

Financial Statements

For the year ended 30 June 2016

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**DOOMADGEE ABORIGINAL SHIRE COUNCIL
STATEMENT OF COMPREHENSIVE INCOME**

FOR THE YEAR ENDED 30 JUNE 2016

	NOTE	Council 2016 \$	Restated 2015 \$
Income			
Revenue			
Recurrent revenue			
Rates, levies & charges	3(a)	541,235	530,962
Fees & charges	3(b)	363,420	313,575
Rental Income		491,113	563,557
Interest Received		270,280	297,513
Sales Revenue	3(c)	4,874,498	2,430,470
Other revenue	3(d)	3,247,353	925,824
Grants, subsidies, contributions & donations	4(a)	3,498,521	3,906,993
		<u>13,286,420</u>	<u>8,968,894</u>
Capital revenue			
Grants, subsidies, contributions & donations	4(b)	2,417,568	10,255,072
Total Revenue		<u>15,703,988</u>	<u>19,223,966</u>
Total Income		<u>15,703,988</u>	<u>19,223,966</u>
Expenses			
Recurrent expenses			
Employee benefits	5	(3,482,971)	(2,931,861)
Materials & services	6	(7,711,285)	(4,363,994)
Finance costs	7	(12,011)	(11,464)
Depreciation and amortisation	12/13	(3,892,213)	(2,909,148)
		<u>(15,098,480)</u>	<u>(10,216,467)</u>
Capital Expenses	8	(32,277)	(1,489,683)
Total Expenses		<u>(15,130,757)</u>	<u>(11,706,150)</u>
Net Result		<u>573,231</u>	<u>7,517,816</u>
Other comprehensive income			
Items that will not be reclassified to net result			
Increase / (decrease) in asset revaluation surplus	16	(9,107,360)	-
Total other comprehensive income for the year		<u>(9,107,360)</u>	<u>-</u>
Total comprehensive income for the year		<u>(8,534,129)</u>	<u>7,517,816</u>

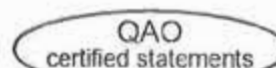
The above statement should be read in conjunction with the accompanying notes and significant accounting policies.

**DOOMADGEE ABORIGINAL SHIRE COUNCIL
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2016**

	NOTE	Council 2016 \$	Restated 2015 \$	Restated 2014 \$
Current assets				
Cash and Cash Equivalents	9	8,474,333	9,848,136	10,521,334
Trade and Other Receivables	10	1,120,813	1,317,332	1,057,132
Inventories		67,522	60,087	88,991
Other financial assets	11	686,482	675,094	591,066
Total current assets		<u>10,349,150</u>	<u>11,900,649</u>	<u>12,258,523</u>
Non-current assets				
Other financial assets	11	24,285,619	21,867,600	19,055,217
Intangible assets	12	204,883	-	-
Property, plant & equipment	13	84,672,316	93,281,914	87,734,613
Total non-current assets		<u>109,162,818</u>	<u>115,149,514</u>	<u>106,789,830</u>
Total Assets		<u>119,511,968</u>	<u>127,050,163</u>	<u>119,048,353</u>
Current liabilities				
Trade and Other Payables	15	1,976,523	1,043,355	562,933
Provisions		50,156	23,772	24,276
Total current liabilities		<u>2,026,679</u>	<u>1,067,127</u>	<u>587,209</u>
Non-current liabilities				
Trade and Other Payables		-	-	19,109
Provisions		77,050	40,668	17,484
Total non-current liabilities		<u>77,050</u>	<u>40,668</u>	<u>36,593</u>
Total liabilities		<u>2,103,729</u>	<u>1,107,795</u>	<u>623,802</u>
Net community assets		<u>117,408,239</u>	<u>125,942,368</u>	<u>118,424,551</u>
Community Equity				
Accumulated Surplus		82,290,421	81,717,190	74,199,374
Asset Revaluation Surplus	16	35,117,818	44,225,178	44,225,178
Total Community Equity		<u>117,408,239</u>	<u>125,942,368</u>	<u>118,424,551</u>

The above statement should be read in conjunction with the accompanying notes and significant accounting policies.

* Council has made a retrospective restatement as a consequence of the correction of error and therefore, in accordance with AASB 101 has presented a statement of financial position as at the beginning of the comparative period, i.e. as at 1 July 2014. Details are disclosed in Note 24.



**DOOMADGEE ABORIGINAL SHIRE COUNCIL
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016**

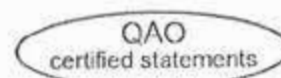
	NOTE	Asset revaluation surplus 16 \$	Retained surplus \$	Total \$
Balance as at 1 July 2014		44,225,178	66,633,537	110,858,715
Effect of correction of errors	24	<u>44,225,178</u>	<u>7,565,837</u>	<u>7,565,837</u>
		<u>44,225,178</u>	<u>74,199,374</u>	<u>118,424,552</u>
Net result		-	7,517,816	7,517,816
Increase / (decrease) in asset revaluation surplus		-	-	-
Total comprehensive income for the year		<u>-</u>	<u>7,517,816</u>	<u>7,517,816</u>
Balance as at 30 June 2015		<u>44,225,178</u>	<u>81,717,190</u>	<u>125,942,368</u>
Balance as at 1 July 2015		44,225,178	81,717,190	125,942,368
Net result		-	573,231	573,231
Increase / (decrease) in asset revaluation surplus		(9,107,360)	-	(9,107,360)
Total comprehensive income for the year		<u>(9,107,360)</u>	<u>573,231</u>	<u>(8,534,129)</u>
Balance as at 30 June 2016		<u>35,117,818</u>	<u>82,290,421</u>	<u>117,408,239</u>

The above statement should be read in conjunction with the accompanying notes and significant accounting policies.

**DOOMADGEE ABORIGINAL SHIRE COUNCIL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016**

NOTE	2016 \$	2015 \$
Cash Flows From Operating Activities		
Receipts from customers	5,774,323	3,869,720
Payment to suppliers and employees	(9,961,942)	(7,592,190)
	<u>(4,187,619)</u>	<u>(3,722,470)</u>
Interest received	270,280	297,513
Rental Income	484,988	563,557
Non capital grants and contributions	3,498,521	3,906,993
Net cash inflow (Outflow) from Operating activities	20 <u>66,170</u>	<u>1,045,593</u>
Cashflows From investing activities		
Payments for property, plant and equipment	(4,167,135)	(3,849,723)
Payments for intangible assets	(209,948)	-
Proceeds from sale of property plant and equipment	71,461	78,776
Finance lease receipts	675,093	622,135
Grants, subsidies, contributions and donations	2,190,553	1,430,020
Net cash inflow (outflow) from investing activities	<u>(1,439,976)</u>	<u>(1,718,792)</u>
Net increase (decrease) in cash and cash equivalents	(1,373,806)	(673,199)
Cash and cash equivalents at the beginning of the financial year	9,848,136	10,521,334
Cash and cash equivalents at end of the financial year	<u>8,474,330</u>	<u>9,848,135</u>

The above statement should be read in conjunction with the accompanying notes and significant accounting policies



Doomadgee Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2016

1 Significant accounting policies

1.A Basis of preparation

These general purpose financial statements are for the period 1 July 2015 to 30 June 2016 and have been prepared in compliance with the requirements of the Local Government Act 2009 and the Local Government Regulation 2012. Consequently, these financial statements have been prepared in accordance with all Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements issued by the Australian Accounting Standards Board.

These financial statements have been prepared under the historical cost convention, except for certain classes of property, plant and equipment and other financial assets (finance leases) which are measured at fair value.

Recurrent/capital classification

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

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

Disposals of non current assets are classified as either "Capital income" or "Capital expenses" depending on whether they result in accounting gains or losses.

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

1.B Statement of compliance

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.

1.C Currency

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

1.D Adoption of new and revised Accounting Standards

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

Accounting standards early adopted for 2015-16

One Australian Accounting Standard has been early adopted for the 2015-16 year;

AASB 2015-7 Amendments to Australian Accounting Standards - Fair Value Disclosures of Not-for-Profit Public Sector Entities [AASB13 13]

This standard amends AASB 13 Fair Value Measurement and provides relief to not-for-profit public sector entities from certain disclosures about property, plant and equipment that is primarily held for its current service potential rather than to generate future net cash inflows. The relief applies to assets under AASB 116 Property, Plant and Equipment which are measured at fair value and categorised within Level 3 of the fair value hierarchy.

As a result, the following disclosures are no longer required for those assets. In early adopting the amendments, the following disclosures have been removed from the 2015-16 financial statements:

- disaggregation of certain gains/losses on assets reflected in the operating result;
- quantitative information about the significant unobservable inputs used in the fair value measurement; and
- a description of the sensitivity of the fair value measurement to changes in the unobservable inputs.

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

Future impact of Accounting Standards not yet effective

Due to its recent release, Council is still reviewing the way that revenue is measured and recognised to identify whether *AASB 15 Revenue from Contracts with Customers* will have a material impact. To date no impact has been identified. AASB 15 is effective from 1 January 2019 and will replace *AASB 118 Revenue*, *AASB 111 Construction Contracts* and a number of interpretations. It contains a comprehensive and robust framework for the recognition, measurement and disclosure of revenue from contracts with customers.



Doomadgee Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2016

AASB 9, which replaces AASB 139 *Financial Instruments; Recognition and Measurement*, is effective for reporting periods beginning on or after 1 January 2018 and must be applied retrospectively. The main impact of AASB 9 is to change the requirements for the classification, measurement and disclosures associated with financial assets. Under the new requirements the four current categories of financial assets in AASB 139 will be replaced with two measurement categories; fair value and amortised cost and financial assets will only be able to be measured at cost where very specific conditions are met.

From 1 July 2016 AASB 124 *Related Party Disclosures* will apply to Council. This means that Council will disclose more information about related parties and transactions with those related parties. Related parties will include the Mayor, Councillors and some Council staff. In addition the close family members of those people and any organisations that they control or are associated with will be classified as related parties.

AASB 16 Leases becomes effective from 1 January 2019 and in essence requires a lessee to:

- recognise all lease assets and liabilities (including those currently classed as operating leases) on the statement of financial position, initially measured at the present value of unavoidable lease payments;
- recognise amortisation of lease assets and interest on lease liabilities as expenses over the lease term; and
- separate the total amount of cash paid into a principal portion (presented within financing activities) and interest (which entities can choose to present within operating or financing activities consistent with presentation of any interest paid) in the statement of cash flows.

At the date of authorisation of the financial report, the expected impacts of new or amended Australian Accounting Standards and interpretations with future commencement dates are not likely to have a material impact on the financial statements.

1.E Critical accounting judgements and key sources of estimation uncertainty

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

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

Valuation and depreciation of property, plant and equipment - Note 1.L and Notes 13 and 14

Provisions Note 1Q

Valuation of finance leases - Note 1.O and Notes 11 and 14

Contingent liabilities - Note 18

Restoration commitment Note 17

1.F Revenue

Levies, grants and other revenue are recognised as revenue on receipt of funds or earlier upon unconditional entitlement to the funds.

Grants and subsidies

Grants, subsidies and contributions that are non-reciprocal in nature are recognised as revenue in the year in which Council obtains control over them. Restrictions that have been placed on Council's cash and cash equivalents are disclosed in Note 9.

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.

Non-cash contributions

Non-cash contributions with a value in excess of the recognition thresholds, are recognised as revenue and as non-current assets. Non-cash contributions below the thresholds are recorded as revenue and expenses.

Rental income

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

Interest

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

Sales revenue

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

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

Doomadgee Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2016

Fees and charges

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

1.G Financial assets and financial liabilities

Council recognises a financial asset or a financial liability in its Statement of Financial Position when, and only when, Council becomes a party to the contractual provisions of the instrument.

Doomadgee Aboriginal Shire Council has categorised and measured the financial assets and financial liabilities held at balance date as follows:

Financial assets

Cash and cash equivalents (Note 1.H)

Receivables - measured at amortised cost (Note 1.I)

Other financial assets (finance leases) - measured at fair value (Note 1.O)

Financial liabilities

Payables - measured at amortised cost (Note 1.P)

Financial assets and financial liabilities are presented separately from each other and offsetting has not been applied.

All other disclosures relating to the measurement and financial risk management of financial instruments are included in Note 22.

1.H Cash and cash equivalents

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

1.I Receivables

Trade receivables are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase price / contract price. Settlement of these amounts is required within 30 days from invoice date.

The collectability of receivables is assessed periodically and if there is objective evidence that Council will not be able to collect all amounts due, the carrying amount is reduced for impairment. The loss is recognised in materials and services. The amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated cash flows discounted at the effective interest rate.

All known bad debts are written-off at 30 June.

1.J Other financial assets

Refer to Note 1.O for the accounting policy relating to finance lease assets.

1.K Community housing

Doomadgee Aboriginal Shire Council does not hold any investment property, however does provide social housing as a service to community members. As the Council area is situated on Deed of Grant in Trust (DOGIT) there is a prohibition on sale of any land within the area designated under DOGIT. Refer to note 1.L for details of DOGIT land.

1.L Property, plant and equipment

Each class of property, plant and equipment is stated at amortised cost or fair value. All assets with a total value of less than \$5,000 are treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised.

The classes of property, plant and equipment recognised by the Council are:

Buildings
Houses
Plant and equipment
Furniture and equipment
Other structures
Road and drainage network
Water
Sewerage
Work in progress

Acquisition of assets

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

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



Capital and operating expenditure

Direct labour and materials and an appropriate proportion of overheads incurred in the acquisition or construction of assets are treated as capital expenditure. Assets under construction are not depreciated until they are completed and commissioned, at which time they are reclassified from work in progress to the appropriate property, plant and equipment class.

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

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 is treated as capital. Expenditure that extends the useful life or renews the service potential of the asset is capitalised.

Valuation

Buildings, houses, other structures and all infrastructure assets are measured on the revaluation basis, at fair value, in accordance with AASB 116 *Property, Plant and Equipment* and AASB 13 *Fair Value Measurement*. Furniture and equipment, plant and equipment and work in progress are measured at amortised cost.

Non-current physical assets measured at fair value are revalued, where required, so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This is achieved by engaging independent, professionally qualified valuers to determine the fair value for each class of property, plant and equipment assets at least once every 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, management engage independent, professionally qualified valuers to perform a "desktop" valuation for those assets at fair value. A desktop valuation involves management providing updated information to the valuer regarding additions, deletions and changes in assumptions such as useful lives, residual value and condition rating and the valuer then determines suitable indices 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 are disclosed in Note 14.

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.

Capital work in progress

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

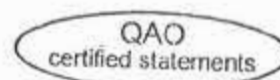
Depreciation

Depreciation on property, plant and equipment assets is calculated on a straight-line basis so as to write-off the net cost or revalued amount of each depreciable asset, less its estimated residual value, progressively over its estimated useful life to the Council. Management believe that the straight-line basis appropriately reflects the pattern of consumption of all Council assets.

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

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

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. Details of the range of estimated useful lives for each class of asset are shown in Note 13.



Doomadgee Aboriginal Shire Council
Notes to the financial statements
For the year ended 30 June 2016

Deed of Grant in Trust land

The Council is located on land assigned to it under various Deeds of Grant in Trust (DOGIT) pursuant to Section 341 of the *Land Act 1994*. It comprises an area approximately 468km north west of Mount Isa and 100km west of Burketown.

The land is administered by the Department of Natural Resources and Mines and the Council has restricted use of this land for the benefit of its inhabitants. The DOGIT land has not been taken up in the Council's assets as it cannot be reliably measured.

A portion of DOGIT land comprising of 230 properties is leased to the State Government pursuant to the Indigenous Housing Arrangement (40 year lease).

1.M Intangible assets

Intangible assets with a cost or other value exceeding \$10,000 are recognised as intangible assets in the financial statements, items with a lesser value being expensed.

Costs associated with the development of computer software are capitalised and are amortised on a straight line basis over the period expected to benefit the Council.

Amortisation methods, estimated useful lives and residual values are reviewed at the end of each reporting period and adjusted where appropriate.

1.N Impairment of non-current assets

Each non-current physical and intangible asset and group of assets 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. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

An impairment loss is recognised as an expense in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation surplus increase.

1.O Leases

Leases of plant and equipment under which the Council as lessee/lessor assumes/transfers substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are classified as finance leases. Other leases, where substantially all the risks and benefits remain with the lessor, are classified as operating leases.

Finance leases as lessee

Where Council enters into a finance lease as lessee, Council recognises an asset equal to the lower of fair value of the leased property and the present value of the minimum lease payments. The lease liability is recognised at the same amount. Lease liabilities are reduced by repayments of principal. The interest components of the lease payments are charged as finance costs. The asset is accounted for on the same basis as other assets of the same class. Contingent rentals are written off as an expense in the accounting period in which they are incurred.

Finance leases as lessor

Council has leased 230 dwellings as lessor to the Queensland Government for 40 years. The total lease payment per dwelling in the first year was \$2,800. These lease payments are required to be adjusted each year by the change in the Consumer Price Index (All Groups) for Brisbane. As the gross lease payments are insufficient to cover the fair value (depreciated replacement cost) of the leased properties, there is no interest rate implicit in the leases and therefore no finance income will arise from the leases. Consequently, the leases are recognised at the present value of the expected future lease payments receivable (fair value). Gains on revaluation of finance lease assets are recognised as other income.

There is nil unearned finance income, unguaranteed residual values accruing to the benefit of Council, accumulated allowance for uncollectible minimum lease payments receivable or contingent rents recognised as income applicable to the leases.

Operating leases

Payments made under operating leases are expensed in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property.



1.P Payables

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

1.Q Provisions

Provisions are recognised for employee benefits such as wages and salaries, annual leave and long service leave in respect of services provided by the employees up to the reporting date. Provisions for employee benefits are assessed at each reporting date.

Salaries and wages

A liability for salaries and wages is recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date. This liability represents an accrued expense and is reported in Note 15 as a payable.

Annual leave

A liability for annual leave is recognised. Amounts expected to be settled within 12 months are calculated on current wage and salary levels and includes related employee on-costs. Amounts not expected to be settled within 12 month are calculated on projected future wage and salary levels and related employee on-costs, and are discounted to present values. This liability represents an accrued expense and is reported in Note 15 as a payable.

As Council does not have an unconditional right to defer this liability beyond 12 months annual leave is classified as a current liability.

Long service leave

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

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

1.R 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.

1.S Rounding and comparatives

The financial statements 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.T Taxation

Council is exempt from Commonwealth taxation except for Fringe Benefits Tax and Goods and Services Tax ("GST").

2. Analysis of results by function

2(a) Components of Council functions

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

Corporate governance

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

Finance and information

Finance and information provides professional finance and information services across all of Council. This function includes internal audit, budget support, financial accounting, the taxation unit, marketing and communication and information technology services. The goal of this function is to provide accurate, timely and appropriate information to support sound decision making and meet statutory requirements.

Community services

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

This function includes:

Environment health

Animal management program

Enterprises

The goal of Council's enterprises is to provide the community with the following services:

Guesthouse

Post Office

Airport

Centrelink

Housing

The goal of this activity is the provision of public housing within the Deed of Grant in Trust (DOGIT) area.

Transport infrastructure

The objective of the transport infrastructure program is to ensure the community is serviced by a high quality and effective road network. The function provides and maintains transport infrastructure, including the maintenance and provision of the drainage network

Water infrastructure

The goal of this program is to support a healthy, safe community through sustainable water services. This function includes all activities relating to water including flood and waterways

Sewerage and waste management infrastructure

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

DOOMADGEE ABORIGINAL SHIRE COUNCIL

Notes to the financial statements
FOR THE YEAR ENDED 30 JUNE 2016

2. Analysis of results by function

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

Year ended 30 June 2016 Function	Gross program income				Gross program expenses		Total Income 2016 \$	Total Expenses 2016 \$	Net result from recurring 2016 \$	Net Result 2016 \$	Assets 2016 \$
	Recurrent Revenue		Capital		Recurrent Expenses 2016 \$	Capital 2016 \$					
	Grants 2016 \$	Other 2016 \$	Grants 2016 \$	Other 2016 \$							
Corporate Governance	-	-	-	-	(404,916)	-	(404,916)	(404,916)	(404,916)	(404,916)	-
Finance & information	2,846,395	3,525,925	227,015	-	(3,600,018)	-	(3,632,295)	2,772,302	2,967,040	2,967,040	10,438,360
Community services	637,358	434,405	-	-	(1,653,616)	-	(1,653,616)	(581,853)	(581,853)	(581,853)	23,423,176
Enterprises	-	1,076,148	-	-	(936,339)	-	(936,339)	139,809	139,809	139,809	4,352,316
Housing	-	4,210,186	-	-	(4,884,808)	-	(4,884,808)	(674,622)	(674,622)	(674,622)	33,361,003
Transport infrastructure	2,500	-	1,438,963	-	(1,946,326)	-	(1,946,326)	(1,943,826)	(504,863)	(504,863)	25,726,424
Water infrastructure	9,268	259,002	751,590	-	(1,274,117)	-	(1,274,117)	(1,005,847)	(254,257)	(254,257)	17,508,159
Sewerage & waste management infrastructure	3,000	282,233	-	-	(398,344)	-	(398,344)	(113,111)	(113,111)	(113,111)	4,702,509
Total Council	3,498,521	9,787,899	2,417,568	-	15,703,988	(15,098,484)	(32,277)	(15,130,761)	(1,812,064)	573,227	119,511,967

Year ended 30 June 2015

Year ended 30 June 2015 Function	Gross program income				Gross program expenses		Total Income 2015 \$	Total Expenses 2015 \$	Net result from recurring 2015 \$	Net Result 2015 \$	Assets 2015 \$
	Recurrent Revenue		Capital		Recurrent Expenses 2015 \$	Capital 2015 \$					
	Grants 2015 \$	Other 2015 \$	Grants 2015 \$	Other 2015 \$							
Corporate Governance	-	-	-	-	(398,446)	-	(398,446)	(398,446)	(398,446)	(398,446)	52,438
Finance & information	2,710,775	381,338	209,670	-	(3,077,991)	(64,573)	(3,142,564)	14,122	159,219	159,219	13,409,704
Community services	338,417	1,316,460	42,131	-	(1,372,643)	-	(1,372,643)	282,234	324,365	324,365	27,184,058
Enterprises	-	1,064,638	574,739	-	(464,166)	-	(464,166)	600,452	1,175,191	1,175,191	5,470,953
Housing	-	1,764,503	4,770,985	-	(1,792,870)	(1,425,110)	(3,217,980)	(28,367)	3,317,508	3,317,508	32,806,356
Transport infrastructure	-	4,000	1,764,264	-	(2,556,168)	-	(2,556,168)	(2,552,168)	(787,904)	(787,904)	27,511,591
Water infrastructure	-	258,469	2,133,514	-	(365,618)	-	(365,618)	(107,149)	2,026,365	2,026,365	16,412,660
Sewerage & waste management infrastructure	857,801	272,493	759,769	-	(188,545)	-	(188,545)	941,749	1,701,518	1,701,518	4,202,103
Total Council	3,906,993	5,061,901	10,255,072	-	19,223,966	(1,489,683)	(11,706,150)	(1,247,573)	7,517,816	7,517,816	127,050,163

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DOOMADGEE ABORIGINAL SHIRE COUNCIL
Notes to the financial statements
FOR THE YEAR ENDED 30 JUNE 2016

	NOTE	2016 \$	Council 2015 \$
3 Revenue analysis			
(a) Rates, levies & charges			
Water		259,002	258,469
Sewerage		133,783	126,710
Sanitation		148,450	145,783
		<u>541,235</u>	<u>530,962</u>
(b) Fees & Charges			
Expenses reimbursement		10,898	7,796
Airport turnaround fees		71,400	60,000
Airport landing fees		281,122	245,779
		<u>363,420</u>	<u>313,575</u>
(c) Sales Revenue			
Sale of services			
Contract & recoverable works		4,150,871	1,671,628
Guest House accommodation		636,828	634,019
Guest House other revenue		2,250	2,268
Centrelink commissions		40,309	67,510
Post Office sales		2,748	322
Post Office commissions		27,740	36,710
Skytrans commissions		-	1,851
		<u>4,860,746</u>	<u>2,414,308</u>
Sale of goods			
Guest house meals		13,752	16,162
		<u>13,752</u>	<u>16,162</u>
Total sales revenue		<u>4,874,498</u>	<u>2,430,470</u>
<p>The amount recognised as revenue for contract revenue during the financial year is the amount receivable in respect of invoices issued during the period. There are no contracts in progress at the year end. The contract work carried out is not subject to retentions.</p>			
(d) Other Revenue			
Burial Assistance		1,120	1,600
Court Fees		-	798
Gain on revaluation of leased assets		3,104,500	868,679
Other Income		141,733	54,747
		<u>3,247,353</u>	<u>925,824</u>

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DOOMADGEE ABORIGINAL SHIRE COUNCIL
Notes to the financial statements
FOR THE YEAR ENDED 30 JUNE 2016

	NOTE	2016 \$	Council 2015 \$
4 Grants, subsidies, contributions and donations			
(a) Recurrent			
State Government subsidies and grants		3,136,887	3,836,430
Commonwealth Government subsidies and grants		361,634	70,563
		3,498,521	3,906,993
(b) Capital			
State Government subsidies and grants		1,221,592	1,430,020
Commonwealth Government subsidies and grants		968,961	-
Contributed Assets		227,015	8,825,052
		2,417,568	10,255,072

Conditions over contributions

Contributions recognised as income during the reporting period and which were obtained on the condition that they be expended in a manner specified by the contributor but had not been expended at the reporting date:

Non-reciprocal grants for expenditure on services		164,206	896,131
Non-reciprocal grants for expenditure on infrastructure		150,000	25,339
		314,206	921,470

5 Employee benefits

Total staff wages & salaries		2,500,380	2,186,828
Councillors' remuneration		311,043	295,827
Annual, sick and long service leave Entitlements		254,248	97,675
Superannuation		339,976	265,123
		3,405,647	2,845,453
Staff recruitment costs		2,968	1,471
Workcover		19,411	15,748
Isolation leave airfares		21,591	21,617
Other employee related expenses		72,670	50,452
		3,522,287	2,934,741
Less: Capitalised employee expenses		-39,316	-2,880
		3,482,971	2,931,861

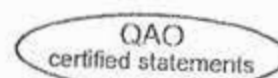
Councillor remuneration represents salary, and other allowances paid in respect of carrying out their duties

	No	No
Total Council employees at the reporting date:		
Elected members	5	5
Administration staff	25	28
Depot and outdoors staff	32	27
Total	62	60



DOOMADGEE ABORIGINAL SHIRE COUNCIL
Notes to the financial statements
FOR THE YEAR ENDED 30 JUNE 2016

	NOTE	Council 2016 \$	2015 \$
6 Materials & services			
Administration supplies & consumables		78,983	42,093
Audit of annual financial statements by the Auditor-General of Queensland		109,770	80,000
Audit services by other parties		39,887	63,910
Bad Debts		254,142	59,546
Communications & IT		456,970	312,240
Consultants		71,365	237,079
Contractors		420,021	661,581
Electricity		180,747	185,436
Equipment hire		97,551	483,848
Fire equipment & servicing		9,547	8,963
Freight & postage		62,170	48,194
Grant funds reimbursed		131,319	78,793
Guest House food purchases		13,049	17,559
Housing Construction		3,982,051	332,267
Insurance		368,511	391,252
Legal fees		75,901	29,558
Private works expenses		5,985	9,487
Repairs & maintenance - buildings		126,163	200,077
Repairs & maintenance - plant & equipment		66,927	265,669
Running cost - Plant & equipment		131,802	105,096
Staff training		22,358	94,954
Subscriptions and registration		39,319	48,849
Tools & consumables		18,651	76,605
Travel		265,089	132,536
Water Expenses		46,411	60,540
Other materials & services		636,596	337,862
		<u>7,711,285</u>	<u>4,363,994</u>
7 Finance costs			
Finance costs charged by the Queensland Treasury Corporation		10,495	9,222
Bank charges		1,516	2,242
		<u>12,011</u>	<u>11,464</u>



DOOMADGEE ABORIGINAL SHIRE COUNCIL
Notes to the financial statements
FOR THE YEAR ENDED 30 JUNE 2016

	NOTE	Council	
		2016	2015
		\$	\$
8 Capital expenses			
Loss on disposal of non-current assets			
Proceeds from the sale of property, plant & equipment		71,461	78,776
Less: book value of property, plant & equipment disposed of		103,738	143,349
Total loss on disposal of non-current assets		32,277	64,573
Component of contributed development subject to 40 year lease		-	1,425,110
		-	1,425,110
Total Capital Expenses		32,277	1,489,683

9 Cash & cash equivalents

Cash on hand		5,972	100
Cash at bank		261,044	213,860
CBA - term deposit		-	312,015
QTC - sport precinct		89,152	86,702
QTC - investment account		8,118,165	9,235,458
Balance as per Statement of Cash Flows		8,474,333	9,848,135

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

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

Unspent government grants and subsidies	23	314,206	921,470
Total unspent restricted cash		314,206	921,470

Cash and cash equivalents are held at Commonwealth Bank of Australia (CBA) and Queensland Treasury Corporation (QTC) in normal interest-bearing cheque accounts (CBA) and a mix of at-call and fixed-term deposit accounts (QTC).

Commonwealth Bank of Australia (CBA) currently has a short-term credit rating of A-1+ and long term rating of AA-.

Queensland Treasury Corporation (QTC) currently has a short-term credit rating of A-1+ and long term rating of AA+.

In accordance with the *Local Government Act 2009* and *Local Government Regulation 2012*, a separate trust bank account and separate accounting records are maintained for funds held on behalf of outside parties. Funds held in the trust account include those funds from the sale of land for arrears in rates, deposits for the contracted sale of land, security deposits lodged to guarantee performance and unclaimed monies (e.g. wages). The Council performs only a custodian role in respect to these monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements.

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

Security deposits

		-	-
		-	-
		-	-
		-	-

Funds held in trust by outside parties

		-	-
		-	-

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DOOMADGEE ABORIGINAL SHIRE COUNCIL
Notes to the financial statements
FOR THE YEAR ENDED 30 JUNE 2016

	NOTE	Council	
		2016	2015
		\$	\$
10 Trade and other receivables			
Current			
Avdata		127,496	105,495
Contractor debtors		879,357	1,063,226
Housing rental		194,453	188,328
Less impairment		(584,130)	(329,988)
Accrued revenue		50,192	53,171
Australian Taxation Office		116,292	-
Prepayments		337,153	237,100
		<u>1,120,813</u>	<u>1,317,332</u>

No interest is charged on debtors

Movement in accumulated impairment losses (housing and other debtors) is as follows:

Opening balance at 1 July		(329,988)	(274,834)
Impairment Debts written off during the year		-	-
Additional impairments recognised		(254,142)	(55,153)
Closing balance at 30 June		<u>(584,130)</u>	<u>(329,987)</u>

11 Other financial assets

Current

Finance leases		686,482	675,094
		<u>686,482</u>	<u>675,094</u>

Non-current

Finance leases		24,285,619	21,867,600
		<u>24,285,619</u>	<u>21,867,600</u>

A reconciliation between the gross investment in the lease and the fair value of lease payments is as follows:

Gross minimum lease payments receivable:			
Not later than one year		686,482	675,094
Later than one year but not later than five years		2,745,930	2,700,374
Later than five years		21,587,642	21,907,183
		<u>25,020,054</u>	<u>25,282,651</u>
Add: Estimated contingent rent		15,100,190	15,833,575
Less: Present value adjustment		(15,148,143)	(18,573,532)
Fair value of lease payments		<u>24,972,101</u>	<u>22,542,694</u>

The fair value of lease payments is receivable as follows:

Not later than one year		686,482	675,094
Later than one year but not later than five years		2,740,594	2,657,458
Later than five years		21,545,025	19,210,142
		<u>24,972,101</u>	<u>22,542,694</u>

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DOOMADGEE ABORIGINAL SHIRE COUNCIL
Notes to the financial statements
FOR THE YEAR ENDED 30 JUNE 2016

	NOTE	2016 \$	Council 2015 \$
11 Other financial assets (cont)			
Movements in finance leases were as follows:			
Opening balance		22,542,694	19,646,283
Add: Initial recognition of new leases		-	2,649,867
Less: Lease receipts		(675,094)	(622,135)
Add: Gain on revaluation		3,104,501	868,679
Closing balance		<u>24,972,101</u>	<u>22,542,694</u>

The calculation of fair value has included an estimate of average annual CPI increases of 2.5% for the current year, and 2.5% for the prior year and a discount rate of 2.51% used for the current year, and 3.16% for the prior year.

12 Intangible assets

Software

Opening gross carrying value

Additions

		-	-
		<u>209,948</u>	<u>-</u>
		<u>209,948</u>	<u>-</u>

Accumulated amortisation

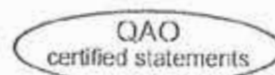
Opening value

Amortisation in the period

		-	-
		<u>5,065</u>	<u>-</u>
		<u>5,065</u>	<u>-</u>

Net carrying value at 30 June

		<u>204,883</u>	<u>-</u>
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**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2016**

13 PROPERTY, PLANT AND EQUIPMENT

Council - 30 June 2016

Basis of measurement Asset values	Building		Houses		Plant & equipment		Furniture & equipment		Other structures		Road & drainage network		Water		Sewerage		Work in progress		Total		
	Fair Value	\$	Fair Value	\$	Cost	\$	Cost	\$	Fair Value	\$	Fair Value	\$	Fair Value	\$	Fair Value	\$	Fair Value	\$	Cost	\$	Total
Opening gross value as at 1 July 2015	44,165,963		17,807,300		2,937,050		778,762		5,539,707		38,555,944		26,218,661		7,023,369		848,107		143,874,861		
Additions	217,616				1,095,959		469,632		10,059		270,377		1,924,335				179,157		4,167,135		
Contributed Assets	227,015						123,000												350,015		
Initial Recognition of Assets							105,500												105,500		
Disposals	(46,661)		(1,865)		(149,044)																(187,570)
Revaluation Adjustment to Asset Revaluation	(14,761,846)		(5,098,235)						(340,829)		830,074		(3,451,350)		11,341		(846,107)		(22,810,845)		
Surplus	742,669		50,170				55,268														
WIP Transfer	107,240		(7,300)		194,050		(419,050)		898,173		(773,113)										
Transfer between classes																					
Closing gross value as at 30 June 2016	30,651,956		12,750,070		4,078,015		1,057,844		6,107,110		38,938,550		24,591,646		7,034,710		179,157		125,489,096		
Accumulated depreciation & impairment																					
Opening balance as at 1 July 2015	15,224,529		8,239,647		1,370,141		538,180		1,493,664		11,099,319		9,806,001		2,821,266				50,592,947		
Depreciation provided in period	976,855		650,726		432,088		37,346		224,507		733,748		681,286		148,184				3,887,150		
Contributed Assets							82,000												82,000		
Initial Recognition of Assets					(93,832)		52,000												52,000		
Depreciation on disposals	(6,806,795)		(4,526,321)						191,621		1,379,059		(3,303,800)		(637,249)				(13,703,485)		
Revaluation Adjustment to Asset Revaluation	(3,722)		(2,884)		146,314		(222,514)		82,806												
Transfer between classes	9,392,877		4,361,168		1,854,711		487,012		1,993,198		13,212,126		7,183,487		2,332,201				40,815,780		
Accumulated depreciation as at 30 June 2016	21,259,119		8,388,902		2,223,304		570,532		4,113,912		25,726,424		17,508,159		4,702,506		179,157		84,672,316		
Total written down value as at 30 June 2016																					
Additions comprise:																					
Renewals	217,616		0		610,959		76,246		10,059		270,377		1,924,335					136,172			2,975,387
Other additions					485,000		393,366											42,985			1,191,748
Total Additions	217,616		0		1,095,959		469,632		10,059		270,377		1,924,335					179,157			4,167,135



**DOOMADGEE ABORIGINAL SHIRE COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2016**

Council - 30 June 2015

Basis of measurement Asset values	Note	Building		Houses		Plant & equipment		Furniture & equipment		Other structures		Road & drainage network		Water		Sewerage		Work in progress		Total	
		Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost		Fair Value
Opening gross value as at 1 July 2014		40,975,000	17,807,300	2,656,857	865,442	5,377,800	27,509,300	24,056,610	6,263,600	234,095	125,776,204										
Opening Balance Adjustment		1,276,430					8,564,706				9,841,136										
Additions		1,824,673		505,788		114,502	2,481,936	2,161,851	759,769	751,277	8,599,795										
Disposals				(255,695)	(86,680)						(342,275)										
Transfer between classes		89,860				47,405															
Closing gross value as at 30 June 2015		44,165,963	17,807,300	2,937,050	778,762	5,539,707	38,555,942	28,218,661	7,023,369	848,107	143,874,861										
Accumulated depreciation & impairment																					
Opening balance as at 1 July 2014		14,014,965	7,972,200	1,240,335	555,195	1,352,996	8,618,754	9,164,810	2,688,177	45,607,432											
Opening Balance Adjustment		329,636					1,945,660			2,275,296											
Depreciation provided in period		879,928	267,447	261,609	50,111	140,868	534,905	641,191	133,089	2,909,148											
Depreciation on disposals				(131,803)	(67,126)					(198,929)											
Accumulated depreciation as at 30 June 2015		15,224,529	8,239,647	1,370,141	538,180	1,493,864	11,069,319	9,806,001	2,821,266	50,592,847											
Total written down value as at 30 June 2015		28,941,434	9,567,653	1,566,909	240,582	4,045,843	27,456,623	16,412,660	4,202,103	848,107	93,281,914										

Additions comprise:

	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Total	
Renewals	25,361	313,398	161,907	815,148	28,335	1,344,147																
Other additions	1,889,172	192,390		1,666,790	2,133,516	759,769	614,012															
Total Additions	1,914,533	505,788	161,907	2,481,936	2,161,851	759,769	614,012															



DOOMADGEE ABORIGINAL SHIRE COUNCIL

Notes to the financial statements

For the year ended 30 June 2016

14 Fair value measurements

(a) Recognised fair value measurements

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

Property, plant and equipment

- Buildings
- Houses
- Other structures
- Road and drainage network
- Water
- Sewerage
- Other financial assets (finance leases)

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

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

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

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

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

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

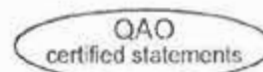
The fair values of the assets are determined using valuation techniques which maximise the use of observable data, where it is available, and minimise the use of entity specific estimates. If all significant inputs required to fair value an asset are observable, the asset is included in level 2. If one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

The table presents the Council's assets measured and recognised at fair value at 30 June 2016.

	Note	Level 2 (Significant other observable inputs)		Level 3 Significant unobservable inputs)	
		2016	2015	2016	2015
Recurring fair value measurements					
Buildings					
- Commercial buildings	13			15,792,508	23,000,317
- Residential buildings	13			5,466,611	5,941,117
Houses	13			8,388,902	9,567,853
Other structures	13			4,113,912	4,045,843
Road and drainage network	13			25,726,424	27,456,623
Water	13			17,508,159	16,412,660
Sewerage	13			4,702,509	4,202,103
Other financial assets	11			24,972,101	22,542,694
				<u>106,671,126</u>	<u>113,169,010</u>

There were no transfers between levels during the year.

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



DOOMADGEE ABORIGINAL SHIRE COUNCIL

Notes to the financial statements

For the year ended 30 June 2016

(b) Valuation techniques used to derive fair values for level 3 valuations

Specific valuation techniques used to value Council assets

Council obtains independent valuations at least every 3 years. The latest comprehensive valuation was undertaken by APV Valuers & Asset Management as at 30 June 2016.

(i) Buildings and houses (level 3)

The fair values of buildings were determined by independent valuer, APV Valuers & Asset Management effective 30 June 2016.

As all Council buildings are of a specialist nature and there is no active market for the assets, the fair value has been determined using written down current replacement cost on the basis of replacement with a new asset having similar service potential including allowances for preliminaries and professional fees. Construction costs are based on published construction cost guides and construction costs of homes built within the community in recent years. Due to accessibility issues limiting the ability to measure each residential building, the replacement costs are reflective of the modern equivalent cost to replace the service potential based on the number of accommodation rooms rather than strictly the square metres of floor area.

In determining the level of accumulated depreciation the asset has been disaggregated into significant components which exhibit useful lives. Allowance has been made for the typical asset life cycle and renewal treatments of each component, residual value at the time the asset is considered to be no longer available for use and the condition of the asset. Condition was assessed taking into account both physical characteristics as well as holistic factors such as functionality, capability, utilisation and obsolescence.

While the unit rates based on square metres can be supported by market evidence (level 2), the estimates of useful life, pattern of consumption and asset condition that are used to calculate accumulated depreciation comprise unobservable inputs (level 3). Where these other inputs are significant to the valuation the overall valuation has been classified as level 3.

(ii) Infrastructure assets (level 3)

All Council infrastructure assets were fair valued using written down current replacement cost. This valuation comprises the asset's current replacement cost (CRC) less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Council first determined the gross cost of replacing the full service potential of the asset and then adjusted this amount to take account of the expired service potential of the asset.

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

The unit rates (labour and materials) and quantities applied to determine the CRC of an asset or asset component were based on a "Greenfield" assumption meaning that the CRC was determined as the full cost of replacement with a new asset including components that may not need to be replaced, such as earthworks. The CRC was determined using methods relevant to the asset class as described under individual asset categories below.

Road and drainage network

Current replacement cost

Council categorises its road and drainage infrastructure into segments by road name. All road segments are then componentised into base, pavement, surface and kerb (where applicable). Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment. Council also assumes a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.



DOOMADGEE ABORIGINAL SHIRE COUNCIL

Notes to the financial statements

For the year ended 30 June 2016

CRC was calculated by reference to asset linear and area specifications, estimated labour and material inputs, services costs, and overhead allocations. Council also assumes that all raw materials can be sourced from local pits with the work completed with a mixture of local labour and contractors. The unit rates applied are based on greenfield project costs and include all materials, labour and overheads. These unit rates are estimated using information collated from similar recent project costs, unit rate databases, indices, Rawlinson's Construction Handbook and quotations.

Accumulated depreciation

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

The traffic numbers on Council roads are not high enough to use published condition assessment techniques. The roads were visually inspected by the valuer. No testing or measurement of defects or condition was undertaken. An assessment of remaining useful life was made by the valuer taking into consideration the visual condition, construction date, evidence of recent repairs or capital works and the surrounding environmental factors.

Estimated useful lives are disclosed in note 13.

Sensitivity of valuation to unobservable inputs

As detailed above Council's road and drainage network has been valued using written down current replacement cost. This method utilises a number of inputs that require judgement and are therefore classed as unobservable. While these judgements are made with the greatest care, and based upon past experience, different judgements could result in a different valuation.

Water, and sewer

Current replacement cost

Water and sewerage infrastructure fair values were determined by independent valuers, APV Valuers & Asset Management as of 30 June 2016 using written down current replacement cost. CRC was calculated based on expected replacement costs. In all cases the assets were disaggregated to component level to ensure a reliable measure of cost and service capacity, deterioration and estimated remaining life.

The environmental conditions have been assumed consistent across the Council area.

The water and sewer assets were segregated into active and passive assets; passive assets were not further componentised and consisted primarily of mains and pipes. Unit rates were applied based on similar recent project costs, unit rate databases, indices, Rawlinson's Construction rates and quotations.

The remaining active assets consisted of treatment, pumping and storage assets. These assets were componentised and valued independently, with allowances for complexity, size, function and site factors. As a check these components are generally combined into a lump sum item and compared against recent similar projects.

Accumulated depreciation

The remaining lives used in the depreciation calculations are estimated using three different methods:

- Condition;
- Known age; and
- Estimated age.

Where the condition was able to be determined from the valuer's inspection or where detailed condition reports have been prepared, the remaining life is dependent on the recorded condition, using a sliding scale. Where detailed condition is not available however the age of the asset is known, the remaining life is estimated using the current age of the asset, adjusted for obsolescence after visual inspection where possible.



DOOMADGEE ABORIGINAL SHIRE COUNCIL

Notes to the financial statements

For the year ended 30 June 2016

Where neither the condition nor the age are known, assumptions are made as to the age and condition of the assets in collaboration with Council staff, in order to obtain a depreciated replacement cost which reasonably reflects the value of the asset.

With passive assets, which are inherently difficult and expensive to inspect (and the inspection of which falls outside the scope of the independent valuation), an accepted basis for estimating the condition, and hence remaining life, of the assets is that of by exception i.e. if a section of pipework does not have a history of maintenance, then it can be assumed to be in average condition for its age.

While generally pipework will last as designed, there are situations which can greatly increase the rate of deterioration. These include soil conditions, surrounding flora, quality of the pipe and quality of the installation. Any of these will affect a region. For instance, if poor quality pipe has been used, then it will have been used in an entire subdivision. Similarly, particularly poor soil conditions will affect a geographic area.

Other Structures

Other structures includes airport and recreation facilities and are measured at written down current replacement cost as of 30 June 2016 as independently determined by APV Valuers & Asset Management.

The replacement cost of all assets which as a group represent other structures have been estimated through first principles, namely summing together the costs of materials, labour and overhead which were established through contact with suppliers, Council, by having reference to recently constructed project costs and publicly available reference material, having regard to the location and conditions.

An assessment of remaining useful life was made by the valuer after inspection taking into consideration the visual condition, construction date, evidence of recent repairs or capital works and the surrounding environmental factors.

Sensitivity of valuation to unobservable inputs

The method used to value Councils' other structures assets utilises a number of inputs that require judgement and are therefore classed as unobservable. While these judgements are made with the greatest care, and based upon past experience, different judgements could result in a different valuation.

(iii) Finance leases (level 3)

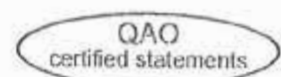
Finance leases are recognised at the present value of the expected future lease payment receivable (*fair value*). The calculation of the present value of the expected future lease income has included an estimate of average annual Consumer Price Index "CPI" increases of 2.5% and a discount rate of 2.51%.

The estimate of Consumer Price Index and discount rate comprise unobservable inputs (level 3).

<u>Significant unobservable input</u>	<u>Range of inputs</u>	<u>Relationship of unobservable inputs to fair value</u>
Consumer Price Index Brisbane	RBA's stated inflation target range of 2% - 3%	The higher the indexation percentage, the higher the fair value
Long-term average discount rate	2.25% - 3.93%	The higher the discount rate percentage, the lower the fair value

(iv) 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, Manager of Corporate Services and Manager of Finance. This is reviewed annually taking into consideration an analysis of movements in fair value and other relevant information. Council's current policy for the valuation of property, plant and equipment (recurring fair value measurements) is set out in note 1.L. Non-recurring fair value measurements are made at the point of reclassification by a registered valuer.



DOOMADGEE ABORIGINAL SHIRE COUNCIL
Notes to the financial statements
FOR THE YEAR ENDED 30 JUNE 2016

	NOTE	Council	
		2016	2015
		\$	\$
15 Trade & other payables			
Current			
Creditors and accruals		1,831,469	828,215
ATO payable		-	102,316
Annual Leave		145,053	112,824
		1,976,522	1,043,355
16 Asset Revaluation Surplus			
Balance at beginning of financial year		44,225,174	44,225,174
Net adjustments to non-current assets at end of period to reflect a change in current fair value:			
Buildings		(7,955,051)	-
Houses		(571,914)	-
Other structures		(532,450)	-
Road & drainage network		(548,985)	-
Water		(147,550)	-
Sewerage		648,590	-
		35,117,814	44,225,174

Asset revaluation surplus analysis

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

Buildings		13,797,282	21,752,333
Houses		5,113,436	5,685,350
Other structures		813,688	1,346,138
Road and drainage network		10,542,866	11,091,851
Water		3,130,319	3,277,869
Sewerage		1,720,223	1,071,633
		35,117,814	44,225,174

17 Commitments for expenditure

Operating leases

Minimum lease payments in relation to non-cancellable operating leases are

Within one year		112,928	84,660
One to five years		157,638	159,870
Later than five years		-	-
		270,566	244,530

Restoration commitments

Council's refuse tip is on DOGIT land. To date, Council has not provided for the eventual costs of restoring the site on the basis that it believed such costs to be minimal. However, Council is currently looking more closely at this and taking advice to better understand what may be required to satisfy environmental requirements. At the date of this financial report, Council has not completed this assessment and accordingly was not in a position to reliably measure the costs that may be involved.



DOOMADGEE ABORIGINAL SHIRE COUNCIL
Notes to the financial statements
FOR THE YEAR ENDED 30 JUNE 2016

	NOTE	2016 \$	Council 2015 \$
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18 Contingent liabilities

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

Local Government Mutual

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

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.

As at 30 June 2016 the financial statements of the scheme reported an accumulated surplus and it is not anticipated any liability will arise.

19 Superannuation

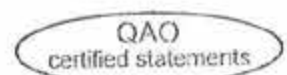
The Council contributes to the Local Government Superannuation Scheme (Qld) (the scheme). The scheme is a Multi-employer Plan as defined in the Australian Accounting Standard AASB119 *Employee Benefits*.

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*.



DOOMADGEE ABORIGINAL SHIRE COUNCIL
Notes to the financial statements
FOR THE YEAR ENDED 30 JUNE 2016

	NOTE	Council 2016 \$	2015 \$
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19 Superannuation (cont)

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

The Regional DBF is a defined benefit plan as defined in AASB119. The 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 the 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 either defined benefit 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 2015. The actuary indicated that "At the valuation date of 1 July 2015, the net assets of the scheme exceeded the vested benefits and the scheme was in a satisfactory financial position as at the valuation date."

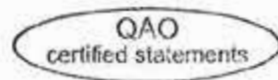
In the 2015 actuarial report the actuary has recommended no change to the employer contribution levels at this time.

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 72 entities contributing to the Regional DBF plan and any changes in contribution rates would apply equally to all 72 entities. Doomadgee Aboriginal Shire Council made less than 4% of the total contributions to the plan in the 2015-16 financial year.

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

	Note	Council 2016 \$	2015 \$
The amount of superannuation contributions paid by Council to the scheme in this period for the benefit of employees was:	5	339,976	265,123
		339,976	265,123



DOOMADGEE ABORIGINAL SHIRE COUNCIL
Notes to the financial statements
FOR THE YEAR ENDED 30 JUNE 2016

	NOTE	Council 2016 \$	2015 \$
20 Reconciliation of net result for the year to net cash inflow (outflow) from operating activities			
Cash Flows From Operating Activities			
Net Result		573,231	7,517,816
Non-cash items			
Depreciation and amortisation		3,892,213	2,909,148
Non cash gifted assets		(321,511)	-
Gain on revaluation of finance leases		(3,104,500)	(868,679)
		<u>466,202</u>	<u>2,040,469</u>
Investment and development activities			
Net loss on disposal of non-current assets		32,277	1,489,683
Capital grants and contributions		(2,190,553)	(10,255,072)
		<u>(2,158,276)</u>	<u>(8,765,389)</u>
Changes in operating assets and liabilities			
(Increase)/decrease in receivables		196,519	(260,200)
(Increase)/decrease in inventories		(7,435)	28,904
Increase/(decrease) in payables		933,165	461,313
Movement in Employee Benefit Provisions		62,765	-
Increase/(decrease) in other		-	22,680
		<u>1,185,014</u>	<u>252,697</u>
Net cash inflow/(outflow) from Operating Activities		<u>66,171</u>	<u>1,045,593</u>

21 Events after the reporting period

There were no material adjusting events after the balance date.

22 Financial instruments

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

- credit risk
- liquidity risk
- market risk

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



DOOMADGEE ABORIGINAL SHIRE COUNCIL
Notes to the financial statements
FOR THE YEAR ENDED 30 JUNE 2016

	NOTE	2016	Council	2015
		\$		\$

22 Financial Instruments (cont.)

Financial risk management

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

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.

Doomadgee Aboriginal Shire Council does not enter into derivatives.

Credit risk

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

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

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

No collateral is held as security relating to the financial assets held by Doomadgee Aboriginal 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:

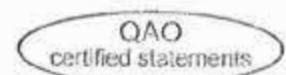
	Council	
	2016	2015
	\$	\$
Financial assets		
Cash and cash equivalents	8,468,361	9,848,036
Receivables	783,661	1,080,232
Other financial assets	24,972,101	22,542,695
	34,224,123	33,470,963

Cash and cash equivalents

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

Other financial assets

Finance leases are to the State of Queensland by the Department of Communities and Department of Housing & Public Works.



DOOMADGEE ABORIGINAL SHIRE COUNCIL
Notes to the financial statements
FOR THE YEAR ENDED 30 JUNE 2016

	NOTE	2016	Council	2015
		\$		\$

22 Financial instruments (cont.)

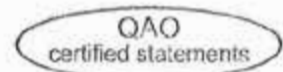
Trade and other receivables

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. This is due to economic issues e.g. low employment and various cultural issues all of which have a great economic impact.

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

	Council	
	2016	2015
	\$	\$
Not past due	602,338	725,699
Past due 31-60 days	32,454	12,651
Past due 61-90 days	7,118	3,519
More than 90 days	725,880	665,358
Impaired	(584,129)	(329,988)
Total	783,661	1,077,239



DOOMADGEE ABORIGINAL SHIRE COUNCIL
Notes to the financial statements
FOR THE YEAR ENDED 30 JUNE 2016

22 Financial instruments (cont)

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

The Council is exposed to liquidity risk through its normal course of business.

The Council manages its exposure to liquidity risk by maintaining sufficient cash reserves.

The only financial liabilities which expose Council to liquidity risk are trade and other payables. All financial liabilities are current in nature and will be due and payable within twelve months. As such no discounting of cash flows has been made to these liabilities. Refer to note 15 for further details.

Market risk

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

Interest rate risk

Doomadgee Aboriginal Shire Council is exposed to interest rate risk through investments with QTC and other financial institutions.

Sensitivity

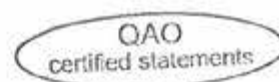
Sensitivity to interest rate movements is shown for variable rate financial assets based on the carrying amount at reporting date.

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

Council	Net carrying amount \$	Effect on net result		Effect on equity	
		1% increase \$	1% decrease \$	1% increase \$	1% decrease \$
2016					
Cash and cash equivalents	8,468,361	84,684	(84,684)	84,684	(84,684)
Net total	<u>8,468,361</u>	<u>84,684</u>	<u>(84,684)</u>	<u>84,684</u>	<u>(84,684)</u>
2015					
Cash and cash equivalents	9,848,036	98,480	(98,480)	98,480	(98,480)
Net total	<u>9,848,036</u>	<u>98,480</u>	<u>(98,480)</u>	<u>98,480</u>	<u>(98,480)</u>

Fair value

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



DOOMADGEE ABORIGINAL SHIRE COUNCIL
Notes to the financial statements
For the year ended 30 June 2016

23 Tied grants by project

	Balance 01/07/15	Revenue	Expense	Transfers between grants	Balance 30/06/16
	\$	\$	\$	\$	\$
Commonwealth government grants					
National jobs package	104,377		104,377	-	-
Remote indigenous broadcasting service <i>(insert name of program/project)</i>	11,379	56,634	66,013	-	-
Total	115,756	56,634	172,390	-	-
NDRRA		818,967	818,967		-
Road to recovery		150,000			150,000
Total	-	968,967	818,967	-	150,000
Animal management clinic	36,687		36,687	-	-
Total	36,687	-	36,687	-	-
FAHCSIA					
BMX track and air conditioners				-	-
Governance & Leadership Program	35,000			(35,000)	-
Indigenous women program					-
Volunteer night patrol	50,000		85,000	35,000	-
Sports precinct upgrade	86,702		10,604	-	76,098
Youth development program engaging and disengaging	188,456		188,456	-	-
Youth development program engaging and disengaging		135,000	132,139	-	2,861
Youth co-ordinator breaking the cycle	236,226		236,226	-	-
Total	596,384	135,000	652,425	-	78,959
Feral and domestic animals	80,720	154,630	170,193	(45,157)	-
Department of communities		3,000			3,000
Naidoc	1,864	2,000			3,864
NDRP - National disaster resilience program		9,268		(9,268)	-
Total	82,584	168,898	170,193	(54,425)	6,864
Total commonwealth	811,411	1,329,499	1,850,662	(54,425)	235,823
State government grants					
Department of Infrastructure and Planning					
Financial assistance grant		1,236,390	1,236,390	-	-
Indigenous economic development		88,000	88,000	-	-
Nuisance management grant	1,889			-	1,889
State government financial grants		1,610,005	1,610,005	-	-
Get ready Queensland		6,493	6,493	-	-
Enhancing Civic Pride	17,681				17,681
Queensland Skill 360 Australia Apprentice Services		6,182	6,182		-
TIDS		197,015	197,015		-
Datsima	(116,741)	751,590	634,849	9,268	-
Total	(97,171)	3,895,675	3,776,934	9,268	19,570
Indigenous RADF-program		13,864	13,864	-	-
CIAF	1,009			-	1,009
Total	1,009	13,864	13,864	-	1,009
Emergency management	14,347			-	14,347
State emergency services	44,785	12,055	21,832	-	35,008
Total	59,132	12,055	21,832	-	49,355
Department of Transport and Main Roads	25,339		25,339		-
Airport - RAAP					-
Total	25,339	-	25,339	-	-



DOOMADGEE ABORIGINAL SHIRE COUNCIL
Notes to the financial statements
For the year ended 30 June 2016

23 Tied grants by project (cont.)

	Balance 01/07/15	Revenue	Expense	Transfers between grants	Balance 30/06/16
	\$	\$	\$	\$	\$
Queensland Health Environment officer					
Dog Management	(45,157)	-	-	45,157	-
Feral and domestic animal program	-	-	-	-	-
Event support program	57	-	57	-	-
Total	(45,100)	-	57	45,157	-
Queensland Reconstruction Authority NDRRA	(135,486)	272,987	137,501	-	-
Total	(135,486)	272,987	137,501	-	-
Engaging and disengaging	-	165,000	161,503	-	3,497
	-	165,000	161,503	-	3,497
Total - State government	(192,277)	4,359,581	4,139,030	54,425	73,431
Other grant providers					
Sports carnival	4,952	-	-	-	4,952
The Myuma Group	-	227,015	227,015	-	-
Total	4,952	227,015	227,015	-	4,952
Total grants	624,086	5,916,095	6,216,707	-	314,206



DOOMADGEE ABORIGINAL SHIRE COUNCIL
Notes to the financial statements
For the year ended 30 June 2016

24 Correction of errors

1. Old Dommadgee Road

In the process of valuing Council's road assets at 30 June 2016, it was discovered that the length of the Old Dommadgee Road, as shown in Council's asset register and as used as the basis for valuations in the past, was incorrect. Whereas the road had previously been valued on the basis that it was 13.6kms long, it was found to be 50kms long. This error has been corrected by adjusting the opening balances at 1 July 2014 and comparative amounts for 2014/15. The adjustments are as follows:

	As at 30 June 2015	As at 1 July 2014
	\$	\$
Increase in property, plant and equipment	6,482,546	6,619,040
Increase in retained surplus	6,482,546	6,619,040
	Year ended 30 June 2016	Year ended 30 June 2015
	\$	\$
Increase in depreciation expense	-	136,500
Decrease in net result	-	136,500

The depreciation charge for the year ended 30 June 2016 was calculated after the error was discovered and therefore did not need correction.

2. Contributed buildings

In the process of reviewing Council's building records at 30 June 2016, it was found that two buildings contributed to Council in prior years had not been recorded as Council's assets. These errors have also been corrected by adjusting the opening balances at 1 July 2014 and the comparative amounts for 2014/15. The adjustments are as follows:

	As at 30 June 2015	As at 1 July 2014
	\$	\$
Increase in property, plant and equipment	920,334	946,794
Increase in retained surplus	920,334	946,794
	Year ended 30 June 2016	Year ended 30 June 2015
	\$	\$
Increase in depreciation expense	-	26,460
Decrease in net result	-	26,460

The depreciation charge for the year ended 30 June 2016 was calculated after the error was discovered and therefore did not need correction.

3. Housing work-in-progress

During the prior year, Council was engaged by the Department of Housing and Public Works to build new houses on 40 year leases. It has since been discovered that all the costs incurred in connection with this project were incorrectly capitalised to capital work in progress at 30 June 2015, whereas only a portion of the costs should have been carried forward as work in progress (receivables) with the balance expensed. This error has been corrected by adjusting the comparative amounts for 2014/15. There is no impact on earlier years. The adjustments are as follows:



DOOMADGEE ABORIGINAL SHIRE COUNCIL
Notes to the financial statements
For the year ended 30 June 2016

24 Correction of errors (cont)

	As at 30 June 2015	As at 1 July 2014
	\$	\$
Increase in trade and other receivables	396,373	-
Decrease in property, plant and equipment	728,640	-
Decrease in retained surplus	332,267	-
	Year ended 30 June 2016	Year ended 30 June 2015
	\$	\$
Increase in materials and services expense	-	332,267
Decrease in net result	-	332,267

A restated statement of financial position as at 1 July 2014 has been included in the financial statements.

4. Subdivision contributed assets

During the prior year, the Department of Aboriginal and Torres Strait Islander Partnership handed over a subdivision comprising 26 house lots to Council. Council capitalised the value of this contributed subdivision. It has since been discovered that some of the amounts capitalised should not have been capitalised as they relate to lots which have been included in 40 year leases. This error has been corrected by adjusting the comparative amounts for 2014/15. There is no impact on earlier years. The adjustments are as follows:

	As at 30 June 2015	As at 1 July 2014
	\$	\$
Decrease in property, plant and equipment	1,425,110	-
Decrease in retained surplus	1,425,110	-
	Year ended 30 June 2016	Year ended 30 June 2015
	\$	\$
Increase in capital expenditure	-	1,425,110
Decrease in net result	-	1,425,110



DOOMADGEE ABORIGINAL SHIRE COUNCIL
Financial statements
For the year ended 30 June 2016

Management Certificate
For the year ended 30 June 2016

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, as set out on pages 1 to 35, 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
Edric Kingston Walden

Date: 13, 07, 17



Chief Executive Officer
Lothar Siebert

Date: 13, 07, 17

INDEPENDENT AUDITOR'S REPORT

To the Mayor of Doomadgee Aboriginal Shire Council

Report on the Financial Report

I have audited the accompanying financial report of Doomadgee Aboriginal Shire Council, which comprises the statement of financial position as at 30 June 2016, 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 certificates given by the Mayor and Chief Executive Officer.

The Council's Responsibility 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 prescribed accounting requirements identified in the *Local Government Act 2009* and *Local Government Regulation 2012*, including compliance with Australian Accounting Standards. The Council's responsibility also includes such internal control as the Council determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

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

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Opinion

In accordance with s.40 of the *Auditor-General Act 2009* –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion -
 - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the financial performance and cash flows of Doomadgee Aboriginal Shire Council for the financial year 1 July 2015 to 30 June 2016 and of the financial position as at the end of that year.

Other Matters - Electronic Presentation of the Audited Financial Report

Those viewing an electronic presentation of these financial statements should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.

C G STRICKLAND CA
as Delegate of the Auditor-General of Queensland

Queensland Audit Office
Brisbane

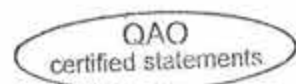
DOOMADGEE ABORIGINAL SHIRE COUNCIL
Current year Financial Sustainability Statement
For the year ended 30 June 2016

Measures of Financial Sustainability

Measures of Financial Sustainability	How the measure is calculated	Actual - Council	Target
Council's performance at 30 June 2016 against key financial ratios and targets:			
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	-13.64%	Between 0% and 10%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	76.44%	greater than 90%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	-62.06%	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 2016.



DOOMADGEE ABORIGINAL SHIRE COUNCIL
Financial statements
For the year ended 30 June 2016

Certificate of Accuracy
For the year ended 30 June 2016

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

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



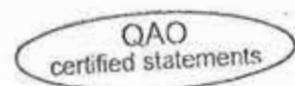
Mayor
Edric Kingston Walden

Date: 13 10 17, 17



Chief Executive Officer
Lothar Slobert

Date: 13 10 17, 17



INDEPENDENT AUDITOR'S REPORT

To the Mayor of Doomadgee Aboriginal Shire Council

Report on the Current-Year Financial Sustainability Statement

I have audited the accompanying current-year financial sustainability statement, which is a special purpose financial report of Doomadgee Aboriginal Shire Council for the year ended 30 June 2016, comprising the statement and explanatory notes, and certificates given by the Mayor and Chief Executive Officer.

The Council's Responsibility 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 Responsibility

My responsibility is to express an opinion on the current-year financial sustainability statement based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of the statement 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the statement.

My responsibility is to form an opinion as to whether the statement has been accurately calculated based on the Council's general purpose financial report. 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.

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

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Opinion

In accordance with s.212 of the *Local Government Regulation 2012*, in my opinion, in all material respects, the current-year financial sustainability statement of Doomadgee Aboriginal Shire Council, for the year ended 30 June 2016, has been accurately calculated.

Emphasis of Matter – Basis of Accounting

Without modifying my opinion, attention is drawn to Note 1 which describes the basis of preparation. 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.

Other Matters - Electronic Presentation of the Audited Statement

Those viewing an electronic presentation of this special purpose financial report should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.




C G STRICKLAND CA
as Delegate of the Auditor-General of Queensland

Queensland Audit Office
Brisbane

DOOMADGEE ABORIGINAL SHIRE COUNCIL
 Long Term Financial Sustainability Statement
 Prepared as at 30 June 2016

Year ended	30/06/2017	30/06/2018	30/06/2019	30/06/2020	30/06/2021	30/06/2022	30/06/2023	30/06/2024	30/06/2025	30/06/2026
1. Operating Surplus Ratio										
(Net Operating Surplus / Total Operating Revenue) (%)	(29.1)%	(60.9)%	(62.3)%	(62.6)%	(62.9)%	(62.7)%	(62.5)%	(62.2)%	(62.6)%	(62.3)%
Target Ratio Lower Limit (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Target Ratio Upper Limit (%)	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
2. Net Financial Asset / Liability Ratio										
((Total Liabilities - Current Assets) / Total Operating Revenue)	(49.7)%	(113.0)%	(49.0)%	(100.1)%	(98.4)%	(90.4)%	(85.0)%	(76.2)%	(74.9)%	(63.1)%
Target Ratio Upper Limit (%)	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%	60.0%
3. Asset Sustainability Ratio										
(Capital Expenditure on the Replacement of Assets (renewals) / Depreciation Expense)	169.9%	67.4%	125.0%	19.6%	7.9%	18.1%	30.2%	38.2%	40.7%	17.7%
Target Ratio Lower Limit (%)	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%

**DOOMADGEE ABORIGINAL SHIRE COUNCIL
Long Term Financial Sustainability Statement
For the year ended 30 June 2016**

**Certificate of Accuracy
For the long term financial sustainability statement prepared as at 30 June 2016**

This long term financial sustainability statement has been prepared pursuant to Section 176 of the *Local Government Regulations 2012 (the Regulations)*.

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



Mayor
Edric Kingston Walden



Chief Executive Officer
Lothar Siebert

Date: 13, 07, 17

Date: 13, 07, 17

Appendix 1

Name: **EXPENSES REIMBURSEMENT FOR COUNCILLORS
POLICY**

Approved by: Doomadgee Aboriginal Shire Council (DASC)

Date approved: 28/06/2012

SECTION 1 – INTRODUCTION

CONTEXT

This policy should be read in conjunction with the Queensland Local Government Act 2009 and associated Regulations, Doomadgee Aboriginal Shire Council’s Mission and Vision statements.

PURPOSE

The objectives of this policy are to:

- ensure compliance with community expectations and statutory requirements relating to the payment or reimbursement of legitimate expenses and provision of facilities for councillors while carrying out their duties and responsibilities as elected representatives of the Doomadgee Aboriginal Shire Council; and
- ensure that all councillors have the facilities and other support necessary to perform their civic duties.

SCOPE

This policy applies to the Mayor, Deputy Mayor and all Councillors.

This policy provides for:

- payment of expenses incurred, or to be incurred, by the councillors in the course of discharging their duties and responsibilities as councillors; and
- the provision of facilities to the councillors for that purpose.

This policy does not provide for salaries or other form of councillor remuneration.

SECTION 2 – POLICY

PRINCIPLES

Council is committed to ensuring that councillors are provided with the facilities required to enable them to perform their duties.

Councillors should not be financially disadvantaged when carrying out the requirements of the role of councillor and should be fairly and reasonably compensated in accordance with statutory requirements and community expectations.

Failure to comply with this policy or misappropriation of expenses or facilities may be a breach of the Conduct Sections of the Local Government Act and/or an offence under the *Criminal Code Act 1899*.

POLICY

1	<p>Payment/reimbursement of expenses</p> <p>1.1 The payment and/or reimbursement of expenses and provision of facilities for Councillors must only be for the actual cost of legitimate business use and only in accordance with the <i>Local Government Act 2009</i>.</p> <p>1.2 The payment and/or reimbursement of expenses and provision of facilities for Councillors:</p> <ul style="list-style-type: none"> • is to be open and transparent, prudent, responsible, acceptable to the community and in accordance with statutory requirements; • based on ensuring economy and efficiency; and • subject to budget provisions.
2	<p>Annual reporting of Councillor reimbursements</p> <p>2.1 Council's annual report must contain a copy of the policy and a copy of any resolution made during the year authorising payment of expenses or provision of facilities to Councillors.</p> <p>2.2 The annual report must include particulars of the expenses incurred by, and the facilities provided to each Councillor.</p>
3	<p>Non-entitlement of reimbursement</p> <p>3.1 Spouses, partners and family members of Councillors are not entitled to reimbursement of expenses or to have access to facilities allocated to Councillors.</p>
4	<p>Expenses Reimbursement</p> <p>4.1 <u>Authorisation</u></p> <p>4.1.1 Council has delegated approval of all expenses for the Mayor and Councillors to the CEO.</p> <p>4.1.2 The CEO must approve all mandatory and discretionary training and travel accommodation for the Mayor.</p> <p>4.1.3 The approval of the Council is required for attendance by Councillors at discretionary training, including conferences, within Australia.</p> <p>4.1.4 The approval of the Council is required for attendance by Councillors at any mandatory training or conference within Australia.</p> <p>4.1.5 The approval of the Council is required for attendance by a Councillor at any event as a delegate or representative of Council.</p> <p>!#" \$ The payment or reimbursement of expenses and the provision of facilities for Councillors is subject to budget provisions and the authorisation of the Chief Executive Officer (CEO).%</p>

5**Councillor Expenses**

5.1 The following expenses refer to actual expenses deemed necessary for Council business. Councillors are only entitled to the expenses contained in the categories listed below.

5.1.1 Council Business: Where Councilors are attending to Council business (refer to definitions) such as meetings, functions or other activities in an official capacity, Council will pay for the approved expenses associated with that activity.

5.1.1.1 Representing Council at Events: Councillors may be required to attend a range of events and functions as part of their role in attending to Council business. Councillors may, for example, be required to attend significant sporting and other community events in an official capacity. Where the Council has approved that a Councillor is required to attend an event or conference as a delegate of Council, Council will pay for expenses associated with attending that event.

5.1.1.2 Professional Development: There are two categories of professional development for Councillors – Mandatory Training and Discretionary Training.

Mandatory Training: Councillors must attend training where the Council approves that all Councillors or a class of Councillors (e.g. newly elected Councillors) are to attend training courses or workshops for skill development related to a Councillor's role. Council will meet all costs. Examples of mandatory training may include training for Councillor induction, code of conduct, meeting procedures and legislative obligations.

Discretionary Training: Where a Councillor wishes to attend a conference, workshop or training to improve skills relevant to their role as a Councillor (other than mandatory training), prior Council approval is required.

5.1.1.3 Travel costs: Councillors may incur travel costs travelling to conferences, training or workshops. All Councillor travel arrangements must be in accordance with Council Travel and Accommodation Procedures.

In general, the most cost effective form of travel must be used. Councillors may request to travel using their own private vehicle for business purposes and claim a kilometre allowance based on log book details to substantiate their claim if this is the most cost effective form of travel.

5.1.1.4 Accommodation: When attending conferences, Councillors must take advantage of any cost savings available from any package provided by conference organisers and, therefore, stay in the recommended accommodation. In all other cases, Council must decide what legitimate accommodation costs that are to be reimbursed are. An allowance will be paid in line with Council policy to cover incidental costs incurred while travelling and staying away from home overnight.

6**Councillor Facilities**

6.1 Facilities provided for Councillors must be deemed necessary and required to assist Councillors in their official capacity. In accordance with statutory provisions, Council may only provide Councillors with the facilities listed below. Council determines the reasonable standard for facilities for Councillors. If a Councillor chooses a higher standard of facility than that prescribed by Council, any difference in cost must be met by the Councillor personally.

All facilities provided to Councillors remain the property of Council and must be accounted for during annual equipment audits. The facilities must be returned to Council when the Councillor's term expires.

6.1.1 Administrative Tools and Office Amenities

6.1.1.1 Access to office accommodation and access to meeting rooms are provided to Councillors for council business use.

6.1.1.2 Councillors are provided with a notebook computer for Council business use

6.1.1.3 Councillors may access council landline telephones and fax for Council business use only. Councillors are paid a prepaid amount on their mobile telephones monthly.

6.1.1.4 Councillors may use Council printers photocopier and paper for Council business use

6.1.1.5 Councillors may use Council letterhead for official purposes only. Council stationery is not to be converted or modified in any way and may only be used for carrying out the functions of the role of Councillor.

6.1.1.6 Councillors can access copies of relevant legislation books and journals considered necessary for undertaking their duties.

6.1.1.7 Subject to Council approval, Councillors may be provided with any other administrative necessities to meet the business of Council.

6.1.1.8 Council will not reimburse or provide funds, services or facilities for the purposes of advertising for Councillors.

6.1.1.9 Councillors may use facilities provided to correspond with community representatives for the purpose of clarifying issues that are relevant to the Shire in general

6.1.1.10 Where a Councillor chooses to undertake further community consultation on a particular matter, in addition to that approved by Council, the Councillor is responsible for those costs.

6.1.2 Council will cover all ongoing maintenance costs associated with Council owned equipment to ensure it is operating for optimal professional use.

6.1.3 Councillors will be provided with any safety equipment such as overalls, safety helmets or glasses, as required, in their role.

6.1.4 Councillors will be covered under Council insurance policies while discharging civic duties. Specifically, insurance cover will be provided for public liability, professional indemnity, Councillor's liability, personal accident, international and domestic travel insurance.

<p>7</p>	<p>Councillor Travel and Accommodation Procedures</p> <p>7.1 All Councillor air travel and accommodation requires prior approval by the Council. All air travel and/or accommodation requirements will be coordinated through the Chief Executive Officer or his/her delegated officer. Council is committed to ensuring that travel and related services and products are procured as cost effectively and efficiently as possible. Travel related expenses that do not comply with policy provisions will not be reimbursed. All requests for travel (including associated registrations) should be made in sufficient time to take advantage of discounts and gain access to the widest range of accommodation and flights. Failure to do so will limit flight and accommodation options..</p> <p>7.2 All travel requirements should be booked through the Chief Executive Officer or his/her delegate. Councillors must not book travel arrangements directly with any suppliers.</p> <p>7.3 All Councillor travel requires the approval of the Council. All travel requests from a Councillor must state the relevance of such event to the Council and as far as practicable indicate the cost of attendance. Upon approval, the Chief Executive Officer or his /her delegate should ensure any necessary registration forms are completed. Where Councillors are appointed by the Council as Council’s representative on State or Federal committees or Government associations, all travel and accommodation associated with the councillor’s fulfilment of that role will be approved as Council business.</p> <p>7.4 The Executive Assistant will arrange bookings that best fit the preferred options and are most advantageous to Council. All itineraries will be confirmed with the Councillor before bookings are confirmed. No alterations will be accepted after confirmation of bookings, except under extenuating circumstances as approved by the Chief Executive Officer. Requests for travel and/or accommodation must be lodged within sufficient time to take advantage of “early bird” and advance booking discounts. Confirmation of travel or accommodation cannot be guaranteed for late requests.</p> <p>7.5 The requirement for a hire car should be identified at the time of seeking council approval for attendance. Any subsequent need for a hire car must be approved by the Chief Executive officer.</p>
<p>8</p>	<p>Other Expenses</p> <p>Expenses will not be reimbursed for personal items or costs unrelated to council business: e.g.:</p> <ul style="list-style-type: none"> • Alcohol; • Babysitting fees; • Airline club fees; • Toiletries; • Barber or hair stylist; • Traffic infringements; • In flight and in house movies; • Tourism related costs; • Mini bar purchases; • Personal telephone; • Social events; and • Reading materials <p>As a guide, expenses not normally reimbursed at home, will not be reimbursed when travelling.</p>

9	<p>Accompanying Partners and Personal Travel Arrangements</p> <p>All travel and accommodation for partners of Councillors must be arranged by and paid by the Councillor.</p>
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SECTION 3 – PROCEDURE

Procedure steps		Responsibility
1	Councillor seeks approval of expenditure in advance	Council
2	Upon approval from Council, Councillor undertakes activity keeping all receipts requiring reimbursement	Councillor
3	DASC Claim for Reimbursement form must be completed and all proof of payment (original tax invoice receipts) are attached	Councillor
4	CEO authorizes payment of legitimate claims	CEO

PROCESS MAP

Not applicable

SECTION 4 – REFERENCE AND SUPPORTING INFORMATION

SUPPORTING DOCUMENTATION

Links to supporting documentation	
	DASC Claim Form for Reimbursement
	DASC Request for Travel form

SECTION 5 – GOVERNANCE

POLICY IS GOVERNED BY THE FOLLOWING LEGISLATION

Name	Link
Local Government Act 2009	
Local Government Regulation 2012	

RESPONSIBILITY

Responsible manager(s)	Chief Executive Officer/ Manager Corporate Services
Policy administrator	Chief Executive Officer
Approving body	Doomadgee Aboriginal Shire Council

CHANGE HISTORY

Review Date	Approval date	Approved by	Change
	28/06/2012	Council/CEO	
5/2/2016			No change



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