



Richmond Shire Council

ANNUAL REPORT

2016 – 2017



“Richmond Shire will be a community that strives to achieve a high quality of lifestyle for residents and visitors”

Contacting Council

For all enquiries please contact:

Richmond Shire Council

PO Box 18

RICHMOND QLD 4822

Phone: 07 4719 3377

Fax: 07 4719 3372

Email:

enquiries@richmond.qld.gov.au

Web: www.richmond.qld.gov.au

Facebook: Richmond What's On



Office Hours

Monday to Friday:
8:20am – 5:00pm

Disclaimer:

Every effort has been made to ensure this publication is free from error and/or omission at the date of printing. Council takes no responsibility for the loss occasioned to any person or organisation acting or refraining from action as a result of information contained in the publication.

FOREWORD

The purpose of this Report is to clearly identify how the Richmond Shire Council, through its policies, initiatives and improved management practices, is delivering quality services to the ratepayers of the Shire as required by the Local Government Act 2009 and Local Government Regulation 2012.

This report covers the period 1 July 2016 – 30 June 2017

THE COUNCIL'S VISION

“Richmond Shire will be a community that strives to achieve a high quality of lifestyle for residents and visitors.”

THE COUNCIL'S MISSION

“To facilitate and foster economic development, industries, innovative projects, while continually upgrading and maintaining public infrastructure, to meet the growth of the Shire”.

CONTENTS

FOREWORD	3
THE COUNCIL'S VISION	3
THE COUNCIL'S MISSION	3
CONTENTS	4
RICHMOND SHIRE COUNCIL - SHIRE IN BRIEF	6
TOURISM - FOSSIL CAPITAL OF AUSTRALIA	8
RICHMOND - HISTORY	10
PRESENT DAY	10
FUTURE OUTLOOK	11
A MESSAGE FROM OUR MAYOR AND CEO	12
RICHMOND SHIRE – ELECTED MEMBERS	13
REMUNERATION TO COUNCILLORS	17
SUMMARY OF PAYMENTS TO COUNCILLORS	18
SUMMARY OF MEETINGS ATTENDED 2016-2017	19
REMUNERATION TO SENIOR STAFF 2016-2017	20
ADMINISTRATIVE ACTION COMPLAINTS	20
SENIOR OFFICERS	21
COUNCIL MEETINGS	23
WORKS AND SERVICES	24
KRONOSAURUS KORNER REPORT	37
COMMUNITY DEVELOPMENT AND SERVICES	40

FINANCE POLICIES.....	48
DOCUMENTS OPEN TO INSPECTION	48
TRUST ACCOUNT BALANCES	49
COMMUNITY FINANCE REPORT	50
OPERATIONAL PLAN 2016-2017.....	53
AUDITED ANNUAL FINANCIAL STATEMENTS 2016-2017.....	76

RICHMOND SHIRE COUNCIL - SHIRE IN BRIEF

INCORPORATED:	7 October 1916 (Wyangarie) Renamed Richmond 1954
ADDRESS:	65 Goldring Street Richmond
SIZE:	26,602 km ² (about the size of Belgium)
POPULATION:	648 (Census 2016)
CLIMATE:	Average minimum 15°C to average maximum 33 °C
RAINFALL AVERAGE:	475mm
MAJOR INDUSTRIES:	Agricultural and Tourism
EMERGING INDUSTRIES:	Irrigation Farming, Gold and Uranium mining
OPPORTUNITY FOR GROWTH:	Irrigation farms along the Flinders River
DISTANCE FROM BRISBANE:	1,432km north-west
ELECTED REPRESENTATIVES:	Six including the Mayor
QUEENSLAND TREASURY CORPORATION RATING	MODERATE with developing outlook
AUDITORS	Altius Advisors 2016-2017
ANNUAL BUDGET 2016/17	Revenue \$25,926,938 Expenses \$20,151,879 Surplus \$ 5,775,879
RATES	Value of rateable property \$145,724,020 Value of non-rateable property \$ 69,920 Rate and Charges Revenue \$ 1,563,350
ROADS	Total 1,296 km
INVESTMENTS AT 30 JUNE 2017	\$5,000,000
STAFF ESTABLISHMENT:	90 (including contractors) ⇒ 57 outside staff ⇒ 29 administrative and community service staff ⇒ 2 Caravan Park (contract managers) ⇒ 1 Live Weight Scales (contract manager) ⇒ 1 Swimming Pool (contract manager)
WAGES	\$5,891,787 (excluding contractors)
REGIONAL PARTNERS	Regional Consultative Committee (NW Regional Plan) Northwest Queensland Regional Roads Group and Technical Committee Northwest Queensland Regional Organisation of Councils Mount Isa Townsville Economic Zone Local Government Association of Queensland

North Queensland Local Government Association
Western Queensland Local Government Association
Local Government Managers Australia (corporate membership)
North Queensland Area Consultative Committee
District Health Council
Southern Gulf Catchments
Outback Queensland Tourism Authority
Tourism Queensland
Australia's Dinosaur Trail
North West Outback Queensland Tourism Authority
(Overlander's Way)

TOURISM - FOSSIL CAPITAL OF AUSTRALIA

Tourism Controlled entity	Over 12,176 visitors in 2016-2017 Kronosaurus Korner Board Inc. 4 Tourism Officers (Kronosaurus Korner) 1 Curator (Kronosaurus Korner)
ACCOMMODATION	Midway Motel Ammonite Inn Motel Entrikens Pioneer Motel Mud Hut Hotel/Motel Federal Palace Hotel Backpackers Richmond Lakeview Caravan Park including ensuite cabins, camping and backpacker accommodation
POINTS OF INTEREST	Kronosaurus Korner Fossil Museum and Visitor Information Centre Lake Fred Tritton – Recreation Lake Cambridge Downs Heritage Display Centre Fossil Hunting Sites, Croydon Road Pioneer Cemetery, Flinders Highway Heritage Walk, Goldring Street Bush Tucker Gardens, Lake Fred Tritton Bougainvillea in the Main Street Jack Brown Lions Park, Flinders Highway Bobby Murray Park, Goldring Street Hampstead Springs Tour
AWARDS	Outback Queensland Tourism Award – Best Caravan Park 2016 Outback Queensland Tourism Award – Best Caravan Park 2015 IPWEA – Excellence Awards 2015 (Water Treatment Plant) IXOM Water of Origin Taste Test Winner 2015

Cambridge Heritage Display Centre

Sarus Crane Award - Bush Tucker Gardens 2007

Finalist Banksia Foundation Awards – Bush Tucker Gardens
2007

Outback Queensland Tourism Award - Most Significant Tourism
Attraction – Kronosaurus Korner, 2004, 2005, 2006

Outback Queensland Award for Destination Promotion
Australia's Dinosaur Trail 2006

Outback Queensland Tourism Award – New Attraction – Lake
Fred Tritton 2007

National Heart Foundation Environment Award - Lake Fred
Tritton

Queensland's Tidiest Town 2001

OTHER SERVICES

REX - Air Services

Bus QLD Services

Queensland Rail Passenger Services

FUTURE PROJECTS

Flinders River Agriculture Projects

Complete Sealing Croydon – Richmond Road and Winton -
Richmond Road

Richmond Streetscape

RICHMOND - HISTORY



There are 59 places called Richmond in the world. As most of the Richmonds have been named after Richmond, North Yorkshire, it is considered to be the “mother” of all Richmonds.

The town of Richmond is the pivotal point of the Richmond Shire, situated on the south bank of the Flinders River. Richmond is 500 kilometres west of Townsville and stands 216 metres above sea level. The Wyangarie Shire was constituted as a Shire in 1916 and the name changed to Richmond Shire in 1954.

Its early history is based around explorers, adventurers and pastoralists in search of new land. William Landsborough first recorded exploration of the area in 1862 while searching for the lost explorers Burke and Wills. He named O’Connell Creek and a memorial now marks the location as part of Heritage trails.

Originally sheep were the primary source of income, however later years have seen cattle become the predominant market commodity. In the early 1880’s the Woolgar Goldfields to the north of the Shire was once a bustling part of the area and exploration continues today.

PRESENT DAY

The Shire is a community of 827 people. Extremes of climatic conditions including floods and drought are not uncommon in the area with temperatures ranging from 46°C during summer and -3 °C some winter nights. The average rainfall is only 475mm with the arrival of the monsoons. The Shire therefore relies on the Great Artesian Basin for its water supply for both town and stock.

Today, Richmond is a popular Outback tourist destination, evident by the increase in visitors to Kronosaurus Korner and the Richmond Lakeview Caravan Park. The lush green gardens and bougainvillea lined streets are a welcome sight for travellers into and through Richmond. Lake Fred Tritton has become a central meeting place and recreation facility utilised by locals and tourists, and attracts visitors from neighbouring Shires.

FUTURE OUTLOOK

Richmond's future has potential for growth and sustainability but is dependent upon State and Federal Government regional development strategies. Richmond is part of the Mount Isa to Townsville Economic Zone (MITEZ). Our involvement in this regional economic development committee gives us access to feasibility studies for new industries and funds to develop social planning and population research projects. MITEZ has also funded Council's prospectus for Irrigation Development and the Flinders River Agricultural Precinct.

The region's future is mapped out in the State North West Regional Plan and the Federal Regional Development Australia Roadmap. These plans were developed in consultation with the councils and communities in the region.

The Federal Regional Development Australia Roadmap identifies the following key priorities for the region:

- Developing a robust, sustainable economy with employment opportunities for all;
- Encouraging a caring and inclusive community that embraces all cultures;
- Enhancing a great lifestyle that attracts and retains people;
- Nurturing strong leadership to promote our region, develop partnerships and achieve recognition of the region;
- Valuing, managing and caring for our environment and natural assets.

The North West Regional Plan's vision is:

The North West region has a robust, diverse and sustainable economy and well-planned and coordinated infrastructure and services, built through the economic benefits of mining and agricultural industries. It is a place where people choose to live and visit due to its liveability, well-managed natural resources and the community's strong sense of cultural identity.

The North West Plan includes strategies for protecting the environment, promoting a dynamic, robust and diverse economy, integrating land use, economic activity and transport infrastructure, and creating liveable communities. The benefits of the State and Federal Government plans is that they form a basis for establishing Council's own Community Plan and provide access to funding opportunities that are consistent with the plans objectives.

As we enter 2017-2018 Council aims to:

- upgrade and maintain our local streets with an injection of \$0.5m funding;
- continue to secure and complete Main Road construction contracts;
- continue to pursue opportunities to seal Winton-Richmond Road and the Richmond-Croydon Road;
- identify and pursue opportunities for growth in Richmond's tourism industry that reflects the local culture and history of the Outback;
- continually improve the Cambridge Heritage Display Centre by encouraging future donations of artefacts;
- actively pursue opportunities that encourage employment and the development of private enterprise in Richmond

A MESSAGE FROM OUR MAYOR AND CEO



We are pleased to present
this Annual Report for
2016-2017 for Richmond
Shire Council.



It seems each year goes faster than the year before and the 2016-17 was the fastest yet. Council performed works for the Department of Main Roads to the value of \$8.7 million and completed \$11.5 million of Council capital works. This represents a \$6 million increase in the amount of work performed compared to the previous year.

The primary focus for the year was to build the Council's new administration building as the old buildings had been outgrown and in a deteriorating state. The tender to build the new office was awarded to WHF Group and project managed by North Queensland Civil Construction. The \$5.5 million building was completed and opened in May 2017. This project injected over \$1 million directly back into the local community businesses. To accompany the new building, a high-speed optical fibre network was installed to connect most of Council buildings with the new office. This allowed for an integrated phone and Internet service at a cheaper price than what was currently available to Council.

Council primary focus for the road network was on the Croydon Road where Council spent \$1.2 million on widening and resealing the first 10km out of town. Council spent a further \$236k on resealing other patches to maintain the quality of the road. Council will look to continue widening works in the future so that there is a minimum 6.2m width of seal for the whole road within the Richmond Shire. Richmond has been successful in securing \$2 million funding under the Beef Roads initiative, which will be spent forming and sealing over 10km on the Croydon Road near Kalda.

Council has spent over \$800k on town streets during the year with Goldring and Hillier Streets attracting the most money. Council will aim to seal all the narrow streets in the coming years, eliminating the dirt that is currently going into the storm water drains. Another focus point of Council will be on the replacement or upgrade of the storm water network including guttering.

Other projects completed during the year worth mentioning:

- Digital Television Upgrade that has provided a wider coverage, clearer picture and less interruptions
- Aerodrome Fire Fighting Unit that will allow the fire truck to fill up quickly in case of emergency at the aerodrome
- Widening of the path around Lake Fred Tritton. This project will continue over the next couple of years until complete



Mayor

Cr John Wharton AM



Peter Bennett

RICHMOND SHIRE – ELECTED MEMBERS

Our current council was elected in March 2016 for a term of four years. The next election will take place in March 2020.



Councillor John Wharton AM was first elected to the Richmond Shire Council in 1991 and became Mayor in 1997. On 11 June 2007 he was the recipient of a Member of the Order of Australia Award for his service to the community of North-West Queensland through local government, regional development, natural resource management and primary industry organisations. He also received the Centenary Medal for distinguished service to local government.

MAYOR

Cr John Wharton AM

Cr Wharton's Portfolio includes:

Corporate Governance
Disaster Management
Regional and Economic Development

Cr Wharton is Council's representative on:

Budget Review Committee
Local Disaster Management Group (Chair)
Regional Roads Group
Regional Development Australia
Kronosaurus Korner Board Inc.
Regional Planning Advisory Committee

Councillor Wharton can be contacted by email at: CRW@richmond.qld.gov.au



DEPUTY MAYOR

Cr June Kuhl

Councillor June Kuhl was elected in March 2008, and was elected as the Deputy Mayor following the 2012 & 2016 Local Government elections. Cr Kuhl was also nominated to represent Council at the Local Government Grants Commission and the Department of Natural Resources and Water and Land Valuation Committee.

Cr Kuhl and her husband Gavin moved to the Richmond Shire following the purchase of their cattle and sheep property in 1978. They have moved out of the wool industry, but continue to breed and fatten beef cattle.

They raised and educated their children on Bundoran, which led to June's interest in the education of isolated children. She was a member and President of the Mt Isa SOTA P&C and President of Mt Isa SOTA's first School Council. June was also very involved with the Isolated Children's Parents Association and has served as Secretary, President, Treasurer and Publicity Officer of the Richmond Branch. She was elected to the ICPA Qld Inc. State Council in 1999 and served for six years as a Councillor and Publicity Officer.

June was involved with the Fossil Festival for many years and was elected the President of the Richmond Outback Fossil Fest Inc. when it became an incorporated body in 2011.

Cr Kuhl is committed to helping Richmond offer a quality lifestyle in a viable, vital and vibrant community.

Cr Kuhl's Portfolios include:

Corporate Governance
Disaster Management
Regional and Economic Development
Budget Review and Financial Management
Planning & Development
Asset Management
Pest Management

Cr Kuhl is Council's Representative on:

Internal Audit Committee
Western Queensland Local Government Association
Australian Women's Local Government Association
Kronosaurus Korner Board Inc. (President)
NWOQTA Sub Committee
Local Government Grants Commission
Department of Natural Resources and Water Land Valuation Committee
Regional Development Australia
Regional Planning Advisory Committee
Local Disaster Management Group (Deputy Chair)
Richmond Outback Fossil Festival Inc. (President)
Kronosaurus Korner Management Committee (Chair July – March)

Councillor Kuhl can be contacted by email at: crkuhl@richmond.qld.gov.au



Councillor Bawden was elected to the Richmond Shire Council in March 2012 and re-elected in March 2016.

Councillor Bawden is a man of the land owning his own property outside of Richmond where he breeds cattle and also produces hay. Kevin is also known as an expert when it comes to cattle yard construction and fencing. Kevin has constructed the double deck loading ramp at the Richmond Saleyards and also created the recently added holding yards.

Councillor Bawden also has a keen interest in weed management and brings fresh ideas on new products on how to target plants like Prickly Acacia and Rubber Vine.

COUNCILLOR

Cr Kevin Bawden

Kevin has a passion for everything to do with rural lands. He regularly attends meetings around Queensland representing Council's interests with regards to rural lands. He has been a member of the Regional Landcare Facilitators Committee for two years.

Councillor Bawden's Portfolios include:

Rural Land Management
Parks and Gardens
Environmental Health

Cr Bawden is Council's representative on:

Southern Gulf Catchments
Richmond Fish Stocking Association
Regional Landcare Facilitators Committee
Kronosaurus Korner Management Committee (July-September)

Councillor Bawden can be contacted by email at: crbawden@richmond.qld.gov.au



COUNCILLOR
Cr Patsy-Ann Fox

Cr Fox was originally elected in November 2015 and re-elected in March 2016. Cr Fox is a fifth generation Richmond citizen and is very proud of her family history which is steeped in this Shire.

Patsy- Ann and husband David started their business Fox Helicopter Services in Richmond in September 2001.

Patsy-Ann's commitment to Richmond and passion for the district is demonstrated by the number of clubs and organisations she has been involved in over the past 16 years. Some of the clubs and organisations that she has been a member of or volunteered for are:

Richmond Early Education Centre
Richmond Swim Club Richmond
Junior Rugby League Richmond P
& C
Richmond State School Chaplaincy Committee
Richmond ICPA
Richmond Turf Club
Richmond Field Day Committee.

She also enjoys volunteering at Before School Reading at the Richmond State School.

Councillor Patsy-Ann Fox's Portfolio is:

Community Services and Development
Community Infrastructure
Youth Services

Cr Fox is Council's representative on:

Local Chaplain Committee
Community Advisory Network – Richmond Multi-Purpose Health Service
Kronosaurus Korner Board Member

Cr Fox can be contacted by email at: crfox@richmond.qld.gov.au



COUNCILLOR
Cr Bethea Pattel

Cr Pattel was elected March 2016. Cr Pattel moved to the Richmond Shire in late 1999 after she married husband Terry Pattel.

She transferred to the Richmond State School as a teacher in 2000. Since that time, she has had a family of three children.

Prior to living in Richmond, she worked as a journalist at the *Northern Miner* and *North Queensland Register* and worked as a teacher at Cloncurry State School.

Bethea has been involved in numerous community clubs and events as either a volunteer, member or committee member. Her interest has always been to ensure Richmond community members are provided with services and events that are commonplace in other regions.

Councillor Bethea Pattel's Portfolio is:

Tourism and Marketing
Arts and Culture
Community Events

Committee Representation:

Fossil Festival Committee
NWOQTA Sub Committee
Australia Dinosaur Trail
North Queensland Sports Foundation
Kronosaurus Korner Board Inc.
Kronosaurus Korner Management Committee (Chair)

Cr Pattel can be contacted by email at: crpattel@richmond.qld.gov.au



Cr Kennedy was elected in March 2016. Cr Kennedy is very proud of his family history in the shire and Council, with his grandfather Peter Kennedy representing the council for 16 years.

Clay with his wife Karen and their children Lynisa and Mikayla have been running a cattle and contracting business from Gracedale Station, 75kms North West of Richmond for the past 7 years.

COUNCILLOR

Cr Clay Kennedy

Clay is actively involved in many local clubs

- President of the Richmond Campdraft Committee
- Member of Maxwellton Race Club
- Playing for the Richmond Tigers

While helping out when he can at

- Richmond Field Days
- Richmond Rodeo
- Richmond Races

Councillor Clay Kennedy's Portfolio is:

Roads
Water and Sewerage Services
Aerodrome

Committee Representation:

Regional Roads Group
Kronosaurus Korner Management Committee

Cr Kennedy can be contacted by email at: crkennedy@richmond.qld.gov.au

REMUNERATION TO COUNCILLORS

Section 247 of the regulation requires councils to pay each elected representative as per the schedule below;

Local Government Area	Mayor	Deputy Mayor	Councillor	Amalgamation Loading (where applicable)	Category
Richmond Shire Council	\$99,638.04	\$57,483.00	\$49,818.96	No amalgamation loading payable	1

The following maximum remuneration applied from 1 July 2016 for Mayors, Deputy Mayors and Councillors of Local Governments.

<i>Mayor John Wharton AM</i>	<i>\$99,638.04</i>
<i>Deputy Mayor June Kuhl</i>	<i>\$57,483.00</i>
<i>Councillor Kevin Bawden</i>	<i>\$49,818.96</i>
<i>Councillor Patsy Ann Fox</i>	<i>\$49,818.96</i>
<i>Councillor Bethea Pattel</i>	<i>\$49,818.96</i>
<i>Councillor Clay Kennedy</i>	<i>\$49,818.96</i>

Refer to:

<http://www.dilgp.qld.gov.au/local-government/remuneration/councillor-remuneration.html> for more information and a comparison of other Councillor remunerations in other local government areas.

For Councillors in Category 1 Councils, a base payment of \$33,213.00 is payable from 1 July 2016. A meeting fee of \$1,383.83 is payable for attendance at each of the mandated monthly meetings of Council subject to certification by the Mayor or Chief Executive Officer of the Council. Mayors and Deputy Mayors in Category 1 receive the full remuneration.

SUMMARY OF PAYMENTS TO COUNCILLORS

1 July 2016 – 30 June 2017

Name	General & Special Meetings	Travel	Conferences Deputations Inspections	Total
Cr. Wharton	99,638.04			99,638.04
Cr. Kuhl	57,483.00	476.56	4,838.86	62,798.42
Cr. Bawden	49,818.96			49,818.96
Cr. Fox	49,818.96			49,818.96
Cr. Pattel	49,818.96		2,664.74	52,483.70
Cr. Kennedy	49,818.96			49,818.96
TOTAL	356,396.88	476.56	7,503.60	364,377.04

SUMMARY OF MEETINGS ATTENDED 2016 - 2017

1 July 2016 – 30 June 2017

Name	Ordinary Meetings Held	Ordinary Meetings Attended	Special Meetings Held	Special Meetings Attended
Cr. Wharton	12	11	2	2
Cr. Kuhl	12	12	2	2
Cr Bawden	12	12	2	2
Cr Fox	12	12	2	2
Cr Kennedy	12	12	2	2
Cr Pattel	12	12	2	2

In accordance with the local government's reimbursement policy, Council must state what facilities and expenses incurred by Council are for Councillors.

Facilities and Equipment Provided

Mayor

Mobile phone and laptop – private use

Council vehicle – private use

Councillors

Laptop – private use

A Council car is made available to all Councillors for their use to travel to any Council meetings or functions outside of Richmond.

Mileage Allowance is reimbursed to Councillors at the Australian Tax Office Rates (cents per kilometre) where a Councillor uses their private vehicle for Council business or commuting to official Council meetings or functions from their place of residence.

REMUNERATION TO SENIOR STAFF 2016- 2017

Section 201 of the *Local Government Act* requires the total remuneration packages that are payable to senior contract employees. Council had two (2) contract employees who received a total package in the range of \$100,000 - \$200,000 per annum. Council had two (2) executive officers who received a total package in the range of \$50,000 - \$100,000.

ADMINISTRATIVE ACTION COMPLAINTS

Council's electronic database for complaints has now been operating for three years. A register of complaints and actions completed is listed in the following table: -

Administrative Action Complaints	2016/2017
Complaints made to Council	8
Complaints resolved under the complaints management process	8
Complaints not resolved under the complaints management process and referred to council for internal review by the Queensland Ombudsman	0
Complaints not resolved under the complaints management process and externally reviewed by the Queensland Ombudsman	0
Complaints not yet resolved in 2016/17	0

SENIOR OFFICERS

Council's structure is made up of three Departments, each with a Senior Officer:

- Finance & Administration Services
- Community Development & Services
- Works & Services

The Chief Executive Officer and three Senior Officers form the executive team.

This group is responsible for leading the organisation and implementing decisions passed at Council meetings. The group oversees the day-to-day operations of Council, provides professional advice to elected Councillors, and has primary responsibility for delivering activities identified in the Corporate & Operational Plans.



Chief Executive Officer

Peter Bennett



Director of Works

Michael Wanrooy



Manager of Finance & Administration

Deborah Glyde



Manager of Community Development & Services

Angela Henry

Chief Executive Officer	Mr Peter Bennett
Director of Works	Mr Michael Wanrooy
Manager Finance & Administration	Mrs Deborah Glyde
Manager of Community Development & Services	Mrs Angela Henry
Works Co-ordinator	Mr Frank Norton
Assistant Works Co-ordinator	Mr Steven Laidlow
RMPC Foreman	Mr Ricki Davidson
Workshop Foreman	Mr Phillip Chappell
Water and Sewerage Officer	Mr Geoffrey Johnson
Town Services Supervisor	Mr Roy Sparrow
Safety & Compliance Advisor	Mr Ashley Lohmann

Other Key Staff -

Richmond Aged Care Coordinator	Mrs Ann-Maree Doyle
After School Care Co-ordinator	Mrs Teena Chappell
Librarian	Mr David Fickling

COUNCIL MEETINGS

Council meetings are held at 8:00am on the third Tuesday of each month (subject to alteration in special circumstances). The Council meetings are chaired by the Mayor, Cr. John Wharton AM.

Agendas for each meeting are available for inspection on the Friday before the meeting. Members of the public are welcome to attend all Council meetings.

During the year there were twelve Ordinary and three Special Meetings of Council.

Other meetings, deputations or conferences attended include but are not limited to the Mount Isa Townsville Economic Zone (MITEZ), Regional Roads Technical Group, Regional Organisation of Councils, Ministerial Deputations, Regional Advisory Planning Committee, Outback Queensland Tourism Association, North West Outback Queensland Tourism Association, Australia's Dinosaur Trail and Queensland Health.

WORKS AND SERVICES

June 2016 to June 2017 was a busy year for Councils workforce. Council had to deliver major projects within tight timeframes.

Council's Works Department covers the maintenance of the entire Shires road network to ensure that roads stay accessible and safe for all road users. Roads Infrastructure undertakes its activities via internal resources and by engaging external contractors. Road construction and maintenance activities are funded via Council revenue, Federal and State Government Grants.

The Works Department is also responsible for the delivery and maintenance of water and sewerage, maintenance of the aerodrome, maintenance of stock routes and bores, greening of town gardens and parks, collection of refuse, and maintenance of all Council plant and equipment, and Local Laws.



Richmond Shire – Key Infrastructure Network

Description	(Km)
Total Length of Shire Rural Roads unsealed	1,228
Total Length of Shire Rural Roads sealed	141
Total Length of State Controlled Roads unsealed	35
Total Length of State Controlled Roads sealed	176
Total Kilometre of all roads in the Shire	1580

Transport Infrastructure Development Scheme (TIDS)

Council continued to extend the bitumen surfacing on the Richmond – Croydon Road via 50% State funding which is made available through the Transport Infrastructure Development Scheme (TIDS) and 50% Council funding.

Gravel and single lane seals pose the greatest risk to vehicles passing or overtaking, due to reduced visibility because of dust, the potential to lose control of the vehicle due to rough or soft unsealed sections and shoulders and boggy conditions after even minor rain. To mitigate those risks Council is committed to widening existing single bitumen lanes and to extend bitumen surfacing on dirt sections on the Richmond Croydon Rd. Council will continue to do so in the future.

In this financial year, Council has completed widening the existing 4m wide bitumen lane to a new 7m wide two-lane bitumen road. The widening works started from Tolano Street to Mountain Creek. The works included widening the existing pavement to 8m, undertaking minor realignments and increased pavement depths, and cement stabilising the pavement.

The widening project will greatly increase the safety for the heavy transport industry, commuters and tourists using this road as well as providing better overtaking opportunities. The upgrade will improve freight and livestock productivity by reducing transport costs, maintaining safer higher constant speeds and better flood immunity.



Photo: Widening at Water Treatment Plant



Photo: Sealing works from Tolano Street



Photo: Widening works between Flinders River Bottom Crossing and Mountain Creek.



Photo: Sealing works between Flinders River Bottom Crossing and Mountain Creek.



Photo: Sealing works between Flinders River Bottom Crossing and Mountain Creek.

Roads for Regions (R4R) – Hulbert’s Bridge approach road

Hulbert’s bridge is located 11km north of Maxwellton and crosses the Flinders River on the Maxwellton Frontage Road. The old bridge was constructed in 1926, and still to this day remains next to the new higher two-lane replacement bridge which was completed in June 2016.

By August 2016 Council had completed the construction of a two lane sealed approach road to the bridge. A new grid was installed on the northern end. The new bridge and approach road provides improved flood immunity and serves as an alternative route when the Cambridge Crossing on the Richmond Road is closed due to flooding.



Photo - New Hulbert’s Bridge under construction.



Photo – Constructing grid on northern approach.



Photo – Hulbert’s Bridge, old bridge on the right.

Roads Maintenance Contract (RMPC)

Council maintains the Flinders Highway and the Richmond Winton Road under a Road Maintenance Contract with Transport and Main Roads. Some of the works that Council undertakes routine maintenance are:

- Minor pavement defects;
- Vegetation management;
- Minor drainage and culvert maintenance: and
- Inspection and monitoring of the road network.

In November 2016, Council started and completed 1km of new widening works, divided over three sections, on the Richmond Winton Road as a variation to the RMPC contract.



Photo –
Widening
existing 4m
section to a
two lane
sealed
road.



Photo –
New seal.

In May 2017, Council constructed a 4.6km gravel road over the existing clay section on the Richmond Winton Road approximately 60km from Richmond. The existing road was formed up prior to gravel being laid. The works were completed by middle June 2017.



Photo:
Spreading new gravel pavement on the Richmond Winton Road

Council undertook major repairs to the Flinders Highway in May 2017 as a variation to the RMPC Contract, in sections, from the Shire Boundary with Flinders Shire to Maxwellton. The work involved repairing existing rutting and pavement failures which included full width work up to 1km long. The repairs included placing additional pavement material, cement stabilisation works and sealing works.

Main Roads Works

Richmond – Winton Road: Greater Western Road Funding

Transport and Main Roads contracted Council to construct a new 4.5km two lane sealed road at Fraser Creek. Fraser Creek is on a dirt section of the road and is located approximately 90km from Richmond. The road was formed up to a higher level, drainage improved, pavement gravel added, stabilised and sealed to 7.2m wide.

The works started in July 2016 and the 4.5km section was completed and sealed at the end of October 2016. The sealed section provides overtaking opportunities improves flood immunity and increases road safety for all users.



Photo – Gravel pavement



Photo – Sealing works.

Flinders Highway – Contract NTWD-75

Council continued with the reconstruction works on The Flinders Highway that started in April 2016. The 2.7km project started from the railway crossing at Larsen Street and ends after O'Connell Creek. A 3km two lane sealed detour road was constructed to minimise traffic disruption.

The works that was done prior to end of June 2016 included excavation works, detour road and subgrade works.

The continued works after June 2016 included widening works, new gravel pavement layers, new concrete protection at the bridge approaches, two coat bitumen seal and placing asphalt on the bridges. The works were completed by September 2016.



Photo –
Pavement
Works.



Photo –
Concrete
protection
works at
O'Connell
Creek.



Photo –
Completed
works including
line marking.

Flinders Highway –Contract NTWD-136 Stage 1 (Goldring and Larsen)

Council was awarded a major contract from Transport and Main Roads to upgrade the main thoroughfare into Richmond along Goldring and Larsen Streets. The project was challenging for the works crew. All existing road pavement had to be excavated and carted away, the subgrade had to be lime stabilised to 300mm depth, new pavement material was brought in and cement stabilised in layers, the new road was sealed and 50mm Asphalt was laid to minimise damage from turning road trains.



Other challenges included lowering Telstra services, fibre optic cables, and watermains.

The existing grassed median strip was replaced with new concrete median strips with turn-around lanes. New pot plant stands were constructed and irrigation installed. A new watermain was installed to replace the existing aged watermain. The existing footpath on Goldring St was demolished and a new one constructed.



This meant that this section of the Flinders Highway had to be closed to all traffic and alternative detour routes had to be established. Works started late February 2017 and the road opened by early June 2017 after asphaltting.

Natural Disaster Relief & Recovery Arrangements (NDRRA)

Shire 2016-17 Flood Damage Works:

Heavy rainfall and flooding in December 2015 and January 2016 caused damaged to the Shires Road network. Council applied for funding to have the roads repaired under NDRRA assistance. The funding was approved by the Queensland Reconstruction Authority (QRA) in September 2016.

Council engaged five local contractors to complete the restoration works on the Shire roads. Most of the works included formation grading of the existing surface, and gravel top ups in flood affected areas. The Flood Damage works is expected to continue until December 2017.

Water Supply

Council plumbers maintain the Water Treatment Plant daily to ensure the drinking water meets all quality and government standards.

The plumbers have been kept busy with private work orders and maintain Councils water and sewerage infrastructure. A major project was replacing the old AC watermain with new a new one along Goldring Street.

In March 2017, the plumbers installed a new watermain system at the industrial estate, ensuring every block had a water connection.



Photo – installing new watermain along Goldring St.

Rural Lands & Stock Routes

Council is responsible for day-to-day administration and management of the stock routes in partnership with the State Government.

Council's Rural Lands Officers has continued to conduct repairs and maintenance to water tanks, bores and troughs within the Stockroute reserve.



Council's officers conducts a spraying program throughout the year to eradicate noxious plant's in our Shire which include Prickly Acacia, Rubber Vine, Cactus and other noxious weeds. Along with this, there was pest animal destruction programs piloted using 1080 baiting and throughout the year private baiting is run as land holders require.

Lake Fred Tritton

Council constructed a deck and a pontoon at Lake Fred Tritton in May 2017. The deck was constructed by Council using skids from the old water treatment plant. The pontoon is popular and is regularly used by fisherman and tourists.



Town and Shire Works

New Office Site - In July 2016, Council started the earthworks to construct a new pad for the new Council Office. Over 15,000 cubic metres of fill was delivered and compacted on site. Building contractors constructed a retaining wall around the site. The site was handed over to the building contractors and by September 2017, the construction of the building had commenced. Council batched and supplied concrete for the new building.

By late March 2017, the building was completed and only needed internal work and fit out. Council started constructing the carpark at the rear of the new building and the new footpath at the front. In May 2017, Council began landscaping the site that included erecting a sculpture that was dedicated to Mayor John Wharton at the opening of the new building on the 25th May 2017.



Installing conduits for Fibre Optic Cable around Richmond

In January 2017, Council staff arrived early from the Christmas break to begin the installation of conduits for fibre optics cable.

Photo – Installing conduits.



Painting the Kronosaurus

In May 2017, the iconic Kronosaurus was repainted.



Photo – Repainted Kronosaurus

Caravan Park



The award winning Lakeview Caravan Park is one of Richmond's' best assets drawing a larger crowd of tourists every year. With this in mind, Council has continued to upgrade the facilities with a variety of works completed aimed at increasing the comfort and usability of the park.

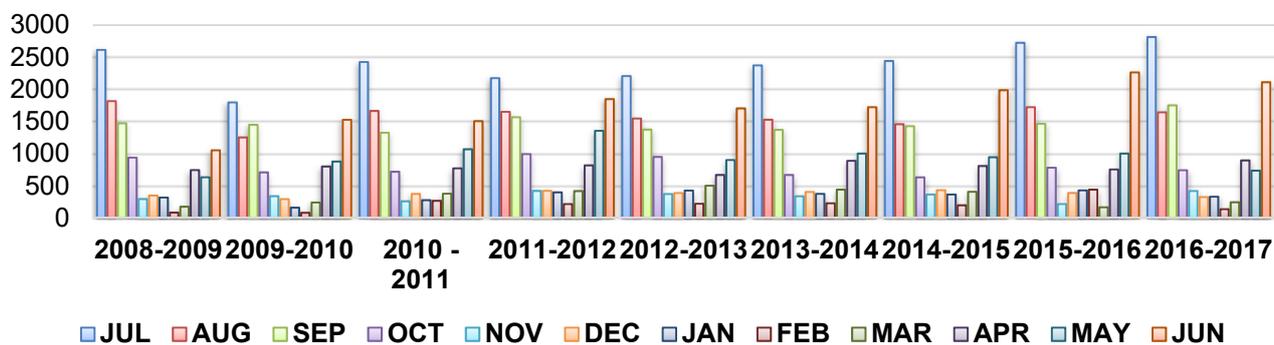


Work began in November 2016 pouring concrete slabs upgrading existing caravan sites for the impending tourist season. The concrete slabs were constructed by exposing the aggregate, producing a reddish colour from the natural stones. The effect of the exposed aggregate looked good and was widely used in other projects around Richmond.

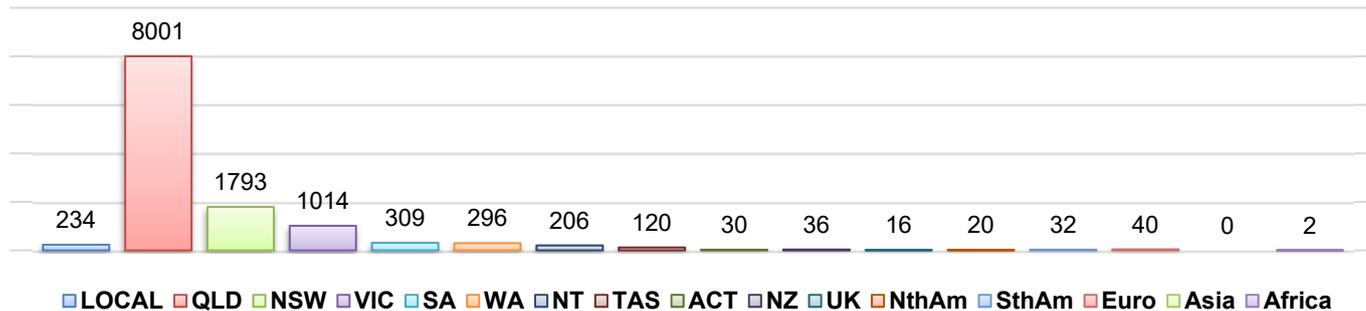
KRONOSAURUS KORNER REPORT

	JUL 15 – JUN 16	JUL 16 – JUN 17	DIFFERENCE %
Adults	2878	2679	-6.91%
Concessions	3215	3160	-1.71%
Children	1851	1902	2.76%
Complimentary	70	109	55.71%
Tour	248	98	-60.48%
ADT	660	1183	79.24%
Total Museum Admission	8922	9131	2.34%
VIC Visitors	3408	3045	-10.65%
TOTAL	12330	12149	-1.47%
Admission \$	\$119,948.87	\$128,560.61	7.18%
Digs \$	\$10,979.81	\$22,207.46	102.26%
Souvenir Sales \$	\$118,199.96	\$106,578.98	-9.83%
Bus / Rail Sales \$	\$6,800.83	\$4,628.30	-31.95%
TOTAL \$	\$255,929.47	\$261,975.35	2.36%
\$ Expenditure per person	\$20.76	\$21.56	3.85%

Year Comparison Figures



Visitor Information Statistics July 2016 - June 2017



Kronosaurus Korner is proud to have been awarded a Trip Advisor Certificate of Excellence! The Certificate of Excellence honours hospitality businesses that deliver consistently great service. This designation is given to establishments that have consistently achieved great traveller reviews on TripAdvisor over the past year. Thank you to our many visitors who have shared their experience of Kronosaurus Korner with other travellers through TripAdvisor.

1 January 2017 saw an increase in admission prices, which in turn has since an overall admission sales increase of 7.18%. Adult admission increased from \$20 to \$25, Concession from \$16 to \$20, Child from \$10 to \$15 and Family pass from \$40 to \$60.

With the expansion of Digging at Dusk in 2016 to include everyday over the school holidays (September, April & June holidays) and the increased interest in the 2017 CSI Dig has since a huge 102.26% increase in Dig Sales. The weeklong CSI Dig in July 2016 was very successful. The team uncovered a large Ichthyosaur with multiple jacketed components returned to Kronosaurus Korner for preparation.



Unfortunately, June 2016 saw the departure of the centre's curator and interpretation manager, Dr Patrick Smith. Patrick has been replaced by Michelle Johnston, whom has been associated with Kronosaurus Korner since 2009 – initially as a tourist, but quickly gained a variety of skills appropriate for the role. She has just returned from overseas travel on a Churchill Fellowship, in which she investigated the international large marine reptile fossil record and remote palaeotourism. Michelle's passion for Kronosaurus Korner and the Richmond community is evident, and we welcome her to the Kronosaurus Kroner Team.

Kronosaurus Korner was pleased to launch the brand new website on 1 March 2017, the goal of the new website is to provide our visitors an easier way to learn about Richmond and surrounding services. The new website is interactive and gives better access to upcoming events, accommodation, where to eat, how to get here, Kronosaurus Korner, fossil hunting, and heaps more. Amongst the new features, the site contains integrated online booking and social media buttons.

During 2016/17 Kronosaurus Korner attended the following travel shows and Expo's, Brisbane, Cairns, Mackay and Townsville.

Excellent feedback from visitors was received from online sites such as TripAdvisor:

“ **Excellent especially the fossil tour** - We went out today our guide was great we would recommend both museum and guided tour my husband found several great fossils well worth an outing our host on the tour was the best so knowledgeable and was so good with the kids as it was school holidays” - **D2727 Newcastle, Australia (29 June 2017 - TripAdvisor)**

“**Congratulations Richmond!** - Never thought there was a reason to stop in Richmond, but this little museum/display is really magic. With the audio tour, you learn so much about the huge Eromanga (sic) Sea which almost made Australia 2 islands! Congratulations to Council and surrounding graziers for taking an interest in this natural treasure area of Australia. May the exploration and this display continue to grow” - **Margot P Coffs Harbour, Australia (14 May 2017 - TripAdvisor)**

“ **Amazing experience** - Being from WA we were unaware of this amazing place as I am sure many people are, this should rate as an article on the CHANNEL 7 morning show during their travel around the country and let more people be aware of what exists in this country. A real eye opener and a very nice country town to visit in the region” - **Designer699 Perth, Australia (9 November 2016 - TripAdvisor)**



COMMUNITY DEVELOPMENT AND SERVICES

Economic Development is vital to progress our Shire and provide benefit to our residents. Our Council is progressive and innovative toward economic development and welcomes the opportunity to discuss potential projects within our Shire.

Recognised investment opportunities include diversified agriculture, professional services, health and aged care services.

Our council is proactively pursuing sustainable economic development to create wealth, employment, educational opportunities and enhance the lifestyle of our residents and visitors

TOURISM, SPORTS AND EVENTS

Richmond Shire Council plays an active role in supporting and promoting the cultural identity of our community. Our vibrant and diverse lifestyle is expressed through the many community events and celebrations on our social calendar.

Tourism, Sports and Events highlights council's role in community events and celebrations that Enriched our community and reflect the diversity of the Shire.

Most importantly, these events create a sense of fun and vibrancy, resulting in a strong sense of community connectivity, pride and sense of place.

I am very proud of the role council plays in supporting community events, bringing more energy and excitement to our Shire. Council will continue to build on relationships in the events sector and broader community to ensure we identify and address event related issues that may affect the outback region. We are confident our approach will result in a continued outstanding calendar of community events for our residents and visitors to enjoy.



Monday Night Social Sports continues to be a popular community based activity with Netball, Soccer and Touch Football attracting much interest.

Richmond Shire remains passionate in our quest to raise the profile of Richmond and the outback as a destination. Richmond is an active member of the NWOQTA's Overlanders Way Committee and is Secretariat of Australia's Dinosaur Trail.

During 2016-17, Richmond attended travel shows and Expo's in Cairns, Mackay and Townsville as part of these Co-operative marketing groups. Richmond Shire has embraced Social Media and can be found on Facebook- Richmond What's On and Instagram – You'll Dig Richmond. Free Wi-Fi

has been provided at a number of sites within the town limits to encourage social media users to share their Richmond experience – #idigrichmond.

Richmond Shire Council plays a vital role in supporting community welfare, cultural, sporting and other community based organisations.

Although impacted by drought and low membership numbers 2016-17 saw many great community events take place. With the assistance of the State Government's Community Drought Support Initiative Council was able to provide additional financial support to ensure these annual events remained on the social calendar.

13 August	Race Meet	Richmond Racecourse
2-4 September	Richmond Campdraft	Richmond Campdraft Grounds
3 September	Horse Sports Carnival	Horse Sports Arena
4 September	Pony Club Gymkhana	Pony Club Grounds
17 September	Spouse Hunter's Ball	Race Course
1 October	Richmond Race Meet	Richmond Racecourse
2 October	Bunga's Barefoot Bowls, Richmond Bowls Club Charity Day in Memory of Glenn (Bunga) Rosser.	Bowls Club
22 October	Richmond Ladies Day Race Meet	Richmond Racecourse
5-6 November	Richmond Swimming Carnival	Richmond Pool
12 November	Rite of Remembrance	Richmond Cemetery
26 November	Richmond Cultural Assoc – Take away meals	Gidgee Wheel
December	Combined Services Christmas Party	Jack Brown Lions Park
December	Emergency Services Lolly Drop	
26 January	Australia Day Celebrations	Shire hall
25-26 March	Instructors School	Richmond Pony Club
1 April	Maxi Races	Maxi Racecourse
8-9 April	Ian Francis Horsemanship Clinic	Richmond Pony Club Grounds
25 April	ANZAC DAY	Jack Brown Lions Park
28 April	Richmond Rodeo	Richmond Rodeo
29 April	Sprint Races	Richmond Racecourse
21-22 May	Golf Open	Richmond Golf Club
9 June	Richmond Field Days	Richmond Racecourse
10 June	Richmond Races	Richmond Racecourse
24-25 June	Dirt Bike Enduro	Lake Fred Tritton/ Dirt Bike Track

During 2016-17, Council provided donations, rates rebates and subsidies as well as non-financial assistance to volunteer and not for profit groups. Council's support of community groups is helping to build a stronger and safer community by encouraging greater community involvement. To alleviate the financial burden of two clubs, Council resolved to waive the rates for both the Golf and Bowls Club for three years.

2016-17 Club, Organisation and Individual In Kind Support

Club	Item
Richmond State School	Use of Bus to attend Midwest Sporting Events during 2016/17 \$160 Donation towards Speech Night
Dirt Bike Club	Caravan for Storage
Jnr League	Bus Hire
Carmel Pattinson – Remembrance Service	40 x chairs PA System Photocopying leaflet Table and Water cooler
Turf Club	Reduced Printing for Race Books Labour and Machinery Usage 10 bins
REEC	All Rates Building Insurance
Fossil Festival	Road Closed Signs Loader for Loader Pull Generator PA System Lights 10 x Wheelie Bins 10 x Tables 100 x chairs
Connor Smith	\$500 State Swimming Trials
Grace Moloney	\$500 State Swimming Trials
Rachael Richardson	\$250 Shave for a Cure 
Maxi Races	2 x portaloos Subsidized photocopying for race books 10 x Bins
Spouse Hunters	Hire of Racecourse Hire of Racecourse Canteen Local Hire of Bus and Fuel

Lions Club	6 tables, 100 chairs, 6 bins
Campdraft Assoc	Photocopying, 15 Bins, 2 x portaloos, Large BBQ
William Chappell – Bike Ride for Beyond Blue	\$250 donation
Swimming Club	Erection of Marquee, 10 bins, 100 chairs, BBQ, bollards and netting, 3 tables
Spouse Hunters Ball	15 Wheelie Bins, 2 x Bain Maries, 100 chairs, Bus Hire and Racecourse Hire
Hughenden Country Music Festival	\$300 cash donation
Community Morning Tea to Farewell Dr Sam	\$650 catering 
Bush Races	Bus Hire
White Balloon Day	\$873.18 catering
School Chaplaincy Program	\$15,000
AFL Masters	Use of Facilities and Equipment
Richmond Turf Club	Subsidised Printing of Race Books
Honey Badgers Rugby 7's Team	\$250.00 
Pony Club	BBQ, 10 x tables, 100x chairs, Portable PA and 2 x portaloos

The Richmond Shire Council hosted Australia Day Celebrations 2017. Community Members enjoyed a free morning tea in the Shire Hall out of the oppressive heat.

Christmas Light winners for 2016 were:
Best Business: North West Pumps and Power
1st Place Residential – Kerri McMunn
2nd Place Residential – Tiffany Hintz
3rd Place Residential – Sandy Leach

The Richmond Community honoured the following worthy recipients:

2016 Award Winners

Citizen of the Year
Kim Hughes



Sarus Crane Environmental Award
Kim Simms

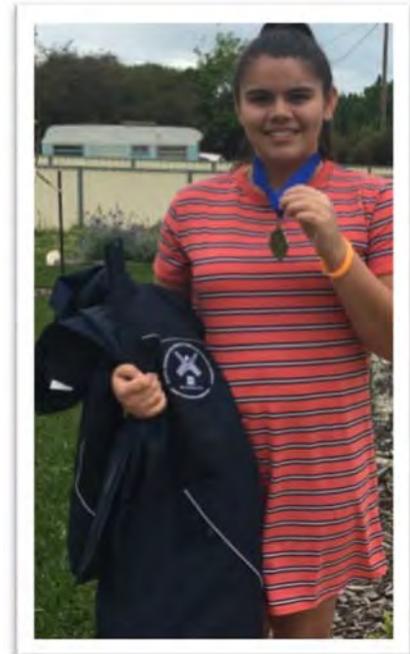


Community Spirit - Patsy-Ann Fox

NORTH QUEENSLAND SPORTS FOUNDATION AND WINGATE PROPERTIES SPORTS ENCOURAGEMENT BURSARIES



Council nominees Jasper Guy and Taryn Gilmore were both successful in gaining the Wingate Properties Sports Encouragement Bursaries. Bursary packs include \$650, a medal and a jacket.



LIBRARY SERVICES

During 2016-17, the library continued to provide free Wi-Fi and internet access for the community, Centrelink Access Point Services and participates in the rural book Exchange. The library collection consists of books, magazines, CD's, DVD's and board games. The collection is regularly updated with new items. Council is currently planning the transition of the Library to the recently vacated Works Administration building. The Works Building will become a community hub with meeting rooms and dedicated rooms for Telehealth and Centrelink facilities. Displays of local art and historical items will also be on display. It is an exciting time for Library Staff and we hope to share it with residents and visitors in the near future. During 2016/17 Librarian David Fickling was presented with his 10-year service award.



The library employs one permanent part time Librarian and one casual Librarian.

Planning is underway for the relocation of the library to the recently vacated Works Administration Building in late 2017.

RICHMOND AGED CARE

Richmond Shire Aged Care delivers a range of services including case management, group activities and individualised support services that assist older community members, younger people with disabilities and their Carers. This is achieved through a combined Commonwealth and State program of Commonwealth Home Support Packages (CHSP). The recent aged care reform and consumer directed care models will continue to see many changes to the superseded HACC model of care. Richmond Aged Care is preparing and implementing these changes with a planned and consistent approach.



Fee for Service was introduced during 2016/17 and whilst initially met with resistance, with transparent communication and a degree of flexibility we have been able to maintain employment and service provision.

Case Management is now an additional service offered by Richmond Aged Care for its Fee for Service Packages. Case Managers coordinate individual care plans for clients and a range of services including Transport, Centre based Day Care and Client Services. Case Managers are able to support clients with a range



of problems they may be experiencing such as advocacy with government departments and support with other contacts such as banks and health services. Individual consumer directed care plans include social support, information and advocacy or practical aids such as domestic assistance, personal care and transport. Transport is a vitally important service for the Shire in the absence of public transport. This service supports access for elderly people to medical appointments, social contacts and tasks such as shopping that enable them to maintain an independent and satisfying life. The Richmond Aged Care Team assist and accommodate individual preferences where

possible, supporting outings and excursions.

The Centre-based Day Care program operates 3 days per week with a morning tea and a client elected activity. The Respite hall is open outside these days for individually organised events. A monthly Luncheon is always well attended. Themes during the year included Wild Wild West, Mother's Day, St. Patricks Day and Hawaiian.

Richmond Aged Care continues to provide free access to the Primary Health Network Telehub providing access to Health support services between outreach visits.

Richmond Aged Care and Richmond Health Centre enjoy a close working relationship to ensure continuity of care for our residents and we welcomed the appointment of Garry the new Community Health Nurse in early 2016/17 and then Pam Suhr in late 2016/17 as Gary progressed to the role of Director of Nursing. Representatives from Richmond Aged Care attend the monthly Community Advisory Network (CAN) meetings for the Richmond Health Centre, which during 2016/17 became a Multi Purpose Health Service.

The Aged Care Service employs 1 Full Time Registered Nurse, 1 Casual Enrolled Nurse, 3 Full Time Personal Carers, 1 Part Time Cook, 1 Casual Cook and 2 Casual Personal Carers.

OUTSIDE OF SCHOOL HOURS CARE

Richmond Outside of School Hours Care offers Afterschool Services Monday to Friday from 2.30pm – 5.30pm during the school term and Vacation Care Services Monday – Friday (ex Public Holidays) from 8.00am to 5.30pm during School Holidays. Richmond Shire Council does not charge a gap fee for those registered with Centrelink who have been issued a Child Care Benefit. The Child Care Rebate is also available at our Centre.



Statistics continue to be collected for yearly comparisons.

Richmond Shire Council Outside of School with the assistance of the Department of Communities, Child Safety and Disability Services is half way through the “This is Me” Program specifically aimed at the 12 to 18 year olds. Worth approximately \$87,000 over three years this program operates from the OSHC during normal hours of operation and is primarily to provide access to support services for that demographic. An outreach program will operate from 9am – 12 noon one week of each school holidays focussing on lifestyle issues and tutorials. Unfortunately, due to limited community response to the “This is Me” program, Council was required to forfeit the funding as important milestones were unable to be met.

The Service employs 1 Part time Co-ordinator, 1 Part Time Assistant and 1 Part time Trainee and 2 Casual Assistants.

REGIONAL ARTS DEVELOPMENT FUND

A noticeable decline in Expressions of Interest received for the 2016/17 year resulted in only two community applications. Narelle Lewis received \$2100 to conduct a Community Arts Program called engAGE with our senior citizens as part of the Social Support Group activities. Christine Douglas received \$2400 to assist with community music appreciation and lessons.

Funding Achieved in 2016-17

In a year where funding dollars were again not easily gained Richmond Shire Community Services Department managed to secure the following funds which assisted in the completion of the below projects.

Queensland Mental Health Commission

\$50,000 to engage a Rural Support Officer to assist the drought declared communities of Richmond, Flinders and McKinlay Shires access support and coping services whilst enduring the drought. This position ended in December 2016. This program distributed \$30,000 Flexible Financial Hardship funds initially through an application process and then through the distribution of vouchers during outreach visits. Rural Support Officer (Ellen Langston) co-ordinated Gardening days with guest speakers Tom Wyatt and Julie Roach in Richmond, Flinders and McKinlay Shires.

WALL OF REMEMBRANCE

Council was successful in obtaining \$28,684.09 for the creation and installation of a Wall of Remembrance honouring those that either were born in Richmond or enrolled in Richmond during all conflicts. This information was made available from the previous year’s Anzac Centenary Funding, which allowed Council to engage a War Historian to research our service men and women history. The Wall of Remembrance is installed at the Jack Brown Lions Park alongside our War Memorials.

The 2016/17 Community Drought Support Initiative has assisted with the following events:

- Get Fit Bootcamp Sessions
- Swim Club – Guest for Carnival and Stand Up Paddleboard lessons
- Aqua Aerobics
- Community Van Park Dinners
- Christmas Light competition Horsesports – Horsemanship Clinic
- Turf Club – Family Day
- Colour Fun Run and Obstacle Course
- Contribution towards new Mid-West Uniforms

- Lifeguard Coaching
- Lions Christmas Fete Fireworks
- Australia Day Catering
- Spirituality Retreat
- Richmond Pony Club – Western Games

LAKEVIEW CARAVAN PARK

Community Dinners remain on the Tourist Season list of Must Do's. A great way to connect with travellers and earn much-needed funds, this event is a valued addition to our calendar of events. In November 2016, the Richmond Lakeview Caravan Park won best Caravan Park at the Outback Queensland Tourism Awards for the second year in a row.

FINANCE POLICIES

Council resolved at its monthly meeting on 27 June 2017 to revise all of its financial policies. All policies can be found in Richmond Shire Council's Policy Register and include:

- Advertising Policy
- Entertainment and Hospitality Charges
- Grants to Community Organisations Policy
- Internal Audit Policy
- Investment Policy
- Revenue Policy

DOCUMENTS OPEN TO INSPECTION

The following documents are open to inspection by any member of the public

Registers

- Assets
- Cemetery
- Contracts / Agreements / Leases (Register only)
- Delegations
- Dog Registrations
- Material Personal Interests of Councillors
- Register of interests of a Councillor and their related persons
- Tenders
- Policies
- Local Laws

Reports

- Corporate and Operational Plans
- Community Plan
- Annual Reports
- Financial Statements
- Rates, Fees and Charges

Council must adhere to Privacy Laws and cannot disclose a person's private information such as name and address. Council is bound by the *Right to Information Act 2009* and persons may apply and pay the appropriate fee to access other information that the RTI Act makes available in the interests of open and transparent government.

Council Minutes and Agendas

- Council meets on the 3rd Tuesday of each month
- Council's Confirmed Minutes of Meetings are available for inspection or purchase
- Unconfirmed Council's Minutes are placed on the website within ten (10) days after the Council Meeting.
- Go to www.richmond.qld.gov.au

Other matters

- Council has an Equal Employment Opportunity Plan and has flexible working arrangements available if required in a family friendly environment.

TRUST ACCOUNT BALANCES

RICHMOND SHIRE COUNCIL'S TRUST ACCOUNT BALANCES

AS AT 30 JUNE 2017

Townsville Health	\$516.95
Richmond Swim Club	\$475.34
Richmond Landcare	\$402.61
Public Buildings Bond	\$1,100.00
Miscellaneous Trust Money	\$1,000.00
RADF Funds	\$3,584.17
Memorial Trust – Greg Forster	\$2,400.00
HACC – fundraising & excursion	\$705.00
Harold Brisbin – Funeral Exp in advance	\$3,990.00
Bill Barnsley – Funeral Exp in advance	\$3,990.00
Racecourse Stalls	\$3,865.10
Milo Cricket	\$210.00
Bond Council Houses	\$550.00
Wayne Rhodes soft drink money	\$5,349.48
Total	\$28,138.65

COMMUNITY FINANCE REPORT

Council's Community Financial Report is a brief summary of its financial performance and position for the 2016-17 financial year. The *Local Government Regulation 2012* requires Council to prepare its Community Financial Report containing an analysis of the local government's financial performance and position for the financial year.

Richmond Shire Council's Audited Financial Statements for 2016-17 are available on Council's website at www.richmond.qld.gov.au and are attached to this report.

Net Result:

Council has recorded a profit of \$6.13m this year. This is due to a revaluation of council's water, buildings and land assets.

2010/11	3,250,086
2011/12	497,693
2012/13	8,910,308
2013/14	7,421,771
2014/15	27,408,839
2015/16	6,689,528
2016/17	6,129,742

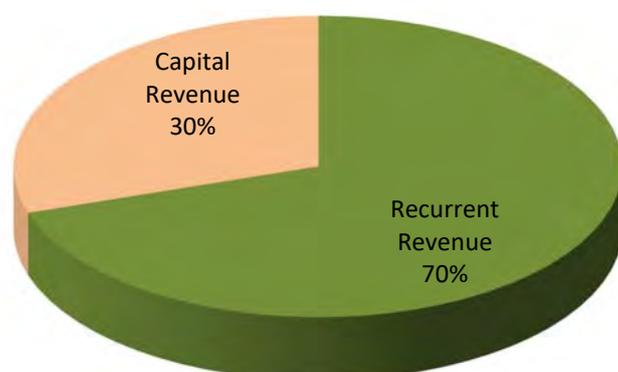
Net Results from operations, 2010/11 – 2016/17

The Statement of Comprehensive Income:

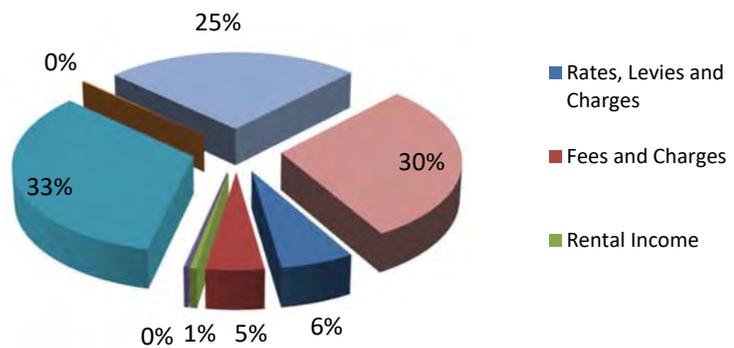
The Statement of Comprehensive Income is often referred to as the Profit and Loss Statement and shows how Council has performed throughout the period. The statement shows the annual movement between Council's income and expenses throughout the year. The net result of these two figures represents the money that is available for Council to renew, upgrade or build new community assets.

Revenue:

The two main categories of revenue are Recurrent Revenue and Capital Revenue.



Council's recurrent revenue is income, which Council can rely on being available every year or funding the operations of Council. Sources of recurrent revenue are rate levies, fees and charges, grants, subsidies, contributions, donations, contract and recoverable works (sales revenue), rent and interest.



Council's Capital revenue is sourced for the purpose of constructing Council's Assets now and into the future. Capital revenue consists of capital grants, subsidies, contributions and donations, as well as gains/losses on disposal of assets.

Total revenue increased by only \$8.3M. Most of this was due to contract works for main roads flood damage or council roads. This revenue is almost all related to Transport and Main Roads contract and flood damage work on state owned assets. This is beyond the standard contractual income Council expects to receive on an annual basis from the Queensland Government. The majority of our income came from sales revenue with grants and subsidies being the next largest source of revenue (MRD – \$8.6M).

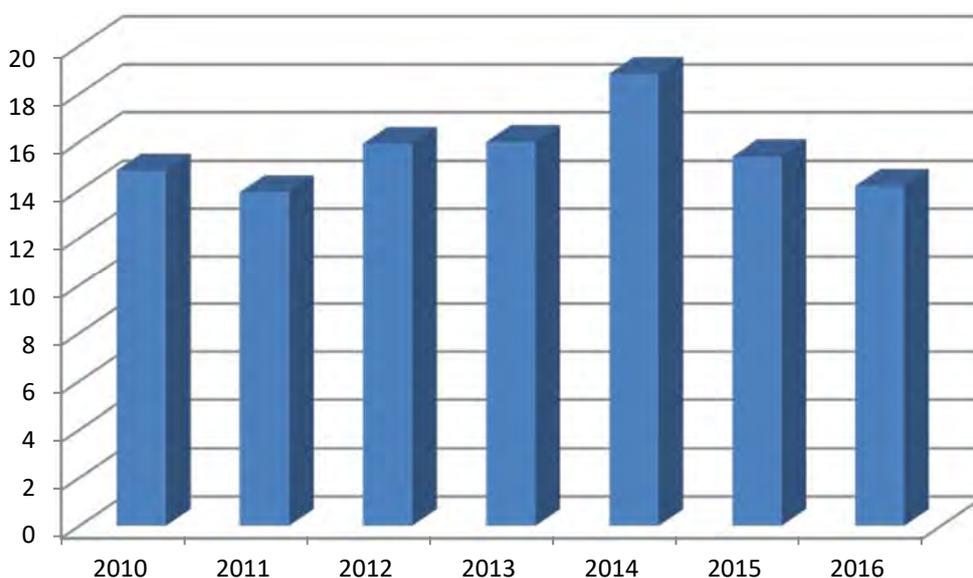
Council's ability to raise income from rates, levies and charges is limited by the population. The income generated from this source is 6% of total revenue.

Capital Revenue increased significantly this year due to works on council owned assets such as W4Q funding and grant for new Administration Building along with road structure.

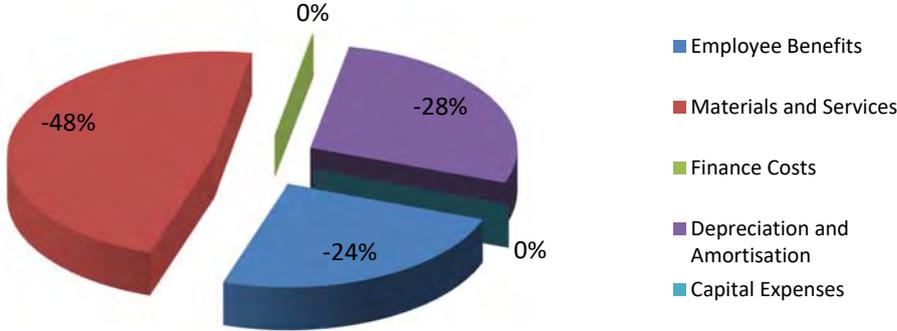
Expenditure:

Recurrent expenses represent the cost to Council of providing services to the community, operating facilities and maintaining assets. This expenditure includes wages and other employee entitlements, materials and services, finance costs and depreciation.

Total Expenses \$20.1mil



Materials and Services made up the largest type of expenditure at 48% followed by depreciation at 28% and employee benefits at 24%.



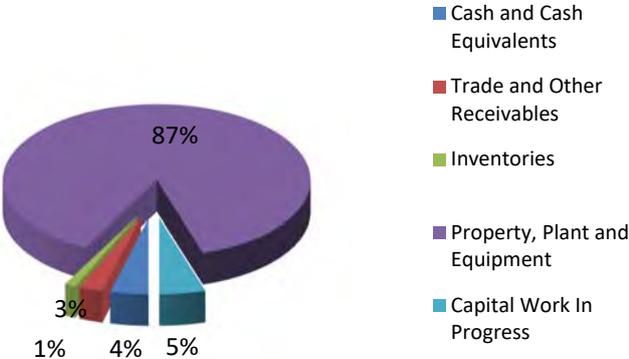
The Statement of Financial Position:

This statement is often referred to as the balance sheet and summarizes the financial position of Council at the end of the financial year. The statement measures what Council owns (assets) and what Council owes (liabilities) at the end of the financial year. The difference between assets and liability is the net community wealth (equity) of Council.

Assets:

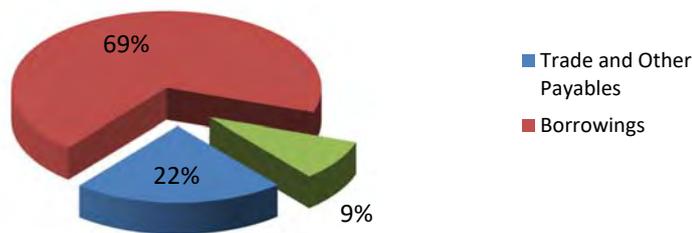
Current Assets are made up mainly of cash and cash equivalents as well as money owed to Council and inventories.

Non-current assets are predominantly property plant and equipment that include items such as roads, water and sewerage infrastructure, buildings and vehicles. These assets alone are worth \$174 million or 92% of Council’s assets, with cash, inventories and receivables accounting for a further \$14.5 million. Roads, water and sewerage networks make up the majority of the infrastructure assets.



Liabilities:

Council’s liabilities comprise amounts owing for provisions, borrowings and trade and other payables. Provisions are for future entitlements Council owes to employees. Liabilities as at 30 June 2017 totalled \$7.7 million. This amount comprised of \$1.7 million in creditors due and \$.676 million in employee leave provisions.



The Statement of Changes in Equity:

Community equity is represented by Council's net worth. This is calculated by what Council own, minus what Councils owes.

Total Assets **\$188.930** – Total Liabilities **\$7.766M** = Community Equity **\$181.164M**

Community equity rose by \$3.129M from the previous year due to the revaluation decrease of assets and increase in retained surplus of \$5.775m. Council's retained surplus comprises amounts representing the asset retained capital and other changes in the value of Council's assets over time.

The Statement of Cash Flows:

The Statement of Cash Flows identifies the cash received and cash spent throughout the year. The statement shows Council's ability to cover its expenditures and where those funds are derived. Council's cash balance increased by \$2.847M compared to the previous financial year.

Council's cash flows from operating activities incorporate the recurrent activities of Council. The cash flows from investing activities show Council spent \$11.5M investing in property, plant and equipment. This includes capital works on Council's roads, buildings and the replacement of plant and equipment.

Measures of Council's Financial Sustainability:

Council's audited financial statements indicate that Council finished the financial year in a positive financial position.

The Richmond Shire Council has maintained a steady growth rate over the last 10 years. Over the next 10 years, council is looking to consolidate that growth with an estimated further increase in net assets of \$25 million. Current 10 year financial forecasting has the Council achieving a surplus each year. Council has dedicated a substantial amount of time and funds to ensuring it has a superb fleet of quality machinery to build roads throughout the region. This fleet along with a dedicated workforce has seen Council secure numerous Main Roads contracts and repair major damage from the floods every year. It is these contracts and flood damage works that is the driving force behind Councils income every year and will continue to be so in the future. Council is currently working on a total asset management plan that will include 10-year estimates of capital expenditure and maintenance required to responsibly manage the asset stock. All indicators point to a positive future for the Richmond Shire Council.

Section 169 of the *Local Government Regulation 2012* requires the inclusion of the relevant measures of financial sustainability. These ratios are also included in Council's 10-year financial plan, with reviews conducted on a regular basis. Targets are set by the Department of Local Government and Planning.

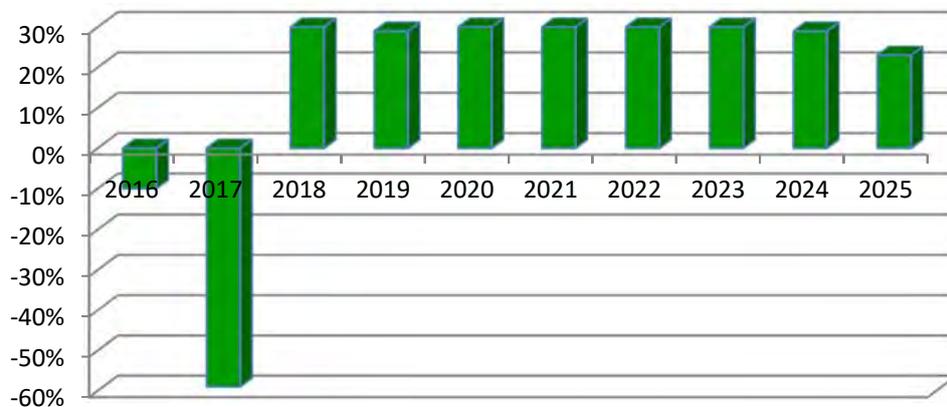
Operating Surplus Ratio:

This measures the extent to which revenue raised (excluding capital grants and contributions) covers operational expenses. As at 30 June 2017, Councils operating surplus ratio was a deficit of 59%. This is because Council undertook extensive capital works on roads during the year.

For the majority of the next 10 years Council will be above breakeven.

Operating surplus ratio

Operating surplus ratio

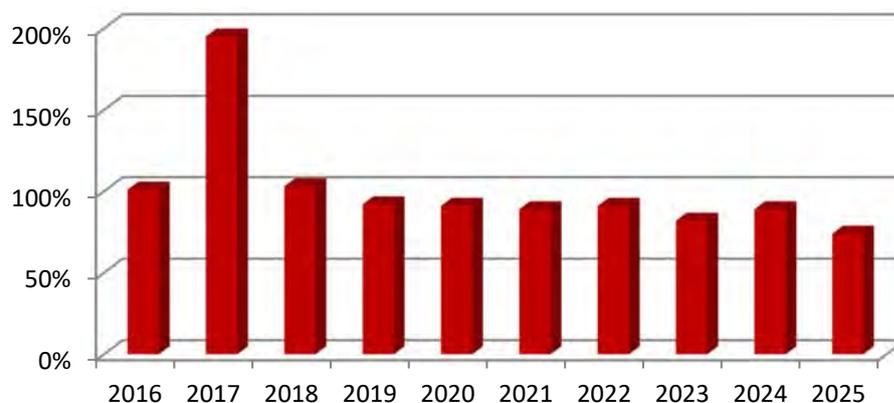


Asset Sustainability Ratio:

Target is 90%. Well over this financial year, future financial years will be dependent on flood damage and grants.

Asset sustainability ratio

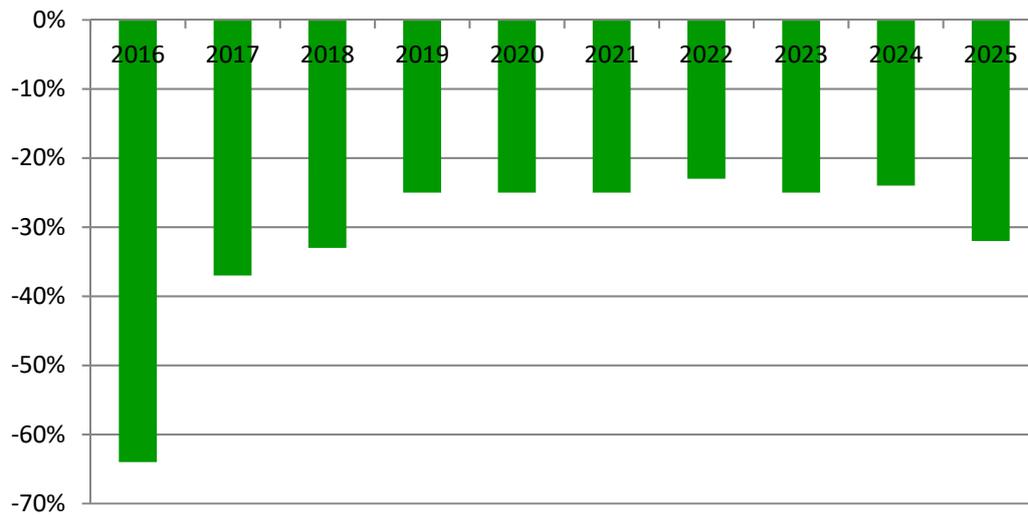
Asset sustainability ratio



Net Financial Liabilities Ratio:

This ratio represents the extent to which Council can fund its liabilities through its operating revenues. The target for this ratio is less than 60%. Council has new borrowings and low liabilities, which is why the ratio is very low.

Net financial liabilities ratio





Richmond Shire Council

Operational Plan

ANNUAL REPORT

1 July 2016 - 30 June 2017

OPERATIONAL PLAN 2016-2017

Finance and Administration

Activity Identified:	Upgrade staff housing
Budget Implication:	\$50,000
Activity Objectives:	Continue to upgrade staff housing. Flagged item are 3 bathrooms.
Corporate Plan Objective:	Property Management
Amount Spent	\$57,655.02
Objective Update	38 Goldring Street, Racecourse Unit, 104 Goldring Street, 42 Simpson Street, 90 Crawford Street

Activity Identified:	Upgrade Wyangarie driveways
Budget Implication:	\$70,000
Activity Objectives:	Replace existing paving with bitumen for driveways to Wyangarie Units. Existing paving is rough and uneven.
Corporate Plan Objective:	Property Management
Amount Spent	\$0
Objective Update	Held off due to the State Government possibly reclaiming the units.

Activity Identified:	Install water sprinklers & turf
Budget Implication:	\$20,000
Activity Objectives:	Install water sprinkler system into Council Hillier Street units and turf to improve lawn maintenance and water management.
Corporate Plan Objective:	Property Management
Amount Spent	\$0
Objective Update	Works planned for next calendar year.

OPERATIONAL PLAN 2016-2017

Activity Identified:	Civic centre floor
Budget Implication:	\$25,000
Activity Objectives:	Replace floor covering in Civic Centre as the old one has sections missing and are trip hazards.
Corporate Plan Objective:	Workplace Health and Safety
Amount Spent	\$34,182
Objective Update	Currently being installed.

Activity Identified:	Civic Centre Side table and chairs
Budget Implication:	\$5,000
Activity Objectives:	Install seats and tables at side of hall for outdoor eating area
Corporate Plan Objective:	Civic Administration
Amount Spent	\$4706
Objective Update	Complete.

Activity Identified:	Richmond Shire Council's website
Budget Implication:	\$25,000
Activity Objectives:	Upgrade Council's website and maintain with up to date information.
Corporate Plan Objective:	Corporate Governance
Amount Spent	\$10,365.66
Objective Update	Design completed, content management still happening.

OPERATIONAL PLAN 2016-2017

Activity Identified:	Kronosaurus Korner's website
Budget Implication:	\$25,000
Activity Objectives:	Upgrade KK's website and maintain with up to date information.
Corporate Plan Objective:	Corporate Governance
Amount Spent	\$30,860.66
Objective Update	Completed.

Activity Identified:	Computer System Overhaul
Budget Implication:	\$160,000
Activity Objectives:	Upgrade all Council computers (including KK, Library, HACC, Stores, and Depot), servers, photocopier and wireless links.
Corporate Plan Objective:	Corporate Governance
Amount Spent	\$187,487.49
Objective Update	Completed.

Activity Identified:	Television Network Equipment Upgrade
Budget Implication:	\$200,000
Activity Objectives:	Upgrade all TV equipment associated with the broadcasting of commercial channels.
Corporate Plan Objective:	Corporate Governance
Amount Spent	\$174,600.00
Objective Update	Completed.

OPERATIONAL PLAN 2016-2017

Activity Identified:	Lake Fred Tritton Toilet
Budget Implication:	\$35,000
Activity Objectives:	Upgrade the toilet at the boat ramp end to dual toilets.
Corporate Plan Objective:	Property Management
Amount Spent	\$0
Objective Update	Works planned for next calendar year.

Activity Identified:	Lake Fred Tritton Shade Structure Lattice Works
Budget Implication:	\$40,000
Activity Objectives:	Continue putting lattice on shade shelters at the lake.
Corporate Plan Objective:	Property Management
Amount Spent	\$0
Objective Update	Works planned for next calendar year.

Activity Identified:	New Administration Building
Budget Implication:	\$4,300,000
Activity Objectives:	Build a new administration building to replace current offices. Works to be built on 65 Goldring Street.
Corporate Plan Objective:	Property Management
Amount Spent	\$4,890,418.90
Objective Update	Completed.

OPERATIONAL PLAN 2016-2017

Activity Identified:	Monitor water allocation and billing implementation
Budget Implication:	Staff time
Activity Objectives:	Council will read water meter monthly and forward half-yearly water notices.
Corporate Plan Objective:	Financial Management
Amount Spent	\$22,114.86
Objective Update	Mead Perry Group were brought in to help sort Council's rating system.

Activity Identified:	Review and adopt a new asbestos management plan
Budget Implication:	\$38,750
Activity Objectives:	Design a new asbestos management plan to bring it up to current regulations and standards.
Corporate Plan Objective:	Corporate Governance
Amount Spent	\$0
Objective Update	Quotes are being sourced.

Activity Identified:	Review and adopt a new town plan
Budget Implication:	\$50,000
Activity Objectives:	Design a new town plan to bring it up to current regulations and standards.
Corporate Plan Objective:	Corporate Governance
Amount Spent	\$25,107.50
Objective Update	Contractor has been engaged and planning is in development.

OPERATIONAL PLAN 2016-2017

Works and Services

Activity Identified:	Continue to further develop the new industrial estate and finalise estate
Budget Implication:	\$1,000,000
Activity Objectives:	To have water and power installed in the industrial estate and bitumen the road.
Corporate Plan Objective:	Economic development
Amount Spent	\$566,441.52
Objective Update	Ergon has erected the power poles, storm water and water reticulation system installed. Culverts currently being installed however, the road will have to be carried over.

Activity Identified:	Croydon Road upgrade
Budget Implication:	\$976,000
Activity Objectives:	Continue to upgrade the Croydon Road utilising TIDS, R2R and other funding sources. Widen road from the bottom crossing to 10km mark.
Corporate Plan Objective:	Roads
Amount Spent	\$1,050,231.33
Objective Update	Completed.

Activity Identified:	Croydon Road upgrade
Budget Implication:	\$2,040,000
Activity Objectives:	Continue to upgrade the Croydon Road utilising beef roads funding. Continue bitumen program from the end of the existing seal.
Corporate Plan Objective:	Roads
Amount Spent	\$0
Objective Update	Works is being planned to start in March 2018.

OPERATIONAL PLAN 2016-2017

Activity Identified:	Shire Roads Gravel Upgrade Program
Budget Implication:	\$100,000
Activity Objectives:	Continue to upgrade Shire Roads with gravel sheeting. Coalbrook Road has been identified for the current program.
Corporate Plan Objective:	Roads
Amount Spent	\$0
Objective Update	Works has been carried over.

Activity Identified:	Stock proof Croydon Road airstrip
Budget Implication:	\$50,000
Activity Objectives:	Install grid and fence on Croydon Road airstrip to stock proof road.
Corporate Plan Objective:	Roads
Amount Spent	\$0
Objective Update	Tender is about to be released.

Activity Identified:	Continue resealing of town streets
Budget Implication:	\$420,000
Activity Objectives:	Council to reseal town streets with particular attention to Goldring Street to Croydon Road grid. Other streets to be included are Clayton, Cramb and Hillier.
Corporate Plan Objective:	Roads
Amount Spent	\$745,607.18
Objective Update	Also includes some costs from R2R projects.

OPERATIONAL PLAN 2016-2017

Activity Identified:	Install Camera on Alick Creek at Maxwellton
Budget Implication:	\$5,000
Activity Objectives:	Council to organise for a camera to be placed on Alick Creek to show flood waters in the wet and be linked to Councils website.
Corporate Plan Objective:	Roads
Amount Spent	\$5,000
Objective Update	Will be installed by the end of June.

Activity Identified:	Main street beautification project
Budget Implication:	\$15,000
Activity Objectives:	Ergon to remove poles from centre medium strip from Ammonite Motel to Caravan Park and relocate to footpaths on the side.
Corporate Plan Objective:	Roads
Amount Spent	\$0
Objective Update	Planning underway with Main Roads.

Activity Identified:	Continue with streetscape upgrade
Budget Implication:	\$74,000
Activity Objectives:	Move forward with the next phase in the upgrade to the streetscape of Richmond's CBD.
Corporate Plan Objective:	Parks and Gardens
Amount Spent	\$0
Objective Update	Works planned for next calendar year.

OPERATIONAL PLAN 2016-2017

Activity Identified:	Upgrade saleyards facilities.
Budget Implication:	\$100,000
Activity Objectives:	Upgrade yards facilities at the Richmond Saleyards to increase processing of cattle.
Corporate Plan Objective:	Rural Land Management
Amount Spent	\$25,325.89
Objective Update	Tender is out for new yards.

Activity Identified:	Continuous upgrade of Council Plant
Budget Implication:	\$1,095,500
Activity Objectives:	Upgrade plant and equipment in accordance with Council's replacement program to maintain a quality fleet.
Corporate Plan Objective:	Asset Management
Amount Spent	\$241,363.09
Objective Update	Garbage truck needs to be ordered.

Activity Identified:	Security Lighting at Depot
Budget Implication:	\$30,000
Activity Objectives:	Replace the security lighting at the depot with the lights to be repositioned along the fence and facing inwards. This will remove the bug problem inside the depot buildings.
Corporate Plan Objective:	Asset Management
Amount Spent	\$0
Objective Update	To be held over.

OPERATIONAL PLAN 2016-2017

Activity Identified:	Cap old saleyards bore
Budget Implication:	\$15,000
Activity Objectives:	Decommission the old saleyards bore.
Corporate Plan Objective:	Water
Amount Spent	\$16,335.00
Objective Update	Completed.

Activity Identified:	Topdressing of turf at the Racecourse and master plan
Budget Implication:	\$30,000
Activity Objectives:	Level and re-grass the facilities to improve lawn quality and appearance. Also get a master plan for future works at the racecourse.
Corporate Plan Objective:	Parks and Gardens
Amount Spent	\$13,172.50
Objective Update	Barry Switzer has provided some plans for the upgrade works at the racecourse.

Activity Identified:	Painting of Grandstand & Jockey Room at Racecourse
Budget Implication:	\$25,000
Activity Objectives:	Repaint the grandstand and jockey room at the racecourse to freshen the place up.
Corporate Plan Objective:	Parks and Gardens
Amount Spent	\$0
Objective Update	JKB are doing work at the racecourse.

OPERATIONAL PLAN 2016-2017

Activity Identified:	Install power and water at facilities
Budget Implication:	\$50,000
Activity Objectives:	Install power and water at facilities for exhibitors and overflow caravans from the caravan park to increase the racecourse functionality.
Corporate Plan Objective:	Parks and Gardens
Amount Spent	\$0
Objective Update	To be held over.

Activity Identified:	Erection of Shed at Swimming Pool
Budget Implication:	\$10,000
Activity Objectives:	New shed to be erected at the swimming pool for individual storage spaces for the pool, swimming club and the school.
Corporate Plan Objective:	Asset Management
Amount Spent	\$15,308.92
Objective Update	Completed.

Activity Identified:	Chlorine Pump at Swimming Pool
Budget Implication:	\$20,000
Activity Objectives:	New chlorine pump at the swimming pool to safer administration of chemical.
Corporate Plan Objective:	Asset Management
Amount Spent	\$0
Objective Update	Investigating options for Chlorine administration.

OPERATIONAL PLAN 2016-2017

Activity Identified:	Replace water mains in Maxi
Budget Implication:	\$100,000
Activity Objectives:	Replace water mains in Maxwellton as the old network constantly has leaks and draws on the resources of Council Plumbers better used elsewhere.
Corporate Plan Objective:	Water
Amount Spent	\$0
Objective Update	Works planned for next calendar year.

Activity Identified:	Upgrade Water Mains
Budget Implication:	\$100,000
Activity Objectives:	Replace water mains Goldring Street due to the Main Roads upgrade stage 2.
Corporate Plan Objective:	Water
Amount Spent	\$10,028.00
Objective Update	Pipe bored under the railway. Water lines are being mapped to show where existing connections are.

Activity Identified:	Bulk kerbside waste collections
Budget Implication:	\$7,000
Activity Objectives:	Provide two bulk kerbside waste collections annually to help maintain a tidy town.
Corporate Plan Objective:	Cleansing
Amount Spent	\$7,175.93
Objective Update	Completed.

OPERATIONAL PLAN 2016-2017

Activity Identified:	Maintain existing waste disposal facility in accordance with environmental management practices
Budget Implication:	\$50,000
Activity Objectives:	Investigate a dump manager and commercial disposal fees are collected where possible.
Corporate Plan Objective:	Cleansing
Amount Spent	\$0
Objective Update	Held over.

Activity Identified:	Explore waste minimisation and recycling services
Budget Implication:	Staff time
Activity Objectives:	Liaise with external providers to collect scrap metals, oils and other recyclable materials.
Corporate Plan Objective:	Cleansing
Amount Spent	\$0
Objective Update	Works planned for next calendar year.

Activity Identified:	Parks and Gardens Maintenance program
Budget Implication:	Staff time
Activity Objectives:	Develop and implement a maintenance program for parks and gardens.
Corporate Plan Objective:	Parks and Gardens
Amount Spent	\$0
Objective Update	Held over.

OPERATIONAL PLAN 2016-2017

Activity Identified:	Environmental Management Plan
Budget Implication:	Staff time
Activity Objectives:	Review Council's Environmental Management Plans for Environmentally Relevant Activities
Corporate Plan Objective:	Environmental and Health
Amount Spent	\$0
Objective Update	Works planned for next calendar year.

Community Development and Services

Activity Identified:	New Managers Residence
Budget Implication:	\$200,000
Activity Objectives:	Turn old manager's residence into a 2 bedroom unit for rent within caravan park and install new manager's residence.
Corporate Plan Objective:	Lakeview Caravan Park
Amount Spent	\$0
Objective Update	BOR funding successful but Council has changed the original scope of this item.

Activity Identified:	Upgrade bunkhouse and camp kitchen
Budget Implication:	\$50,000
Activity Objectives:	Renovate bunkhouse and camp kitchen.
Corporate Plan Objective:	Lakeview Caravan Park
Amount Spent	\$0
Objective Update	Funding has been applied for and will be carried out in October.

OPERATIONAL PLAN 2016-2017

Activity Identified:	Upgrade toilets and hand basins in ensuite cabins
Budget Implication:	\$20,000
Activity Objectives:	Remove existing toilets and hand basins in ensuite cabins that have been damaged due to harsh chemicals that were required to keep clean and install new systems.
Corporate Plan Objective:	Lakeview Caravan Park
Amount Spent	\$0
Objective Update	Order has been given for works to proceed.

Activity Identified:	Install surveillance system
Budget Implication:	\$100,000
Activity Objectives:	Install security cameras at Lake Fred Tritton, Goldring St, Saleyards, Wash Down Bay and the Dump Rd to monitor unwanted behaviour.
Corporate Plan Objective:	Workplace Health and Safety
Amount Spent	\$0
Objective Update	Waiting for successful funding options.

Activity Identified:	New Pit at Dump
Budget Implication:	\$20,000
Activity Objectives:	New pit to be dug at the dump to allow for the disposal of rubbish.
Corporate Plan Objective:	Workplace Health and Safety
Amount Spent	\$0
Objective Update	To be dug next calendar year.

OPERATIONAL PLAN 2016-2017

Activity Identified:	Clean Up Old Site at Dump
Budget Implication:	\$40,000
Activity Objectives:	Existing site to be cleared of rubble and misplaced rubbish.
Corporate Plan Objective:	Workplace Health and Safety
Amount Spent	\$0
Objective Update	To be conducted next calendar year.

Activity Identified:	Office and Shed at Dump
Budget Implication:	\$20,000
Activity Objectives:	New office and shed to be placed at the dump for the dump contractor to use.
Corporate Plan Objective:	Workplace Health and Safety
Amount Spent	\$0
Objective Update	To be conducted next calendar year.

Activity Identified:	Water Line to be Installed to Dump
Budget Implication:	\$5,000
Activity Objectives:	New water line to be connected to the dump for the contractor to use.
Corporate Plan Objective:	Workplace Health and Safety
Amount Spent	\$5,845.62
Objective Update	Completed.

OPERATIONAL PLAN 2016-2017

Activity Identified:	Update presentation at Kronosaurus Korner
Budget Implication:	\$100,000
Activity Objectives:	Update to 3D film.
Corporate Plan Objective:	Tourism
Amount Spent	\$64,219.56
Objective Update	Presentation in planning stage.

Activity Identified:	Revamp Floor at Museum
Budget Implication:	\$50,000
Activity Objectives:	Revamp the floor in the foyer, café and office at the museum wear there has been the most wear and tear on the concrete.
Corporate Plan Objective:	Tourism
Amount Spent	\$43,560.94
Objective Update	Completed.

Activity Identified:	Replace Table & Chairs in Café
Budget Implication:	\$10,000
Activity Objectives:	The existing table and chairs have been in place for over 10 years and will need replacing.
Corporate Plan Objective:	Tourism
Amount Spent	\$0
Objective Update	To be ordered.

OPERATIONAL PLAN 2016-2017

Activity Identified:	Bush Tucker Garden Upgrade
Budget Implication:	\$10,000
Activity Objectives:	Removal of old weed matting and planting of new trees/shrubs at the gardens.
Corporate Plan Objective:	Tourism
Amount Spent	\$0
Objective Update	Completed.

Activity Identified:	Re-fence Front of Cemetery and Build New Parking Area
Budget Implication:	\$50,000
Activity Objectives:	Re-fence front of cemetery to allow future expansion and build new parking area, which will include the installation of a grid to remove the need for gates.
Corporate Plan Objective:	Cemetery
Amount Spent	\$0
Objective Update	Ongoing.

Activity Identified:	Renovation of Old Cemetery
Budget Implication:	\$100,000
Activity Objectives:	Relevel sunken graves, fix broken headstones and cement edges. New pathways to be created and better vegetation management.
Corporate Plan Objective:	Cemetery
Amount Spent	\$0
Objective Update	Fixing the new lawn cemetery first. Will look for grant funding.

OPERATIONAL PLAN 2016-2017

Activity Identified:	Provide support to local community events
Budget Implication:	\$15,000
Activity Objectives:	Continue to provide support to community clubs and organisations.
Corporate Plan Objective:	Community Events
Amount Spent	\$0
Objective Update	Nothing to date.

Richmond Shire Council Annual Financial Statements 2016-17



Richmond Shire Council

Financial statements

For the year ended 30 June 2017

Table of contents

Statement of Comprehensive Income

Statement of Financial Position

Statement of Changes in Equity

Statement of Cash Flows

Notes to the financial statements

- 1 Significant accounting policies
- 2 Analysis of results by function
- 3 Revenue
- 4 Grants, subsidies, contributions and donations
- 5 Employee benefits
- 6 Materials and services
- 7 Capital expenses
- 8 Cash and cash equivalents
- 9 Trade and other receivables
- 10 Inventories
- 11 Property, plant and equipment
- 12 Trade and other payables
- 13 Borrowings
- 14 Provisions
- 15 Asset revaluation surplus
- 16 Contingent liabilities
- 17 Superannuation
- 18 Trust funds
- 19 Reconciliation of net result for the year to net cash inflow (outflow) from operating activities
- 20 Controlled entities
- 21 Transactions with related parties
- 22 Financial instruments

Management Certificate

Independent Auditor's Report (General Purpose Financial Statements)

Current Year Financial Sustainability Statement

Certificate of Accuracy - for the Current Year Financial Sustainability Statement

Independent Auditor's Report (Current Year Financial Sustainability Statement)

Long Term Financial Sustainability Statement

Certificate of Accuracy - for the Long Term Financial Sustainability Statement

Richmond Shire Council
Statement of Comprehensive Income
For the year ended 30 June 2017

	Note	2017 \$	2016 \$
Income			
Revenue			
Recurrent revenue			
Rates, levies and charges	3(a)	1,563,350	1,472,263
Fees and charges	3(b)	1,243,838	856,959
Rental income	3(c)	152,397	174,378
Interest received	3(d)	94,450	206,661
Sales revenue	3(e)	8,657,538	2,997,995
Other income	3(f)	59,017	92,127
Grants, subsidies, contributions and donations	4(a)	6,522,266	4,869,984
		<u>18,292,856</u>	<u>10,670,366</u>
Capital revenue			
Grants, subsidies, contributions and donations	4(b)	7,634,082	6,892,009
		<u>25,926,938</u>	<u>17,562,375</u>
Total income		<u>25,926,938</u>	<u>17,562,375</u>
Expenses			
Recurrent expenses			
Employee benefits	5	(4,933,127)	(4,698,550)
Materials and services	6	(9,639,864)	(3,807,182)
Finance costs		(26,398)	(6,944)
Depreciation and amortisation	11	(5,547,160)	(5,655,756)
		<u>(20,146,549)</u>	<u>(14,168,432)</u>
Capital expenses	7	(4,510)	(222,884)
		<u>(20,151,059)</u>	<u>(14,391,316)</u>
Total expenses		<u>(20,151,059)</u>	<u>(14,391,316)</u>
Net result		<u>5,775,879</u>	<u>3,171,059</u>
Other comprehensive income			
Items that will not be reclassified to net result			
Increase in asset revaluation surplus	15	353,863	3,518,469
		<u>353,863</u>	<u>3,518,469</u>
Total other comprehensive income for the year		<u>353,863</u>	<u>3,518,469</u>
Total comprehensive income for the year		<u>6,129,742</u>	<u>6,689,528</u>

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

Richmond Shire Council
Statement of Financial Position
as at 30 June 2017

	Note	2017 \$	2016 \$
Current assets			
Cash and cash equivalents	8	7,569,952	4,722,148
Trade and other receivables	9	4,748,788	2,311,877
Inventories	10	2,184,422	1,693,986
Total current assets		14,503,162	8,728,011
Non-current assets			
Property, plant and equipment	11	174,427,465	168,198,734
Total non-current assets		174,427,465	168,198,734
Total assets		188,930,626	176,926,746
Current liabilities			
Trade and other payables	12	1,708,932	1,268,744
Borrowings	13	483,797	-
Provisions	14	571,577	539,935
Total current liabilities		2,764,306	1,808,679
Non-current liabilities			
Provisions	14	104,845	83,789
Borrowings	13	4,897,456	-
Total non-current liabilities		5,002,301	83,789
Total liabilities		7,766,607	1,892,468
Net community assets		181,164,019	175,034,276
Community equity			
Asset revaluation surplus	15	83,701,399	83,347,535
Retained surplus/(deficiency)		97,462,620	91,686,741
Total community equity		181,164,019	175,034,276

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

Richmond Shire Council
Statement of Changes in Equity
For the year ended 30 June 2017

	Asset revaluation surplus 15	Retained surplus	Total
Note	\$	\$	\$
Current Year			
Balance as at 1 July 2016	83,347,535	91,686,741	175,034,276
Net operating surplus	-	5,775,879	5,775,879
Other comprehensive income for the year			
Increase in asset revaluation surplus	353,863	-	353,863
Total comprehensive income for the year	353,863	5,775,879	6,129,742
Balance as at 30 June 2017	83,701,399	97,462,620	181,164,019
Prior Year			
Balance as at 1 July 2015	79,829,066	88,515,682	168,344,748
Net operating surplus	-	3,171,059	3,171,059
Other comprehensive income for the year			
Increase in asset revaluation surplus	3,518,469	-	3,518,469
Total comprehensive income for the year	3,518,469	3,171,059	6,689,528
Balance as at 30 June 2016	83,347,535	91,686,741	175,034,276

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

Richmond Shire Council
Statement of Cash Flows
For the year ended 30 June 2017

	Note	2017 \$	2016 \$
Cash flows from operating activities			
Receipts from customers		9,130,153	4,348,646
Payments to suppliers and employees		<u>(14,611,114)</u>	<u>(8,851,902)</u>
		(5,480,961)	(4,503,256)
Interest received	3(d)	94,450	206,661
Rental income	3(c)	152,397	174,378
Non-capital grants and contributions	4(a)	6,522,266	4,869,984
Borrowing costs		<u>(13,645)</u>	-
Net cash inflow from operating activities	19	<u>1,274,507</u>	<u>747,766</u>
Cash flows from investing activities			
Payments for property, plant and equipment	11	(11,538,456)	(10,559,871)
Net movement in loans and advances		-	-
Proceeds from sale of property plant and equipment	7	96,418	288,000
Grants, subsidies, contributions and donations	4(b)	<u>7,634,082</u>	<u>6,892,009</u>
Net cash outflow from investing activities		<u>(3,807,956)</u>	<u>(3,379,861)</u>
Cash flows from financing activities			
Proceeds from borrowings	13	5,500,000	-
Repayment of borrowings	13	<u>(118,747)</u>	-
Net cash inflow from financing activities		<u>5,381,253</u>	-
Net increase in cash and cash equivalent held		<u>2,847,804</u>	<u>(2,632,096)</u>
Cash and cash equivalents at the beginning of the financial year		4,722,148	7,354,244
Cash and cash equivalents at end of the financial year	8	<u>7,569,952</u>	<u>4,722,148</u>

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

Richmond Shire Council
Notes to the financial statements
For the year ended 30 June 2017

Significant Accounting Policies

1.A Basis of preparation

These general purpose financial statements are for the period 1 July 2016 to 30 June 2017. They are prepared in accordance with the *Local Government Act 2009* and the *Local Government Regulation 2012*.

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

These financial statements have been prepared under the historical cost convention except where stated.

1.B Basis of consolidation

The controlled entity of Richmond Shire Council during the reporting period was The Kronosaurus Korner Board Inc. The Kronosaurus Korner Board Inc. is an incorporated association and does not have any share capital. Significant control is exercised by Richmond Shire Council over the operations of the Centre. Of the eight directors, six are Richmond Shire Council elected (nominated) representatives. Control is able to be exercised by Council by determining the composition of the board as well as the capacity to appoint and remove directors and approve grant funding. The accounts of The Kronosaurus Korner Board Inc. have not been consolidated with Council's accounts as at the reporting date due to immateriality. Information relating to the financial position of the controlled entity is set out in Note 20.

1.C Constitution

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

1.D Adoption of new and revised accounting standards

This year Council has applied AASB 124 *Related Party Disclosures* for the first time. As a result Council has disclosed more information about related parties and transactions with those related parties. This information is presented in note 21.

Some Australian Accounting Standards and Interpretations have been issued but are not yet effective. Those standards have not been applied in these financial statements. Council will implement them when they are effective. The standards that are expected to have a material impact upon Council's future financial statements are:

Standard and impact	Date council will apply the standard
<p><u>AASB 9 Financial Instruments</u></p> <p>This replaces AASB 139 <i>Financial Instruments: Recognition and Measurement</i>, and will change the classification, measurement and disclosures of financial assets.</p> <p>As a result, Council will measure its financial assets at fair value. The impact of this new standard is yet to be quantified.</p>	1-Jul-18
<p><u>AASB 15 Revenue from Contracts with Customers, AASB 1058 Income of Not-for-Profit Entities and AASB 2016-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities</u></p> <p>AASB 15 will replace AASB 118 Revenue, AASB 111 Construction Contracts and a number of Interpretations. AASB 2016-8 provides Australian requirements and guidance for not-for-profit entities in applying AASB 9 and AASB 15, and AASB 1058 will replace AASB 1004 Contributions. Together they contain a comprehensive and robust framework for the recognition, measurement and disclosure of income including revenue from contracts with customers.</p> <p>Council is still reviewing the way that income is measured and recognised to identify whether there will be any material impact arising from these standards.</p>	1-Jul-19

Richmond Shire Council
Notes to the financial statements
For the year ended 30 June 2017

AASB 16 Leases

Council has some leases that are not on its balance sheet. These will need to be included on the balance sheet when this standard comes into effect. A lease liability will initially be measured at the present value of the lease payments to be made over the lease term. A corresponding right-of-use asset will also be recognised over the lease term. Although Council anticipate that the adoption of AASB16 Leases will impact Council's financial statements, it is impractical at this stage to provide a reasonable estimate of such impact.

1-Jul-19

1.E Estimates and judgements

Where necessary judgements, estimates and assumptions have been used in preparing these financial statements. Those that have a significant effect, or risk of causing an adjustment to Council's assets or liabilities relate to:

- Valuation and depreciation of property, plant and equipment - Note 11
- Provisions - Note 14
- Contingent liabilities - Note 16

1.F Rounding and comparatives

The financial statements are in Australian dollars that have been rounded to the nearest \$1. Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period.

1.G Taxation

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

Richmond Shire Council
Notes to the financial statements
For the year ended 30 June 2017

2. Analysis of Results by Function

2(a) Components of council functions

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

Finance

The goal of this function is to manage the finances of Council for the benefit of the community. Competent decision making and financial management by full and open discussions at meetings, detailed knowledge of the facts, balancing of sustainable budget, equitable Shire rates, utilising skilled expertise, minimise costs and manage and maintain Council assets in a good state of repair.

Administration

The goal of this function is to adopt the principles of good corporate governance to administer Council's services and functions. To communicate with the local community through a monthly newsletter, website and encouraging comment on decisions and to represent the community as a whole through the Elected Members.

Planning and building

The goal of this function is to ensure the continued growth of the Shire.

Engineering

The goal of this function is to provide and maintain all urban and rural local roads and identify new projects in accordance with the Shire Roads Asset Management Plan. Maintain green, clean and tidy parks, sporting and recreational facilities.

Environmental Services

Effectively manage the land and natural resources in the Shire through the implementation of the Stock Routes Management Plan and Pest Control Management Plan. Upgrade the saleyard facilities in a bid to increase processing of cattle in Richmond.

Community Services

The goal of this function is to recognise investment opportunities including agriculture, professional services, health and aged care services. To play an active role in supporting and promoting the cultural identity of our community.

Sewerage

The goal of this function is to maintain the sewerage network in accordance with the Total Management Plan 2012.

Water

The goal of this function is to maintain water infrastructure and the quality of the town water supply. Upgrade the water infrastructure in Maxwellton.

Cleansing

The goal of this function is to provide quality waste collection services to the community. Maintain the existing waste disposal facility and plan for future land fill.

Richmond Shire Council
Notes to the financial statements
For the year ended 30 June 2017

Analysis of Results by Function
2 (b) Income and expenses defined between recurring and capital are attributed to the following functions:

Year ended 30 June 2017

Functions	Gross program income				Total income		Gross program expenses		Total expenses	Net result from recurring operations	Net Result	Assets
	Recurrent		Capital		2017	2017	2017	2017				
	Grants	Other	Grants	Other					2017	2017		
Finance	4,749,025	936,778	-	-	5,685,803	(130,642)	-	(130,642)	5,555,161	5,555,161	14,783,733	
Administration	-	615,796	1,500,000	-	2,115,796	(2,288,065)	-	(2,288,065)	(1,672,269)	(1,672,269)	6,933,209	
Planning and Building	-	1,766	-	-	1,766	(24,311)	-	(24,311)	(22,545)	(22,545)	-	
Engineering	1,220,061	8,722,313	6,109,148	-	16,051,522	(12,106,225)	(4,510)	(12,110,735)	(2,163,852)	3,940,766	129,167,587	
Environmental Services	-	241,413	-	-	241,413	(843,361)	-	(643,361)	(601,948)	(601,948)	43,655	
Community services	553,180	552,966	24,934	-	1,131,080	(3,346,987)	-	(3,346,987)	(2,240,841)	(2,215,907)	21,961,997	
Sewerage	-	283,587	-	-	283,587	(304,118)	-	(304,118)	(20,531)	(20,531)	4,243,108	
Water	-	355,399	-	-	355,399	(981,136)	-	(981,136)	(625,737)	(625,737)	11,797,339	
Cleansing	-	60,572	-	-	60,572	(121,703)	-	(121,703)	(61,131)	(61,131)	-	
Total	6,522,266	11,770,590	7,634,082	-	25,926,938	(20,146,549)	(4,510)	(20,151,059)	(1,853,693)	5,775,879	188,930,628	

Year ended 30 June 2016

Functions	Gross program income				Total income		Gross program expenses		Total expenses	Net result from recurring operations	Net Result	Assets
	Recurrent		Capital		2016	2016	2016	2016				
	Grants	Other	Grants	Other					2016	2016		
Finance	4,102,997	971,928	4,221,870	-	9,296,795	(638)	(222,884)	(223,523)	5,074,287	9,073,272	7,030,229	
Administration	-	220,823	-	-	220,823	(2,622,542)	-	(2,622,542)	(2,401,719)	(2,401,719)	3,121,916	
Planning and Building	-	625	-	-	625	(3,079)	-	(3,079)	(2,453)	(2,453)	84,500	
Engineering	65,295	3,060,309	2,670,139	-	5,795,743	(5,618,262)	-	(5,618,262)	(2,492,659)	177,480	130,111,487	
Environmental Services	-	261,673	-	-	261,673	(1,219,097)	-	(1,219,097)	(957,424)	(957,424)	-	
Community services	701,692	587,667	-	-	1,289,359	(3,309,107)	-	(3,309,107)	(2,019,748)	(2,019,748)	19,606,260	
Sewerage	-	284,046	-	-	284,046	(344,928)	-	(344,928)	(60,882)	(60,882)	4,420,744	
Water	-	356,872	-	-	356,872	(943,072)	-	(943,072)	(586,201)	(586,201)	12,551,610	
Cleansing	-	56,439	-	-	56,439	(107,707)	-	(107,707)	(51,268)	(51,268)	-	
Total consolidated	4,869,984	5,800,383	6,892,009	-	17,562,375	(14,168,433)	(222,884)	(14,391,318)	(3,498,066)	3,171,059	176,926,746	

Richmond Shire Council
Notes to the financial statements
For the year ended 30 June 2017

<u>Note</u>	<u>2017</u> \$	<u>2016</u> \$
3 Revenue analysis		
Revenue is recognised at the fair value of the consideration received or receivable, at the time indicated below.		
(a) Rates, levies and charges		
Rates are recognised as revenue at the start of the rating period. If a ratepayer pays their rates before the start of the rating period, they are recognised as revenue when they are received.		
General rates	979,781	897,084
Separate rates	21,463	25,685
Water	386,288	379,832
Sewerage	308,322	303,239
Garbage charges	65,822	61,588
Total rates and utility charge revenue	<u>1,761,678</u>	<u>1,667,428</u>
Less: Discounts	(191,178)	(188,950)
Less: Pensioner remissions	(7,151)	(6,215)
	<u><u>1,563,350</u></u>	<u><u>1,472,263</u></u>
(b) Fees and charges		
Fees and charges are recognised when Council is unconditionally entitled to those funds. Generally this is upon lodgement of the relevant applications or documents, issuing of the infringement notice or when the service is provided.		
Private works	449,215	123,167
Saleyard fees	68,767	64,653
Agistment fees	87,166	92,669
Caravan park fees	380,559	298,418
Other fees	258,131	278,052
	<u><u>1,243,838</u></u>	<u><u>856,959</u></u>
(c) Rental income		
Rent from other property is recognised as income on a periodic straight line basis over the lease term.		
Property rentals	152,397	174,378
	<u><u>152,397</u></u>	<u><u>174,378</u></u>
(d) Interest received		
Interest received from term deposits is accrued over the term of the investment.		
Interest received from term deposits	75,881	190,248
Other sources	6,383	6,841
Interest from overdue rates and utility charges	12,186	9,572
	<u><u>94,450</u></u>	<u><u>206,661</u></u>
(e) Sales revenue		
The sale of goods is recognised when the customer has taken delivery 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 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. There are no contracts in progress at the year end. The contract work carried out is not subject to retentions.		
RMPC	2,725,415	991,155
Main Roads flood damage	4,832,163	562,548
Main Roads contract works	1,099,960	1,444,292
	<u><u>8,657,538</u></u>	<u><u>2,997,995</u></u>
(f) Other income		
Other income	59,017	92,127
	<u><u>59,017</u></u>	<u><u>92,127</u></u>

Richmond Shire Council
Notes to the financial statements
For the year ended 30 June 2017

	2017	2016
Note	\$	\$
4 Grants, subsidies, contributions and donations		
Grants, subsidies, donations and contributions that are non-reciprocal in nature are recognised as revenue when Council obtains control over them, which is usually upon receipt of funds.		
Physical assets contributed to Council by developers in the form of road works, stormwater, water and wastewater infrastructure and park equipment are recognised as revenue when the development becomes "on maintenance" (i.e. Council obtains control of the assets and becomes liable for any ongoing maintenance) and there is sufficient data in the form of drawings and plans to determine the approximate specifications and values of such assets. 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.		
Where grants are received that are reciprocal in nature, revenue is recognised as the various performance obligations under the funding agreement are fulfilled. Council does not currently have any reciprocal grants.		
(a) Recurrent		
General purpose grants	5,713,473	3,858,766
State Government subsidies and grants	808,793	1,011,218
Commonwealth Government subsidies and grants	-	-
	6,522,266	4,869,984
(b) Capital		
Capital Revenue includes grants and subsidies received which are tied to specific projects for the replacement or upgrade of existing non-current assets and/or investment in new assets. It also includes non-cash contributions which are usually infrastructure assets received from developers.		
Government subsidies and grants	7,634,082	6,892,009
	7,634,082	6,892,009
Total grants, subsidies, contributions and donations	14,156,348	11,761,993

Richmond Shire Council
Notes to the financial statements
For the year ended 30 June 2017

	<u>Note</u>	<u>2017</u> <u>\$</u>	<u>2016</u> <u>\$</u>
5 Employee benefits			
Total staff wages and salaries		4,389,267	4,146,024
Councillors' remuneration		379,994	393,532
Annual and long service leave entitlements		540,181	482,980
Superannuation	17	582,345	493,251
		<u>5,891,787</u>	<u>5,515,787</u>
Other employee related expenses		-	41,537
		<u>5,891,787</u>	<u>5,557,324</u>
Less: Capitalised employee expenses		<u>(958,660)</u>	<u>(858,774)</u>
		<u>4,933,127</u>	<u>4,698,550</u>

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

	<u>2017</u>	<u>2016</u>
Total council employees at the reporting date:		
Elected members	6	6
Administration staff	26	28
Depot and outdoors staff	54	46
Total full time equivalent employees	<u>86</u>	<u>80</u>

6 Materials and services

Audit of annual financial statements by the Auditor-General of Queensland	65,004	78,036
Donations paid	24,024	17,290
WPHS - quality assurance	124,108	160,731
Admin contractors	49,554	109,849
Insurance	83,257	77,878
Subscriptions	69,640	54,663
Computer expenses	196,808	150,123
Staff training	97,955	106,512
Private works	281,873	40,001
Engineer expenses	22,571	125,639
Council roads	1,193,603	84,041
Main roads	3,319,762	178,519
Workshop expenses	1,566,382	534,028
Community development	215,428	141,839
Community events	-	10,240
Pool expenses	117,072	118,530
Museum expenses	331,606	276,478
Council houses and buildings	339,249	342,822
Street cleaning	11,987	31,231
Stock routes	178,398	169,960
Parks & gardens	71,617	94,916
Caravan park expenses	239,200	131,994
Water & sewerage	406,178	237,189
Other	634,588	534,674
	<u>9,639,864</u>	<u>3,807,182</u>

Richmond Shire Council
Notes to the financial statements
For the year ended 30 June 2017

Note	2017 \$	2016 \$
7 Capital expenses		
Loss on disposal of non-current assets		
Proceeds from the sale of property, plant & equipment	96,418	288,000
Less: Book value of property, plant & equipment	(79,359)	(508,930)
Less: Assets written off	(21,569)	(1,954)
Total loss on disposal of non-current assets	<u>(4,510)</u>	<u>(222,884)</u>

8 Cash and cash equivalents

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

Cash at bank and on hand	2,569,952	1,722,148
Term deposits	5,000,000	3,000,000
Balance per statement of cash flows	<u>7,569,952</u>	<u>4,722,148</u>

Councils 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:

Unspent government grants and subsidies		477,860
*internally imposed expenditure restrictions at the reporting date:		
Future capital works	764,761	-
Future asset replacement	-	300,000
Future recurrent expenditure	750,000	750,000
Total unspent restricted cash	<u>1,514,761</u>	<u>1,527,860</u>

* These restrictions were previously allocated as reserves

Cash and deposits at call are held in the National Australia Bank and Suncorp in normal term deposits and business cheque accounts.

	Short Term	Long Term
National Australia Bank	AA-	AA-
Suncorp	A+	A+

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.

Richmond Shire Council
Notes to the financial statements
For the year ended 30 June 2017

9 Trade and other receivables	<u>Note</u>	<u>2017</u>	<u>2016</u>
		\$	\$
<p>Receivables are amounts owed to Council at year end. They are recognised at the amount due at the time of sale or service delivery. Settlement is required within 30 days after the invoice is issued.</p> <p>Debts are regularly assessed for collectability and allowance is made, where appropriate, for impairment. All known bad debts were written-off at 30 June. If an amount is recovered in a subsequent period it is recognised as revenue.</p> <p>Because Council is empowered under the provisions of the <i>Local Government Act 2009</i> to sell an owner's property to recover outstanding rate debts, Council does not impair rate receivables.</p>			
Current			
Rateable revenue and utility charges		134,098	144,717
Other debtors		4,520,767	2,046,741
Prepayments		93,923	120,419
		<u>4,748,788</u>	<u>2,311,877</u>

Interest is charged on outstanding rates at a rate of 8% per annum. No interest is charged on other debtors. There is no concentration of credit risk for rates and utility charges, fees and other debtors receivable.

10 Inventories

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

Inventories held for distribution are:

- goods to be supplied at no or nominal, charge, and
- goods to be used for the provision of services at no or nominal, charge.

These goods are valued at cost, adjusted, when applicable, for any loss of service potential.

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

Inventories held for sale

Inventories held for sale:

History books	5,690	5,690
(Valued at the lower of cost and net realisable value)		

Inventories for distribution:

Quarry, fuel, road materials and stores	342,386	401,342
(Valued at the lower of cost and selling price less cost to sell)		

Land purchased for development and sale:

Cost of acquisition and development costs capitalised	1,836,345	1,286,954
Total inventories	<u>2,184,422</u>	<u>1,693,986</u>

Richmond Shire Council

Notes to the financial statements
For the year ended 30 June 2017

11 Property, plant and equipment

Council - 30 June 2017

Basis of measurement

Asset values

Opening gross value as at 1 July 2016
Additions at cost
Disposals
Revaluation adjustment to other comprehensive income (asset revaluation surplus)
Transfers between classes
Closing gross value as at 30 June 2017

	Land and Improvements		Buildings		Plant and Equipment		Road and Bridge		Water		Sewerage		Other Assets		Work in Progress		Total
	Fair Value Level 2	Fair Value Level 3	Fair Value Levels 2 & 3	Cost Level 2	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Cost		
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	1,068,553	24,851,740	24,851,740	14,484,827	136,990,376	15,115,137	6,331,079	10,301,312	7,559,868	216,702,882							
	109,882	342,522	342,522	344,016	8,654,430	76,532	1,562,666	448,407	1,562,666	11,538,456							
	(81,312)	277,148	277,148	(477,960)	357,250	(14,960)	76,469	(64,399)	(486,520)	565,156							
	1,097,123	29,293,110	29,293,110	14,357,284	152,481,668	15,112,311	6,407,549	10,301,312	9,122,523	228,319,974							

Accumulated depreciation

Opening balance as at 1 July 2016
Depreciation provided in period
Depreciation on disposals
Revaluation adjustment to other comprehensive income (asset revaluation surplus)
Transfers between classes
Accumulated depreciation as at 30 June 2017

	-	8,978,900	8,978,900	7,316,958	26,323,652	2,581,721	1,910,334	1,392,582	48,504,148
	-	619,612	619,612	873,778	3,506,777	422,893	113,672	10,428	5,547,160
	-	94,158	94,158	(370,091)	195,849	(0)	25,304	(370,091)	211,290
	-	607,870	607,870	784,712	784,712				
	-	10,300,541	10,300,541	7,820,645	30,810,990	2,900,595	2,049,312	10,428	53,882,509

Total written down value as at 30 June 2017

Residual value
Range of estimated useful life in years

	1,097,123	18,992,570	18,992,570	6,536,639	121,670,679	12,211,717	4,358,237	437,979	9,122,523	174,427,465
	-	-	-	3,685,117	-	-	-	-	-	-
Not depreciated.		10 - 80	10 - 80	5 - 20	10 - 1000	5 - 80	10 - 80	10 - 1000	-	-

Additions comprise:

Renewals
Other additions
Total additions

	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	-	156,263	156,263	344,016	8,618,263	61,572	273,807	9,453,920		
	109,882	186,259	186,259	36,167	14,960	174,600	521,868			
	109,882	342,522	342,522	344,016	8,654,430	76,532	448,407	9,975,789		

Richmond Shire Council
Notes to the Financial Statements
For the year ended 30 June 2017

11 Property, plant and equipment

Council - 30 June 2016

Basis of measurement

Asset values

Opening gross value as at 1 July 2015	1,199,373
Adjustment to opening balance	-
Additions at cost	(17,000)
Disposals	(113,820)
Transfers between classes	-
Closing gross value as at 30 June 2016	1,068,553

Accumulated depreciation

Opening balance as at 1 July 2015	-
Depreciation provided in period	520,020
Depreciation on disposals	(10,046)
Revaluation adjustment to surplus	-
Transfers between classes	-
Accumulated depreciation as at 30 June 2016	7,316,998

Total written down value as at 30 June 2016

Residual value	1,068,553
Range of estimated useful life in years	10 - 80

Additions comprise:

Renewals	364,354
Other additions	542,163
Total additions	906,517

Note	Land and Improvements		Buildings		Plant and Equipment		Road and Bridge		Water		Sewerage		Other Assets		Work in Progress		Total
	Fair Value	\$	Fair Value	\$	Cost	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Cost	Cost	\$	
	1,199,373	23,718,267	14,096,521	134,309,968	17,750,116	6,787,590	7,087,344	986,297	205,915,475								
	-	906,517	1,216,126	1,631,424	232,243	-	-	6,573,561	10,559,871								
	(17,000)	(12,000)	(902,700)						(931,700)								
	(113,820)	238,956		732,164	(2,867,222)	(456,511)	3,625,668	-	1,159,236								
			74,880	316,820			(391,700)	-	-								
	1,068,553	24,851,740	14,484,827	136,990,376	15,115,137	6,331,079	10,301,312	7,559,858	216,702,882								

	-	8,213,577	6,752,182	22,565,157	4,681,996	1,994,434	1,421,094	-	45,628,441								
	-	520,020	922,911	3,560,577	337,939	116,633	197,677	-	5,655,756								
	-	(10,046)	(410,770)					-	(420,816)								
	-	255,349		(19,257)	(2,438,213)	(200,733)	43,620	-	(2,359,233)								
	-		52,634	217,175			(269,809)	-	-								
	-	8,978,900	7,316,998	26,323,652	2,581,721	1,910,334	1,392,582	-	48,504,148								

	1,068,553	15,872,840	7,167,869	110,666,723	12,533,416	4,420,744	8,908,730	7,559,858	168,198,734								
	-	-	3,295,117	-	-	-	-	-	-								
Not depreciated		10 - 80	5 - 20	10 - 100	5 - 80	10 - 80	10 - 1000	-	-								

	\$	\$	\$	\$	\$	\$	\$	\$	\$								
	-	364,354	1,216,126	896,176	44,825	-	-	3,214,649	5,736,130								
	-	542,163	735,248	187,418	187,418	-	-	3,358,912	4,823,741								
	-	906,517	1,216,126	1,631,424	232,243	-	-	6,573,561	10,559,871								

Richmond Shire Council
Notes to the financial statements
For the year ended 30 June 2017

11 Property, plant and equipment (cont.)

(a) Recognition

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

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

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

Land under roads

Land under roads and reserve land which falls under the *Land Act 1994* or the *Land Title Act 1994* is controlled by the Queensland Government pursuant to the relevant legislation. This land is not recognised in these financial statements.

(b) Measurement

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

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

Direct labour and materials and an appropriate proportion of overheads incurred in the acquisition or construction of assets are also included in their cost.

Property, plant and equipment received in the form of contributions, are recognised as assets and revenues at fair value.

(c) Depreciation

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

Land 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.

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

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

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

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

Richmond Shire Council
Notes to the financial statements
For the year ended 30 June 2017

11 Property, plant and equipment (cont.)

(d) Impairment

Property, plant and equipment 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.

(e) Valuation

(i) Valuation processes

Council's valuation policies and procedures are set by the finance committee of the executive management team which comprises the Chief Executive Officer and the Manager of Finance and Administration. They are reviewed annually taking into consideration an analysis of movements in fair value and other relevant information.

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

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

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

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

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

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

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

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

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

Richmond Shire Council

Notes to the financial statements

For the year ended 30 June 2017

11 Plant, property and equipment (cont.)

(ii) Valuation techniques used to derive fair values for level 2 and level 3 valuations

Specific valuation techniques used to value Council assets comprise:

Land (level 2 and 3)

Land fair values were determined by independent valuer, Australis effective 30 June 2015. In the current year, the same valuers provided a desktop indexation assessment for land using the existing data as at 30 June 2017. Level 2 and Level 3 inputs were utilised to establish market movements using a number of sources.

In determining the indexation rate, the Valuer has given considerable regard to the most recent observable market data in order to determine current market movements. As a result, land values have decreased in comparison to prior values at 30 June 2015. In line with current depressed market conditions in the Richmond area, Land assets have been indexed to decrease at 6.90%.

Buildings (level 2 and 3)

The fair value of buildings were determined by independent valuer, Australis effective 30 June 2015. In the current year, the same valuers provided a desktop indexation assessment for buildings using the existing data as at 30 June 2017.

The indexation rates have been analysed from a number of sources and includes review of various price and cost indexes, construction costs movements and discussion with local contractors and suppliers. In determining the indexation rate, the Valuer has given considerable regard to the most recent observable data in order to determine an appropriate rate. As a result, asset values within this category have increased in comparison to the prior year's value. Building assets have been indexed at rates structures 2.06% and 2.09%.

In determining the level of accumulated depreciation a useful life has been provided to each asset. Major assets have been disaggregated into significant components which exhibit varying useful lives. Allowance has been made for the typical asset life cycle and renewal treatment on an overall asset or component level, as well as any residual value at the time the asset is no longer considered to be of any economic benefit and the condition of the asset. The condition, represented by a remaining service potential score, has been assessed taking into account physical characteristics as well as factors such as functionality, capability, utilisation and obsolescence.

Roads infrastructure assets (Level 3)

The fair value of roads infrastructure assets was determined by independent valuer, Australis effective 30 June 2015. In the current year, the same valuers provided a desktop indexation assessment for roads infrastructure assets using the existing data as at 30 June 2017. All assets within this category were valued on a Cost Approach (Level 3) in 2015 and are deemed to fall within Level 3 on the Fair Value Hierarchy under the Indexation Methodology in 2017.

Road infrastructure assets have been indexed based on analysis of various price and cost indexes, consultation with local contractors and suppliers, as well as any currency fluctuations over the subject period. The Valuer has analysed and developed a composite Civil index factor predominately based on locally sourced raw materials, local labour and combined with an Engineering and Design Management Index. The adopted Civil Index for the 2017 year is to 0.56%.

Current Replacement Cost (CRC) was calculated by reference to asset linear and area specifications, estimated labour and material inputs, services costs, and overhead allocations. The Valuer has assumed that pavements are constructed to varying depths dependant on road type and hierarchy. The Valuer also assumed that all raw materials can be sourced from the local borrow pits with fixed supply prices in the range of \$11 to \$15 per m3. For internal construction estimates, material and services prices were based on existing supplier contract rates or supplier price lists. All direct costs were allocated to assets at standard usage quantities according to recently completed similar projects.

While the inputs to the Gross Replacement Cost (GRC) - being a rate per square metre or per unit can be supported by market evidence (Level 2), the estimates of useful life, pattern of consumption and condition score, which are used to calculate the accumulated depreciation comprise unobservable inputs (Level 3).

Richmond Shire Council
Notes to the financial statements
For the year ended 30 June 2017

11 Plant, property and equipment (cont.)

Water and Sewerage Infrastructure Assets (Level 3)

The fair value of water and sewerage infrastructure was determined by independent valuer, Australis effective 30 June 2015. In the current year, the same valuers provided a desktop indexation for water and sewerage using the existing data as at 30 June 2017. The valuers have utilised a comprehensive methodology to value the water and sewer infrastructure assets, with reliance on both supplied asset data, field collected condition and asset quantities. The indexation rates used were Reticulation 1.32%; Civil 0.56%; Mechanical 1.05% and Electrical 2.80%.

Current Replacement Cost was calculated by reference to asset linear and area specifications, or lump sum estimated labour and material inputs, and overhead allocations. For internal construction estimates material and service prices were based on supplier contract rates or supplier price lists. All direct costs were allocated to assets at standard usage quantities according to recently completed similar projects.

The Valuer has conducted a physical condition survey of the physically accessible (above ground) assets. A '0 to 10' pointscore system was utilised for the physical condition assessment, where '10' relates to a new asset and '0' to an asset at the end of its useful life. Following this, obsolescence factors were applied to arrive at an adopted remaining useful life.

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

While the inputs to the Gross Replacement Cost (GRC) at a rate per square metre or per unit can be supported by market evidence (Level 2), the estimates of useful life, pattern of consumption and condition score that are used to calculate the accumulated depreciation comprise unobservable inputs (Level 3). While these other inputs are significant to the valuation, the overall valuation has been classified a Level 3. The valuation's sensitivity to these inputs is summarised below.

For the water and sewerage infrastructure category, the Valuer adopted the following ranges for each input:

Significant inputs	Range of inputs	Relationship of inputs to fair value
Replacement Cost Rate per Square Metre or per unit	\$56 - \$856,000	As the rates increase, fair value increases
Useful Life	5 - 80	As the useful life increases, fair value increases
Remaining Life	4 - 79 (100% - 0%)	As the remaining useful life increases, the fair value increases

Richmond Shire Council
Notes to the financial statements
For the year ended 30 June 2017

11 Plant, property and equipment (cont.)

Other infrastructure assets (Level 3)

The fair value of other infrastructure assets was determined by independent valuer, Australis effective 30 June 2015. The valuers have utilised a comprehensive methodology to value the other Infrastructure assets, with reliance on both supplied asset data, field collected condition and asset quantities.

CRC was calculated by reference to asset linear and area specifications, or lump sum estimated labour and material inputs, and overhead allocations. For internal construction estimates material and service prices were based on supplier contract rates or supplier price lists. All direct costs were allocated to assets at standard usage quantities according to recently completed similar projects.

The Valuer has conducted a physical condition survey of over 90% of the assets. A '0 to 10' pointscore system was utilised for the physical condition assessment, where '10' relates to a new asset and '0' to an asset at the end of its useful life. Following this, obsolescence factors were applied to arrive at an adopted Remaining Useful Life.

While the inputs to the GRC at a rate per square metre or per unit can be supported by market evidence (Level 2), the estimates of useful life, pattern of consumption and condition score that are used to calculate the accumulated depreciation comprise unobservable inputs (Level 3). While these other inputs are significant to the valuation, the overall valuation has been classified a Level 3. The valuation's sensitivity to these inputs is summarised below.

For the other infrastructure category, the Valuer adopted the following ranges for each input:

Significant inputs	Range of inputs	Relationship of inputs to fair value
Replacement Cost Rate per Square Metre or per unit	\$13,000 - \$2,300,000	As the rates increase, fair value increases
Useful Life	10 - 1000	As the useful life increases, fair value increases
Remaining Life	7 - 900 (100% - 0%)	As the remaining useful life increases, the fair value increases

Richmond Shire Council
Notes to the financial statements
For the year ended 30 June 2017

	Note	2017 \$	2016 \$
12 Trade and other payables			
Creditors are recognised when goods or services are received, at the amount owed. Amounts owing are unsecured and are generally settled on 30 day terms.			
Liabilities are recognised for employee benefits such as wages and salaries, sick, annual and long service leave in respect of services provided by the employees up to the reporting date. The liability is calculated using the present value of remuneration rates that will be paid when the liability is expected to be settled and includes related on-costs.			
As Council does not have an unconditional right to defer settlement of the annual leave beyond twelve months after the reporting date, annual leave is classified as a current liability.			
Council has an obligation to pay sick leave on termination to certain employees and therefore a liability has been recognised for this obligation.			
Current			
Creditors and accruals		1,311,372	892,319
Annual leave		355,400	348,491
Other entitlements		42,160	27,934
		1,708,932	1,268,744
13 Borrowings			
Borrowings are initially recognised at fair value plus any directly attributable transaction costs. Thereafter, they are measured at amortised cost. Principal and interest repayments are made quarterly in arrears.			
All borrowings are in \$A denominated amounts and interest is expensed as it accrues. No interest has been capitalised during the current or comparative reporting period. Expected final repayment dates vary from 17 September 2017 to 15 March 2022 (Available from QTC Maturity Analysis). There have been no defaults or breaches of the loan agreement during the period.			
Council adopts an annual debt policy that sets out Council's planned borrowings for the next nine years. Council's current policy is to only borrow for capital projects and for a term no longer than the expected life of the asset. Council also aims to comply with the Queensland Treasury Corporation's borrowing guidelines and ensure that sustainability indicators remain within acceptable levels at all times.			
Current			
Loans - Queensland Treasury Corporation			
Opening balance		-	-
Loans raised		602,544	-
Principal repayments		(118,747)	-
Book value at end of period		483,797	-
Non-current			
Loans - Queensland Treasury Corporation			
Opening balance		-	-
Loans raised		4,897,456	-
Principal repayments		-	-
Book value at end of period		4,897,456	-
Loans - Queensland Treasury Corporation			
Opening balance		-	-
Loans raised		5,500,000	-
Principal repayments		(118,747)	-
Book value at end of period		5,381,253	-

Richmond Shire Council
Notes to the financial statements
For the year ended 30 June 2017

	Note	2017 \$	2016 \$
14 Provisions			
<p>The provision for long service leave represents the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The liability is calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. The estimates are adjusted for the probability of the employee remaining in the Council's employment or other associated employment which would result in the Council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value. The interest rates attaching to Commonwealth Government guaranteed securities at the reporting date are used to discount the estimated future cash outflows to their present value.</p> <p>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.</p>			
Current			
Long service leave		571,577	539,935
		571,577	539,935
Non-current			
Long service leave		104,845	83,789
		104,845	83,789

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

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

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

Movements in the asset revaluation surplus were as follows:

Balance at beginning of financial year	83,347,536	79,829,066
Net adjustment to non-current assets at end of period to reflect a change in current fair value:		
Land	(81,312)	(113,820)
Buildings	908,069	(16,392)
Roads & Bridge Network	3,139,913	751,420
Water Infrastructure	39,620	(429,009)
Sewerage Infrastructure	51,164	(255,778)
Other assets	(3,703,591)	3,582,048
Balance at end of financial year	83,701,399	83,347,536

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

Land	403,127	484,439
Buildings	13,181,360	12,273,291
Roads & Bridge Network	63,576,696	60,436,783
Water Infrastructure	2,961,710	2,922,089
Sewerage Infrastructure	3,578,506	3,527,341
Other assets	-	3,703,591
	83,701,399	83,347,536

Richmond Shire Council
Notes to the financial statements
For the year ended 30 June 2017

	Note	2017 \$	2016 \$
--	------	------------	------------

16 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 2017 the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

Local Government Workcare

The Council is a member of the Queensland local government worker's compensation self-insurance scheme, Local Government Workcare. Under this scheme the Council has provided an indemnity towards a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled and there was insufficient funds available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise. The Council's maximum exposure to the bank guarantee is \$65,121 (\$73,626 - 2016).

17 Superannuation

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

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

The scheme has three elements referred to as:

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

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

The Accumulation Benefits Fund (ABF)

The ABF is a defined contribution scheme as defined in AASB 119. Council has no liability to or interest in the ABF other than the payment of the statutory contributions as required by the *Local Government Act 2009*.

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

Richmond Shire Council
Notes to the financial statements
For the year ended 30 June 2017

Note	2017 \$	2016 \$
------	------------	------------

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

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

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

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

The most recent actuarial assessment of the scheme was undertaken as at 1 July 2016. The actuary indicated that "At the valuation date of 1 July 2016, the net assets of the scheme exceeded the vested benefits and the scheme was in a satisfactory financial position as at the valuation date."

In the 2016 actuarial report the actuary has recommended no change to the employer contribution levels at this time.

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

There are currently 65 entities contributing to the Regional DBF plan and any changes in contribution rates would apply equally to all 65 entities. Richmond Shire Council made less than 4% of the total contributions to the plan in the 2016-17 financial year.

The next actuarial investigation will be conducted as at 1 July 2018.

The amount of superannuation contributions paid by Council to the scheme in this period for the benefit of employees was:	5	582,345	493,251
---	---	---------	---------

18 Trust funds

Trust funds held for outside parties

Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities		28,139	27,534
		28,139	27,534

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

Richmond Shire Council
Notes to the financial statements
For the year ended 30 June 2017

	Note	2017 \$	2016 \$
19 Reconciliation of net result for the year to net cash inflow (outflow) from operating activities			
Net result		5,775,879	3,171,059
Non-cash items:			
Depreciation and amortisation	11	5,547,160	5,655,756
Write off of assets	7	21,569	1,954
Net (profit)/loss on disposal of non-current assets	7	(17,059)	220,930
Capital grants and contributions	4(b)	<u>(7,634,082)</u>	<u>(6,892,009)</u>
		<u>3,693,467</u>	<u>2,157,690</u>
Changes in operating assets and liabilities:			
(Increase)/ decrease in Trade & other receivables	9	(2,436,911)	(1,211,434)
(Increase)/decrease in Inventory	10	(490,436)	(229,332)
Increase/(decrease) in Trade & other payables	12	455,690	66,705
Increase/(decrease) in Provisions	15	<u>52,698</u>	<u>(35,863)</u>
		<u>(2,418,959)</u>	<u>(1,409,924)</u>
Net cash inflow from operating activities		<u><u>1,274,507</u></u>	<u><u>747,766</u></u>

20 Controlled Entity

The Kronosaurus Korner Board Inc. is an incorporated association and does not have any share capital.

The financial statements of The Kronosaurus Korner Board Inc. have not been consolidated with Council's financial statements as at the reporting date due to the Centre's immateriality.

Information relating to the financial position of the controlled entity is set out below.

Revenue from operations	298,330	206,296
Contributions from Council for operating funding	285,000	255,699
Expenditure from operations	<u>(547,527)</u>	<u>(455,400)</u>
Net result from operations	<u><u>35,803</u></u>	<u><u>6,595</u></u>
Assets	176,363	109,880
Liabilities	<u>(106,910)</u>	<u>(76,230)</u>
Net assets at the reporting date	<u><u>69,453</u></u>	<u><u>33,650</u></u>

Richmond Shire Council
Notes to the financial statements
For the year ended 30 June 2017

21 Transactions with related parties

(a) Subsidiaries

The group consists of Richmond Shire Council and one controlled entity. Details of the controlled entity are disclosed in Note 20.

The following transactions occurred with subsidiaries:

Subsidiary	Grants and subsidies provided by council	Goods and services supplied by council, on normal terms and conditions	
		Building Maintenance	Garbage charges
	\$	\$	\$
Kronosaurus Korner	285,000	134,520	
Total	285,000	134,520	-

Council provides free rental to Kronosaurus Korner, which is dependent on Council. All funding support given to subsidiaries was agreed to by the Council for the 2016-2017 financial year.

(b) Transactions with Key Management Personnel (KMP)

KMP include the Mayor, Councillors, Council's Chief Executive Officer and executive management. The compensation paid to KMP for 2016/17 comprises:

	2017
	\$
Short-term employee benefits	857,951
Post-employment benefits	92,889
Long-term benefits	101,862
Total	1,052,702

Detailed remuneration disclosures are provided in the annual report.

(c) Transactions with other related parties

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

Details of transactions between council and other related parties are disclosed below and were at arms length and on commercial terms:

Details of Transaction	2017
	\$
Employee expenses for close family members of key management personnel	136,775
Purchase of materials and services from entities controlled by key management personnel	191,017

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

The council employs 80 staff of which only 2 are close family members of key management personnel.

(d) Outstanding balances

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

(e) Loans and guarantees to/from related parties

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

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

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

- Payment of rates
- Use of the Richmond Shire Council's swimming pool
- Dog registration
- Borrowing books from a council library

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

Richmond Shire Council
Notes to the financial statements
For the year ended 30 June 2017

22 Financial instruments

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

Credit risk
Liquidity risk

Financial risk management

Richmond Shire 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.

Richmond Shire Council does not enter into derivatives.

Credit risk

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

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

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

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

Financial assets	Note	2017	2016
		\$	\$
Cash and cash equivalents	8	7,569,952	4,722,148
Receivables - rates	9	134,098	144,717
Receivables - other	9	4,614,690	2,167,160
Total financial assets		12,318,740	7,034,025

Trade and other receivables

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

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

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

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

	2017	2016
	\$	\$
Not past due	4,480,371	2,292,173
Past due 31-60 days	38,810	6,209
Past due 61-90 days	175	137
More than 90 days	135,508	2,814
Impaired	-	-
Total	4,654,864	2,301,333

Richmond Shire Council
Notes to the financial statements
For the year ended 30 June 2017

Liquidity risk

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

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

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 8.

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

	0 to 1 year	1 to 5 years	Over 5 years	Total contractual cash flows	Carrying amount
	\$	\$	\$	\$	\$
2017					
Trade and other payables	1,311,372	-	-	1,311,372	1,311,372
Loans - QTC	483,797	2,083,601	2,813,855	5,381,253	5,381,253
	<u>1,795,169</u>	<u>2,083,601</u>	<u>2,813,855</u>	<u>6,692,625</u>	<u>6,692,625</u>
2016					
Trade and other payables	892,319	-	-	892,319	892,319
Loans - QTC	-	-	-	-	-
	<u>892,319</u>	<u>-</u>	<u>-</u>	<u>892,319</u>	<u>892,319</u>

The outflows in the above table are not expected to occur significantly earlier or for significantly different amounts than indicated in the table.

Richmond Shire Council
Financial statements
For the year ended 30 June 2017

Management Certificate
For the year ended 30 June 2017

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

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

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


Mayor

J.M. Wharton

Date: 13/12/2017


Chief Executive Officer
P.L. Bennett

Date: 13/12/2017

INDEPENDENT AUDITOR'S REPORT

To the Councillors of Richmond Shire Council

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Richmond 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 2017, 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 2017, 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 of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of my report.

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

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

Other information

Other information comprises the information included in Richmond Shire Council's annual report for the year ended 30 June 2017, but does not include the financial report and my auditor's report thereon. At the date of this auditor's report, the other information was the current-year financial sustainability statement and long-term financial sustainability statement.

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

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

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

Other Matters

The council is required to comply with the Local Government Regulation 2012. The requirements include completing their financial statements in sufficient time to allow the audit to be completed no later than four months after the end of the financial year. When extraordinary circumstances exist, the Minister for Local Government (the Minister) may decide later dates.

Council advised the Minister in November of the extraordinary circumstances.

Council is awaiting the Minister's decision.

Responsibilities of the council for the financial report

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

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

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 2017:

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



J MACGREGOR
as delegate of the Auditor-General



Queensland Audit Office
Brisbane

Richmond Shire Council
Current-year Financial Sustainability Statement
For the year ended 30 June 2017

Measures of Financial Sustainability

Council's performance at 30 June 2017 against key financial ratios and targets:

	How the measure is calculated	Actual - Council	Target
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	-10%	Between 0% and 10%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	195%	greater than 90%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	-37%	not greater than 60%

Note 1 - Basis of Preparation

The current year financial sustainability statement is a special purpose statement prepared in accordance with the requirements of the *Local Government Regulation 2012* and the Financial Management (Sustainability) Guideline 2013. The amounts used to calculate the three reported measures are prepared on an accrual basis and are drawn from the Council's audited general purpose financial statements for the year ended 30 June 2017.

Certificate of Accuracy
For the year ended 30 June 2017

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

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



 Mayor

Mayor
John Wharton

Date: 13/12/ 2017



 Chief Executive Officer

Chief Executive Officer
Peter Bennett

Date: 13/12/2017

INDEPENDENT AUDITOR'S REPORT

To the Councillors of Richmond Shire Council

Report on the Current-Year Financial Sustainability Statement

Opinion

I have audited the accompanying current-year financial sustainability statement of Richmond Shire Council for the year ended 30 June 2017, comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with section 212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current-year financial sustainability statement of Richmond Shire Council for the year ended 30 June 2017 has been accurately calculated.

Basis of opinion

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

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

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

Emphasis of matter – basis of accounting

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

Other information

Other information comprises the information included in Richmond Shire Council's annual report for the year ended 30 June 2017, but does not include the current-year financial sustainability statement and my auditor's report thereon. At the date of this auditor's report, the other information was the general purpose financial statements and long-term financial sustainability statement.

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

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

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

Other Matters

The council is required to comply with the Local Government Regulation 2012. The requirements include completing their financial statements in sufficient time to allow the audit to be completed no later than four months after the end of the financial year. When extraordinary circumstances exist, the Minister for Local Government (the Minister) may decide later dates.

Council advised the Minister in November of the extraordinary circumstances.

Council is awaiting the Minister's decision.

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

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

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

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

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

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

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

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



J MACGREGOR
as delegate of the Auditor-General



Queensland Audit Office
Brisbane

Richmond Shire Council
Long-Term Financial Sustainability Statement
Prepared as at 30 June 2017

Measures of Financial Sustainability Council	Measure	Target	Projected for the years ended										
			Actuals at 30 June 2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
Operating surplus ratio	Net result divided by total operating revenue	Between 0% and 10%	-10%	-59%	-30%	-29%	-30%	-30%	-30%	-30%	-29%	-23%	-23%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	greater than 90%	195%	103%	92%	91%	89%	91%	82%	89%	89%	74%	85%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue	not greater than 60%	-37%	-33%	-25%	-25%	-25%	-25%	-25%	-24%	-24%	-32%	-38%

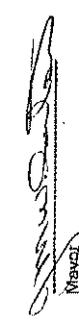
Richmond Shire Council's Financial Management Strategy

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

Certificate of Accuracy
For the long-term financial sustainability statement prepared as at 30 June 2017

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.


 May 2017

John Wharton

Date: 13/12/2017



Chief Executive Officer
Peter Bennett

Date: 13/12/2017