10    | 49,218 | 49,218 |

Unitywater operates under an income tax equivalent regime; with all tax paid being distributed to the participating Councils on a pro-rata basis to their participation rights.

Dividends received by Council from Unitywater are recorded as a reduction in the carrying value of the non-current asset.

Shareholder loans provide for a fixed interest rate with quarterly interest only payments. Further detail regarding Unitywater is contained in Note 13 Equity Investments.

#### (c) Joint ventures

Council has no interest in any joint ventures.

#### (d) Key Management Personnel

##### Transactions with Key Management Personnel

###### Councillors

Cr Clare Stewart (Mayor)

Cr Frank Wilkie

Cr Karen Finzel

Cr Joe Jurisevic

Cr Amelia Lorentson

Cr Brian Stockwell

Cr Tom Wegener

###### Executive Leadership Team

Chief Executive Officer

Director Community Services

Director Corporate Services

Director Infrastructure Services

Director Environment and Sustainable Development

Director Executive Services

## Noosa Council

### Notes to the Financial Statements

for the year ended 30 June 2022

#### Note 33. Transactions with Related Parties (continued)

| <b>\$ '000</b>   | <b>2022</b>  | <b>2021</b>  |
|--|--------------|--------------|
| Short-term Employee Benefits                               | 1,895        | 1,803        |
| Post-employment Benefits                                   | 206          | 195          |
| Long-term Benefits   | 27           | 29           |
| Termination Benefits                                       | 303          | 82           |
| <b>Total Compensation Paid to Key Management Personnel</b> | <b>2,431</b> | <b>2,109</b> |

#### (e) Other Related Parties

##### Transactions with Other Related Parties

|   |            |           |
|---|------------|-----------|
| Employee expenses with close family members of key management personnel | 132        | 89        |
| <b>Total</b>  | <b>132</b> | <b>89</b> |

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.

#### (f) Outstanding Balances

Council has no outstanding balances at the end of the reporting period in relation to transactions with related parties.

#### (g) Loans and guarantees to/from related parties

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

#### (h) Commitments to/from other related parties

Council has no outstanding commitments to/from other related parties.

#### (i) Transactions with related parties that have not been disclosed

On a regular basis ordinary ratepayer transactions occur between Council and its related parties. Examples include rates and animal registrations. Council has not included these types of transactions in its disclosure where they are made on the same terms and conditions available to the general public.

## General Purpose Financial Statements

for the year ended 30 June 2022

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### Management Certificate

for the year ended 30 June 2022

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(5) 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 2 to 50, 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.



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Clare Stewart

**Mayor**

24 October 2022



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Scott Waters

**Chief Executive Officer**

24 October 2022

## INDEPENDENT AUDITOR'S REPORT

To councillors of Noosa Shire Council

### Report on the Audit of the Financial Report

#### Opinion

I have audited the financial report of Noosa Shire Council.

In my opinion, the financial report:

- a) gives a true and fair view of the council's financial position as at 30 June 2022, and of its financial performance and cash flows for the year then ended.
- b) complies with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2022, 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 certificate given by the Mayor and Chief Executive Officer.

#### Basis for opinion

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

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

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

#### Other information

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

At the date of this auditor's report, the available other information in Noosa Shire Council's annual report for the year ended 30 June 2022 was the current year financial sustainability statement and long-term financial sustainability statement.

The councillors are responsible for the other information.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the Local Government Regulation 2012, I have 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 councillors for the financial report**

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the council's internal control.
- Evaluate the appropriateness of 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 2022:

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

### **Prescribed requirements scope**

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



26 October 2022

Sri Narasimhan  
as delegate of the Auditor-General

Queensland Audit Office  
Brisbane

# Noosa Council

## General Purpose Financial Statements

for the year ended 30 June 2022

### Current Year Financial Sustainability Statement

|  | Actual<br>2022  | Target<br>2022 |
|--|-----------------|----------------|
| <b>Measures of financial sustainability</b>  |                 |                |
| <b>1. Operating Surplus Ratio</b>  |                 |                |
| Net Result (excluding capital items) <sup>1</sup>  |                 |                |
| Total Operating Revenue (excluding capital items) <sup>2</sup>   | <b>4.29%</b>    | 0% - 10%       |
| An indicator of which the extent to which revenues raised cover operational expenses only or are available for capital funding purposes or other purposes. |                 |                |
| <b>2. Asset Sustainability Ratio</b>   |                 |                |
| Capital Expenditure on the replacement of assets (renewals) <sup>3</sup>   |                 |                |
| Depreciation Expense   | <b>121.13%</b>  | > 90.00%       |
| An approximation of the extent to which the infrastructure assets managed are being replaced as these reach the end of their useful lives.                 |                 |                |
| <b>3. Net Financial Liabilities Ratio</b>  |                 |                |
| Total Liabilities less Current Assets  |                 |                |
| Total Operating Revenue (excluding capital items) <sup>2</sup>   | <b>(15.93)%</b> | < 60.00%       |
| An indicator of the extent to which the net financial liabilities can be serviced by its operating revenue.  |                 |                |

(1) Includes only Recurrent Revenue and Recurrent Expenditure disclosed in the Income Statement. Includes share of profit from associates and joint ventures. Excludes Capital Revenue Grants, Contributions, Donations and Subsidies received for capital acquisitions, Capital Income items such as Profit from the Sale of Property, Plant and Equipment, Financial Assets, Real Estate and Investment Properties (refer to Note 5 of the Financial Management (Sustainability) Guideline 2013 for exclusions), and any Capital Expenditure such as Write-Off of Assets, and Revaluation Decrements that hit the Statement of Comprehensive Income.

(2) Includes only Recurrent Revenue disclosed in the Income Statement, plus share/loss of profit from associates and joint ventures. Excludes Capital Revenue Grants, Contributions, Donations and Subsidies received for capital acquisitions. Also excludes any Capital Income items such as Profit from the Sale of: Property, Plant and Equipment, Financial Assets, Real Estate and Investment Properties (refer to Note 5 of the Financial Management (Sustainability) Guideline 2013 for exclusions).

(3) Infrastructure Assets refer to Council's significant long-life assets that provide ratepayers with access to social and economic facilities and services. It excludes land, and equipment, motor vehicles heritage collections and artwork. Renewals is defined as expenditure on existing infrastructure to return the infrastructure to their original service potential or useful life.

#### 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 2022.

## Noosa Council

### General Purpose Financial Statements

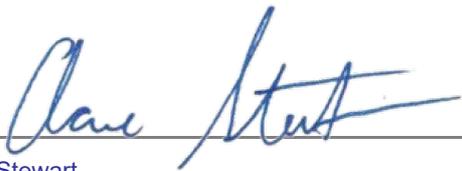
for the year ended 30 June 2022

#### Certificate of Accuracy

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

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



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Clare Stewart

**Mayor**

24 October 2022



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Scott Waters

**Chief Executive Officer**

24 October 2022

## INDEPENDENT AUDITOR'S REPORT

To the Councillors of Noosa Shire Council

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

#### Opinion

I have audited the accompanying current year financial sustainability statement of Noosa Shire Council for the year ended 30 June 2022, comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with s.212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current year financial sustainability statement of Noosa Shire Council for the year ended 30 June 2022 has been accurately calculated.

#### Basis of opinion

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

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

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

#### Emphasis of matter – basis of accounting

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

#### Other Information

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

At the date of this auditor's report, the available other information in Noosa Shire Council's annual report for the year ended 30 June 2022 was the general purpose financial statements and long-term financial sustainability statement.

The councillors are responsible for the other information.

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

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

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

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

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

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

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



26 October 2022

Sri Narasimhan  
as delegate of the Auditor-General

Queensland Audit Office  
Brisbane

# Noosa Council

## General Purpose Financial Statements

for the year ended 30 June 2022

### Unaudited Long Term Financial Sustainability Statement

|  | Target<br>2022 | Actual<br>2022 | 2023 | 2024 | 2025 | 2026 | Forecast |      |      |      |      |      |
|--|----------------|----------------|------|------|------|------|----------|------|------|------|------|------|
|  |                |                |      |      |      |      | 2027     | 2028 | 2029 | 2030 | 2031 | 2032 |

#### Measures of financial sustainability

##### 1. Operating Surplus Ratio

|  |          |              |         |       |       |       |       |       |       |       |       |       |
|--|----------|--------------|---------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Net Result (excluding capital items) <sup>1</sup>              |          |              |         |       |       |       |       |       |       |       |       |       |
| Total Operating Revenue (excluding capital items) <sup>2</sup> | 0% - 10% | <b>4.29%</b> | (0.60)% | 0.30% | 0.20% | 0.20% | 0.20% | 0.20% | 0.20% | 0.20% | 0.20% | 0.20% |

An indicator of which the extent to which revenues raised cover 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) <sup>3</sup> |          |                |         |         |        |        |         |         |        |        |        |        |
| Depreciation Expense   | > 90.00% | <b>121.13%</b> | 188.00% | 165.40% | 98.60% | 88.40% | 121.56% | 119.40% | 86.70% | 73.60% | 79.50% | 65.20% |

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) <sup>2</sup> | < 60.00% | <b>(15.93)%</b> | 1.00% | 5.80% | 4.40% | 0.10% | 1.60% | 2.40% | 1.20% | (2.30)% | (3.80)% | (6.40)% |

An indicator of the extent to which the net financial liabilities can be serviced by its operating revenue.

(1) Includes only Recurrent Revenue and Recurrent Expenditure disclosed in the Income Statement. Includes share of profit from associates and joint ventures. Excludes Capital Revenue Grants, Contributions, Donations and Subsidies received for capital acquisitions, Capital Income items such as Profit from the Sale of Property, Plant and Equipment, Financial Assets, Real Estate and Investment Properties (refer to Note 5 of the Financial Management (Sustainability) Guideline 2013 for exclusions), and any Capital Expenditure such as Write-Off of Assets, and Revaluation Decrements that hit the Statement of Comprehensive Income

(2) Includes only Recurrent Revenue disclosed in the Income Statement, plus share/loss of profit from associates and joint ventures. Excludes Capital Revenue Grants, Contributions, Donations and Subsidies received for capital acquisitions. Also excludes any Capital Income items such as Profit from the Sale of: Property, Plant and Equipment, Financial Assets, Real Estate and Investment Properties (refer to Note 5 of the Financial Management (Sustainability) Guideline 2013 for exclusions).

(3) Infrastructure Assets refer to Council's significant long-life assets that provide ratepayers with access to social and economic facilities and services. It excludes land, and equipment, motor vehicles heritage collections and artwork. Renewals is defined as expenditure on existing infrastructure to return the infrastructure to their original service potential or useful life.

## General Purpose Financial Statements

for the year ended 30 June 2022

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### **Noosa 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.

Council aims to operate within a set of conservative guide-posts to ensure we are financially sustainable in the short, medium and long term. As part of our financial strategy, we have adopted seven key financial performance indicators to guide our financial health. In addition to the financial indicators, we have the above three sustainability indicators that have been set by the Department of Local Government, Community Recovery and Resilience to help monitor the long-term sustainability of all councils across Queensland. Throughout the financial year, these indicators are calculated and reported on monthly at Council meetings, as part of a full suite of financial reports. Should there be any deviation outside these parameters, the executive management and Council will be fully informed and may take corrective action as required.

# Noosa Council

## General Purpose Financial Statements

for the year ended 30 June 2022

### Certificate of Accuracy - Long Term Financial Sustainability Statement

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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.



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Clare Stewart

**Mayor**

24 October 2022



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Scott Waters

**Chief Executive Officer**

24 October 2022

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General Enquiries: 8.30 am - 5.00 pm Monday to Friday (excluding public holidays)

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