1.1 A profile of the Whitsunday Region

The Whitsunday Region is home to approximately 35,500 permanent residents. Renowned for its relaxed lifestyle, the region boasts beaches, rainforests and large tracts of national parkland and encompasses a total land area of 23,682 square kilometres.

The townships of Airlie Beach, Bowen, Cannonvale, Collinsville and Proserpine are the main centres throughout the region with numerous rural and coastal communities and residential areas scattered throughout.

While the region is rural and coastal in its nature, residents and visitors alike enjoy access to contemporary facilities including museums, art galleries, cafes, hotels and restaurants, entertainment facilities and cinemas.

Due to the strength of the local economy, the region’s population is expected to grow at an annual rate of 2.3 per cent over the next 20 years, which exceeds the State average of 1.8 per cent.

Boasting a strong and relatively diverse economy and with a population of 34,300, around 3,500 businesses, a labour force of 19,500 and almost 14,000 jobs, the Whitsunday Regional Council area has the potential to become a driver of the North Queensland economy.

1.2 Reports by the Mayor and CEO

Despite these setbacks Council has led from the front seeking Federal and State Government funding assistance and our business and tourism stakeholders have been resilient in getting back to work.

I believe our region is on the cusp of a strong growth period and as a proactive council we need to continue with sensible planning, keep rates steady, maintain a value-for-money approach to our frontline services and have firm commitment to an open-for-business agenda.

This council also wants to continue to hear what you have to say. Community consultation is critical in helping Council set its priorities and initiatives.

The Major Client Forum, Council’s Community Catch-ups, Business and Commerce Forum and the employment of a dedicated stakeholder engagement officer are examples of how serious we are in seeking community ideas and input.

The information collated from these forums and engagement activities helps drive the widespread reform of Council to ensure we are in touch with our community’s needs.

Improving services through better asset management is key to cost savings as Council maintains over a $963 million worth of assets.

Each year, Council’s assets depreciate by over $22.9 million, which if not managed well and continually renewed, will result in outdated and inferior public infrastructure.

The way Council operates and maintains assets has a large impact on the sustainability of Council’s finances and the ability to keep rates and charges as low as possible.

During the 2016/17 year, Council developed a Strategic Asset Management Plan, providing a framework to improving the
management of assets for the current and future generations. A key component is how Council will fund the renewal of existing assets and the provision of new assets to address the growing needs of the community.

As Mayor I have ensured a measured, strategic approach to all projects with extensive public consultation for the new Economic Development Strategy 2017-2021 and the Proserpine Sustainability Future Growth Masterplan.

An example of this is the new Whitsunday Regional Council Planning Scheme 2017 which was adopted on 28 June, providing greater flexibility and certainty about development throughout the region.

The new planning scheme is the culmination of several detailed investigations into future population growth and infrastructure demands to ensure that a well-planned, well serviced, liveable and sustainable Whitsunday region caters for future generations.

By 2036 it is anticipated that the area’s population will grow by 14,000 residents. With the new planning scheme in place the Whitsundays is well-positioned to ensure it continues as a liveable, sustainable region where people want to live, work, play and invest.

The planning scheme is built upon a foundation of five key themes: liveable communities and housing, economic growth, environment and heritage, safety and resilience to hazards, and infrastructure. Each theme has guiding principles that ensures the region will optimise its unique attributes and competitive advantages that promote Airlie Beach, Bowen, Collinsville and Proserpine and their surrounds.

Other highlights of the 2016–17 financial year include:

- Green light for Whitsunday Coast Airport upgrade and expansion.
- Commencement of Stage 1 of the Greening and Growing Bowen Project.
- Airlie Beach Foreshore Masterplan
- Council approval for 150MW Solar Farm in Collinsville with the capacity to service on average 54,000 homes, to bring to three, the number of solar farms approved in the Collinsville area.

We have made great progress in our first 15 months and I applaud our elected Councillors and the Chief Executive Officer Barry Omundson and his staff for playing their part in a united team.

Moving forward our focus will be on securing the lion’s share of the NDTRA Disaster Funding to assist us to deliver a number of catalyst projects including rejuvenating Shute Harbour and vital repairs to the Don River.

Our organisation is maturing quickly and we are on a journey together. Council and Community, striving to make the Whitsunday region the best place in the world to work, live, play and invest.

It is a privilege to serve the Whitsunday Region community as Mayor.

Mayor Andrew Willcox

CHIEF EXECUTIVE OFFICER
– MR BARRY OMUNDSON

Continuing on the change theme of last year, Whitsunday Regional Council has certainly taken steps forward across a range of matters underpinned by a growing positive and inclusive culture.

Having commenced last year Our Culture Our Life, which is not simply another program or project, rather a set of principles exemplified by actions that provide for a better time at work, we have greater positive interaction leading to a positive mindset both at work and home. Survey results during the year have shown significant improvement in our culture which reflects the commitment of our staff. It also reflects the unity and accountability - core organisational values, shown by the Mayor, Councillors and Management Team.

The Whitsunday Coast Airport continues to grow in terms of passenger numbers with a conservative estimate exceeding 500,000 passengers next year. Funding via a loan and a grant from the State Government has provided for the renewal and strengthening of our runway and apron, along with the terminal expansion to cater for the continued growth.

The expansion was a key element of the Airport’s Strategic Plan put together by Council allowing growth domestically and internationally.

During the year, Council commissioned the first Economic Development Strategy for the Whitsunday Region since formation in 2008. The Whitsunday Regional Council Economic Development Strategy 2017-2021 provides a plan of action for Council to facilitate change towards a prosperous future for the Whitsunday Region. Council is overseeing a new economy, which will see massive capital investment in our Whitsunday Coast Airport, the redevelopment of Shute Harbour, Bowen’s Marine Centre of Excellence, development of recreational facilities at Lake Proserpine, facilitation of mine, rail and solar farm projects constructed and operational in our hinterland near Collinsville, a whole of region water strategy, connection with international markets and investment opportunities.

Our game changing projects will transform the entire Whitsunday Region, boosting our employment base and providing a wealth of investment opportunities that set us on a course towards a $6 billion economy. Investments of this magnitude will provide a significant boost to the retail and construction sectors, while encouraging new investment and providing solid employment options for our communities well into the future.

From a wider regional economic perspective Council in collaboration with Isaac Regional Council and Mackay Regional Council drove the creation of The Greater Whitsunday Alliance known as GW3. All three councils invested considerable in creating a greater Whitsundays voice that clearly sets out our regions views, aspirations and priorities. GW3 will ensure that the unique and wonderfully diverse region the three councils call home will be front and centre in investors and government minds while also providing a strong voice in such forums as the Northern Australia Alliance.
A significant highlight of the year was the adoption of the new Whitsunday Region Planning Scheme after four years of consultation and refinement. This plan will reduce red tape and improve the way our region accommodates those who wish to call the Whitsundays home. Our long-term master and strategic planning activities continued including a series of public consultation workshops on the Airlie Foreshore Revitalisation, Shute Harbour redevelopment and Proserpine Area Sustainability and Growth Masterplan.

Also in terms of our future, Council submitted its Local Government Infrastructure Plan to external review, guiding the long term development of new infrastructure across the region to facilitate projected population and economic growth.

Looking to our long-term future, Council is committed to becoming a leader in the climate change arena. Council has recently undertaken a range of climate related initiatives including the adoption of a Climate Change Policy and Climate Change Adaptation Strategy. This year Whitsunday Regional Council became the first Queensland Council to receive funding from the Q Coast program for the development of a Coastal Hazard Adaptation Strategy to be completed in 2018. We have also commenced the development of a climate mitigation plan that looks to set targets for the reduction of Council’s CO2 emissions and to lower the organisation’s energy costs. Council’s progress in the climate space of Council’s CO2 emissions and to lower the organisation’s mitigation plan that looks to set targets for the reduction of Council’s CO2 emissions and to lower the organisation’s energy costs. Council’s progress in the climate space.

Along a similar vein in terms of opening up more our communication channels; we commenced our bi-annual Mayors Business & Commerce Forum with a successful forum held at the wonderful Lure in Airlie Beach. Ten invited business leaders throughout the region were invited to share with the Mayor and invited guests including the Minister Assisting the Prime Minister, federal MPs and local state representatives. The Mayor updated the business leaders as to Council’s plans plans and task on feedback in terms of projects and actions Council could take to improve the regional economic and social outlook.

Preparations were made for the replacement of our entire aging and largely uncooperative information technology operating platform with tenders for such to be released next financial year. A Project Manager is to be appointed to deliver this significant change program that will increase organisational performance and customer experience.

Council has also focussed on being able to better tell our story with less reactionary measures through strengthening our Communications and Marketing Team. A focus on social media via the appointment of a dedicated officer and relevant policy has opened up our dialogue with the community. Initiatives such as Our Whitsundays: Our Utopia and the Our Mayor - Your Recipes cooking video along with monthly coverage in the local papers provides a greater communication dialogue with what is becoming a more informed and responsive community.

These outcomes were achieved despite one of the most severe cyclones in our recorded history crossing our coastline and wreaking havoc in every corner of our region. I am proud of how this community and the Council organisation responded. Disaster Recovery, which initially included assessment, insurance and assistance claims, followed by the delivery of an exceptionally large capital programs, will continue to be a large part of our business over the next year or more.

Not so long after Severe Tropical Cyclone Debbie the Whitsundays is looking pretty good which is a credit to the many hours and tireless efforts put in by our staff and local contractors, this on top of the heroic feats undertaken during the actual cyclone to ensure the safety and comfort of our community. The response to this large scale natural disaster from an organisational perspective clearly displayed for me two of our core values as set by our staff in unity and community.

A busy and largely fulfilling year as an organisation, the outcomes of which could not have occurred without the combined efforts of our Executive Leadership Team. This group continues to grow into a solid team capable of delivering upon the vision as set by Council. The oncoming year will see more work in our wider management team as we provide them the tools required to excel in their roles with the implementation of a Leadership Development Program and Supervisors Development Program.

Overall, a challenging and satisfying year for me which would not have been as good as it was without a great deal of support. My wife Tonio has been very understanding in the many hours I am away from her and those times when I am not I am often on the phone.

Mayor Andrew Wilcox’s leadership has been outstanding in bringing together not only this council but this region. Of course this will be a long journey but we have certainly started with a bang. Mayor Wilcox’s worth ethic is second to none and he leads by example and I have enjoyed working with him on what was a busy year. We have a very good group of Councillors who all share the Whitsundays passion and largely are able to balance the greater regional priorities with that of their own division. It is their unity that has been the catalyst for much of what we have been able to achieve this year and their support of me and the senior team should not go unmentioned as it certainly is appreciated.

A lot is happening in the Whitsundays and it’s the place to be. See you there soon.

Cheers

Barry Omundson
Chief Executive Officer
1.3 Councillors

Whitsunday Regional Council is led by a Mayor and six Councillors, who are elected by the region’s residents and ratepayers for a four year term. Together, the Mayor and Councillors comprise the governing body of Whitsunday Regional Council and are required to discharge their roles in accordance with the Local Government Act 2009. The Mayor and Councillors represent the interests of the region’s residents and ratepayers and provide leadership and guidance to the community. Among their responsibilities are directing and controlling the organisation’s business affairs; overseeing the allocation of the organisation’s finances and resources, and reviewing the performance of Council and its delivery of services.

The incumbent Mayor and Councillors were sworn in on 4 April 2016. The incumbent Councillors serve on the below committees – please note the committees are subject to change by Council resolution.

**MAYOR ANDREW WILLCOX**

Phone: 0458 442 323
Email: andrew.willcox@whitsundayrc.qld.gov.au

**Committees**

- Audit Committee
- Rural Fire Finance Committee
- Whitsunday Disaster Management Committee
- Bowen Collinsville Enterprise
- Don River Improvement Trust
- Reef Catchments
- Tourism Whitsundays
- Whitsunday Regional Roads Group
- Whitsunday Regional Organisation of Councils (ROC)
- Traffic Advisory Committee
- Advocacy Advisory Committee
- Economic Development Advisory Committee

**DIVISION 1 - CR JAN CLIFFORD**

Councillor for Division 1
Phone: 0412 721 969
Email: jan.clifford@whitsundayrc.qld.gov.au

**Committees**

- ALGWA State Executive Committee
- Safe Night out Precinct
- Whitsunday Coast Chamber of Commerce
- Whitsunday Housing Committee
- Whitsunday PCYC
- Whitsunday Rivers Improvement Trust
- Regional Arts Development Fund
- Airlie Foreshore Project Control Group
- Infrastructure Recovery Sub-Group Committee
- Schools Executive Committee
- Bicycle Advisory Committee
- Regional Arts Development Fund
- Rates Relief Advisory Committee
- Traffic Advisory Committee

**DIVISION 2 - CR RON PETTERSON**

Councillor for Division 2
Phone: 0408 544 558
Email: ron.petterson@whitsundayrc.qld.gov.au

**Committees**

- Bowen PCYC Committee
- Logan’s Adventure Playground Committee
- Whitsunday Sports Park
- Whitsunday Catchment Landcare
- Whitsunday Community Services
- Whitsunday Local Marine Advisory Committee
- Airlie Foreshore Project Control Group
- Human Social Recovery Sub-Group Committee
- Rural Fire Finance Committee
- Traffic Advisory Committee
- Rates Relief Advisory Committee
DIVISION 3 - CR JOHN COLLINS
(DEPUTY MAYOR)
Council for Division 3
Phone: 0429 059 728
Email: john.collins@whitsundayrc.qld.gov.au

Committees
Whitsunday Disaster Management Group
Les Stagg Oval Advisory Committee
Proserpine Chamber of Commerce
Proserpine Junior Sporting Complex
Whitsunday Rivers Improvement Trust
Traffic Advisory Committee
Advocacy Advisory Committee

DIVISION 4 – CR PETER RAMAGE
Councillor for Division 4
Phone: 07 4785 6644
Email: peter.ramage@whitsundayrc.qld.gov.au

Committees
Whitsunday Pest Management Committee
Collinsville Development Industry Group
Traffic Advisory Committee

DIVISION 5 – CR DAVE CLARK
Councillor for Division 5
Phone: 0408 642 268
Email: dave.clark@whitsundayrc.qld.gov.au

Committees
Traffic Advisory Committee
Local Government Infrastructure Plan Priority
Project Control Group
Bowen Burdekin Local Marine Advisory Committee
Bowen Sporting Complex Committee
Don River Improvement Trust
Local Authorities Waste Management Advisory Committee

DIVISION 6 – CR MIKE BRUNKER
Councillor for Division 6
Phone: 0419 708 351
Email: mike.brunker@whitsundayrc.qld.gov.au

Committees
Bowen Collinsville Enterprise
Bowen Gumlu Growers Association
Bowen Gumlu Growers Association – Processing Plant Committee
Tourism Bowen
Audit Committee
Community Advisory Committee
Economic Recovery Sub-Group Committee
Traffic Advisory Committee
Advocacy Advisory Committee
Economic Development Advisory Committee
1.4 Major Events and Awards

ROTARY CHRISTMAS FAIR IN PROSERPINE

Whitsunday Regional Council partnered with Proserpine Rotary Club to add a spectacular eight minute fireworks display to the annual Rotary Christmas Fair.

Whitsunday Regional Council had in the preceding months delivered a major upgrade to drainage in the Main Street of Proserpine and unfortunately, retailers had to endure some unavoidable disruptions.

To get the message to the community that the Proserpine Main St precinct businesses and properties were open for business this Christmas and ready to deliver that good old Proserpine local customer service, Council supported the hugely popular Rotary Christmas Fair to make it one of the biggest yet.

COMMUNITY CHRISTMAS TREES

For the first time in the history of Whitsunday Regional Council, community Christmas Trees were placed in the four major townships of Collinsville, Bowen, Proserpine and Airlie Beach.

To celebrate, Council held official tree lighting events for the community with a special appearance by Santa and his lolly bag. The addition of Christmas Trees across the region was well received with many tourists and locals stopping to take photos.

AUSTRALIA DAY & GREAT AUSTRALIAN BITES

The Queensland Government’s Great Australian Bites Food Festival was held on the Airlie Beach Foreshore in conjunction with the local Australia Day celebrations. It was a spectacular afternoon of food, wine and live music featuring local restaurants, produce and market stalls serving up tasting plates.

Held at shady Fairy Tree Park on the Airlie Beach Foreshore, the free family event was held between 12noon and 5pm on Thursday 26 January 2017.

Local restaurants and produce were featured and market stalls dished up a range of tasting plates which focused on the fresh, seasonal flavours of the Whitsundays.

The festival also featured local artists and musicians, with plenty of Aussie entertainment for the whole family to enjoy.

Whitsunday Regional Council worked closely with the Whitsunday Chamber of Commerce and the Queensland Government to support the event.

As part of the festivities, Australia Day Ambassadors Emi Kamada and Marie Yokoyama, known to Australian audiences as the winners of Channel 9’s reality TV series The Hotplate in 2015, attended the event in Airlie Beach.

COUNCIL WELCOMES RECORD NUMBER OF NEW AUSTRALIAN CITIZENS

As part of the 2017 Australia Day celebrations, the Whitsunday Region joined hundreds of other towns and cities across the nation in welcoming new Australian citizens.

Seventy-two (72) people from twenty-three (23) countries officially joined the Australian family in special citizenship ceremonies held in Collinsville, Bowen and Airlie Beach.

This ceremony was the largest ever conducted in the Whitsunday Region.

TIGER AIR INAUGURAL WHITSUNDAY TO BRISBANE SERVICE

To celebrate Tigerair’s new direct services between Brisbane and the Whitsundays, the airline, with support from Whitsunday Regional Council, offered five families an overnight trip to Brisbane.

Departing onboard Tigerair’s inaugural Whitsundays-Brisbane service on Thursday 23 March, winners were transferred to the SkyPoint Observation Deck at the top of the Gold Coast’s iconic Q1 building upon arrival for an afternoon of sightseeing. Winners were then treated to a night’s accommodation at the brand new ibis Styles Elizabeth Street in Brisbane before returning home courtesy of Tigerair.

Members of the community were asked to nominate a family who deserved special time and who perhaps hadn’t had the means or occasion to travel away together on holiday.

Tigerair launched four weekly return services between Brisbane and the Whitsunday Coast, which is now bring an additional 37,000 visitor seats through Whitsunday Coast Airport each year.

Over the last year, Council’s proactive collaborations have resulted in new routes and extra flights on established routes, making Whitsunday Coast Airport the only regional airport south of Townsville with direct flights into Brisbane, Sydney and Melbourne.

NORTH QUEENSLAND COWBOYS VISIT CYCLONE AFFECTED WHITSUNDAY REGION

North Queensland rugby league star Justin O’Neill and club legends Matt Bowen and Brent Tate visited the Whitsunday Region in the wake of Tropical Cyclone Debbie on 3 April 2017.

The visit was a major morale boost for the community that was hit hard by Tropical Cyclone Debbie.

Cowboys CEO Greg Tonner said that with much of the region affected in some way by the natural disaster, the club saw the visit as an opportunity to lift the spirits of communities rallying after the cyclone and adverse weather events.

He also said the team shared in the highs and the lows of fellow North Queenslanders, and the chance to personally meet families and individuals involved was one they jumped at.
Legends of League Clash

Bowen played host to an International Legends of League match in May between the Australia All-stars and the Whitsunday All-stars.

Legends of League also hosted a series of coaching clinics at schools in Collinsville, Bowen, Airlie Beach and Proserpine and a Legends Bowls Day and Dinner in Airlie Beach.

Whitsunday Regional Council was proud to provide sponsorship of $10,000 to support the event.

David Nicholas Honored with Key to the City

Dual Paralympian gold medallist David Nicholas was overwhelmed to be honored with a Key to the City of Proserpine and a specially commissioned portrait at a Civic Reception and Family Fun Day.

Whitsunday Regional Council hosted the reception to pay tribute to Nicholas, who won gold in the C3 3000m cycling track event at the Rio Paralympics.

Nicholas said the reception was fantastic and he was overwhelmed with the support of the Whitsunday community.

David is also a valued employee in the I.T Team at Whitsunday Regional Council.

Queensland Day

To mark Queensland’s 158th birthday, Council hosted free community barbeques at six locations across the region including Mt Coolon, Molongle Creek, Bowen, Proserpine, Airlie Beach and Dingo Beach.

Local communities lent a helping hand while local talent provided entertainment to allow families and friends to relax, with many people still struggling from the effects of Tropical Cyclone Debbie.

The large crowd was also shown a moving and inspirational 15 minute tribute video which captured the highlights of David’s gold medal win and also messages of congratulations from business leaders, sports stars including three time Tour De France Green Jersey winner Robbie McEwan and a large number of schools and community groups within Whitsunday Region.

Nicholas said the reception was fantastic and he was overwhelmed with the support of the Whitsunday community.

David is also a valued employee in the I.T Team at Whitsunday Regional Council.

Australian Fishing Championships at Lake Proserpine

The Australian Fishing Championships (AFC) Series XIII was held at Lake Proserpine (also known as Peter Faust Dam) with the best of Australia’s anglers competing in the opening round of the 2016 competition.

Mayor Andrew Willcox, Councillor Jan Clifford and CEO of Tourism Whitsundays Craig Turner met with the competitors and organisers of the AFC at an official event launch in Proserpine.

The Australian Fishing Championships showcased Lake Proserpine and the Whitsundays as a fishing mecca and help to grow recreational fishing tourism in the region. Hosting of the event was another way to build and promote tourism experiences based around fishing to present yet another opportunity to showcase our world-class beauty and natural environments.

It was televised in April 2017.

Airlie Beach Foreshore Wins Whitsunday Tourism Award

The Airlie Beach Foreshore was announced the gold winner of the Tourism Attraction category at the Whitsunday Tourism Awards.

This was an outstanding achievement for all the Council staff involved in maintaining the Airlie Beach Foreshore; Council takes immense pride in ensuring the parks and foreshores are kept looking beautiful for the thousands of locals and tourists that experience this area each year.

The Airlie Beach Foreshore has a unique selling point with its combination of beautiful walking paths, iconic views and its close proximity to the main street of Airlie Beach.
02 // OUR ACHIEVEMENTS

The Whitsunday Regional Council Corporate Plan titled Whitsunday 2020 is centred on the four key themes of Governance and Leadership, People, Place and Prosperity.

These four themes will guide Council’s focus for the period 2014 – 2019.

Our Annual Report allows us to review our progress on the delivery of Whitsunday 2020 objectives.

2.1 Governance and Leadership

OUR GOAL

In 2020, the Whitsunday Region is united and our leadership delivers open, accountable and transparent local government. Our community is engaged, informed and actively involved in Council decision making. Whitsunday Regional Council is an innovative and financially sustainable organisation and our staff is skilled, valued and productive.

PERFORMANCE MEASURES

• Community and stakeholder satisfaction with Council
• Financial sustainability ratios
• Number of community engagement initiatives undertaken annually and community satisfaction with process
• Number of joint initiatives between Council and government, industry, business and community
• Progress in advocating our strategic priorities to government, industry, business and community
• Development and implementation of strategies

THE REGION’S FIRST EVER ECONOMIC DEVELOPMENT STRATEGY

In October 2016, Council resolved to award the contract for the first regional economic development strategy post the amalgamation, to SC Lennon & Associates Pty Ltd. The scope for the Economic Development Strategy (EDS) was framed to ensure it is a clear, actionable and achievable “road map” for economic development in the Whitsunday region and is the focus for the 5 years to 2021.

To achieve this, a thorough exploration and analysis of the region occurred through extensive stakeholder and public consultation, document review and economic data analysis to identify our specific and unique competitive advantages and opportunities for economic development into the future. The processes also considered what kind of future the region desires and developed practical strategies and activities to move towards this desired future.

The Strategy identified the three pillar industries for our region that underpin our economy, being Mining, Agriculture, and Tourism. The region’s other industries are closely integrated with the three pillar industries through local supply chain links. The pillar industries are our current traded economy industries that bring wealth into the region. They drive our growth in jobs and GDRP, whereas other industries such as retail trade, personal services, health and education are activities that support the local population and provide value to our region’s livability.

A suite of 70 actions have been prepared across these items, categorised as Council-led actions or Council-supported actions depending on if the project is initiated and led by WRC or by other parties including government or the private sector.

GREATER WHITSUNDAY ALLIANCE

Greater Whitsunday Alliance is an opportunity for the Mackay, Isaac and Whitsunday Regions to realise their full potential. The organisation is an independent, strategic and coordinated point of contact for local, national and international networks and will effectively advocate for projects and opportunities from both government and the private sector.

With unparalleled natural beauty and resources; strong and proven industry performance; vast agricultural lands and thriving communities; the potential of the Mackay, Isaac and
A NEW FOCUS ON ENGAGING WITH OUR COMMUNITY

In the last year, there have been some major changes and big projects underway in the Whitsunday region. By placing a strong focus on inclusive and transparent community engagement, Council has proactively sought to improve outcomes for residents. To assist with this, a brand new role was established in the Communications & Marketing team last November. The Engagement & Marketing Coordinator aims to improve the relationship between Council and the community, and to establish best-practice community engagement processes across Council.

Since then, a Community Engagement Policy has been drafted and is waiting for final Council adoption. A comprehensive guidelines document is also being prepared, which will act as a tool to assist Council staff with the best engagement strategies and tools.

It is well known that successful Community Engagement needs support from the top down. Demonstrating their enthusiasm, the Mayor, Councillors and senior leadership recently completed the Engagement Essentials training through IAP2 (the International Association of Public Participation), to better understand the fundamental principles and methods underpinning the Community Engagement Policy and Guidelines.

The next step is to develop a champions program throughout Council, encouraging staff to volunteer to become ‘Community Engagement experts’ to help spread the love of engagement to all staff. This program will not only upskill individual staff, but raise awareness and understanding of the importance of engaging well with residents.

The Whitsunday region is diverse, tech-savvy and has four distinct towns with unique identities. Community Engagement processes are therefore designed to be both targeted and widespread, reaching people directly with face-to-face meetings and workshops, and involving the wider community by attending events and holding public displays. As targeted direct consultation delivers the best results, a comprehensive stakeholder list with key community contacts has been developed.

The majority of residents are on Facebook, and are active users of community noticeboards. Engagement activities are promoted heavily online via social media, linking back to the online consultation platform ‘Your Say Whitsunday’. In the last year, Your Say Whitsunday has slowly built up a following. The platform has been used for 20 projects, with over 4000 visits to the website and 241 registrations. A campaign to build registrations and increase participation on the site is also in the works.

A recent successful consultation process was held during the development of the Proserpine Master Plan. Over a 3 month period, Council went out with a blank slate and asked the community to submit ideas for a town plan. Public workshops were held where people were asked to think about what kind of future they imagine for the town, and what specific ideas they had for improvements. Public marquees displays were held at local events, and a pop up shop was opened in the main street so residents could easily access the displays and speak directly with project staff. Ideas were shared online, at Your Say Whitsunday and on Facebook, and submissions were posted in or dropped into our Customer Service Centres.

By the end of the consultation period, Council received 114 submissions and many more ideas and conversations which led to the development of the Master Plan. The Plan has recently been adopted by Council, and was well-received by Proserpine residents.

Other major projects which have had extensive community consultation and engagement over the last year include:

- Whitsunday Regional Economic Development Strategy
- Airlie Beach Foreshore Revitalisation
- Coastal Hazard Adaptation Strategy
- Waste Management Strategy (featuring Kerbside Recycling)
- Scenic Amenity Study
- New Sub Localities of Bowen
- Dingo Beach and Hydeaway Bay Bushfire Management Plan
- Biosecurity Plan (Pest Management)
- Airlie Beach Lagoon Refurbishment
- Bowen Parks Consultation – New Ideas for Gideon Pott Park, Ethel Banker Park and Henry Darwin Park
- Trade Waste Policy and Management Plan
- Cannonvale Beach Foreshore Upgrade
- New Mural on the Bowen Water Tank
- CCTV Airlie Beach Safer Streets Program
- Mazlin Hill Sewer Main Upgrade
- Disaster Recovery projects – rebuilding after Cyclone Debbie
- Works for Queensland projects - park upgrades to boost the local economy

Community Engagement may be a new area for Council, but every single member of the staff engages with residents in some way. By learning to engage effectively, Council can become a strong and proactive organization, led by a strong and supportive community.

INSPIRING COMMUNITY SPIRIT ACROSS THE REGION

In the past year, the Communications and Marketing Department have undertaken extensive training and practice to deliver regular video updates after our Council Meetings. The videos include interviews with the Mayor, Councillors and Senior Staff members on the important topics that were resolved at the Council Meeting, and the community love it!

Earlier this year Council implemented a community pride hashtag - #ourwhitsunday. This hashtag campaign was perfect timing following the devastation of Cyclone Debbie that affected our region, instilling a sense of pride in our residents.

Council encouraged residents on Facebook to share their everyday in hashtag our Whitsunday, showing their friends and family what they love about where they live.
Our team decided to create a regional video as part of our hashtag campaign, focusing on the people who live here and everyday life in the Whitsunday Region. The regional video is titled ‘Our Whitsunday: Our Utopia’ and has over 41,000 views to date with 507 shares. Our region is our own version of utopia and something that locals should be proud of.

The next stage of the campaign is to officially launch our Instagram page in November with a competition to win tickets to the Australian Open in 2018. After the competition, images that have been uploaded by the community on any social media platform with the hashtag will have the opportunity to be featured on our social media accounts. An album will be created on Facebook for these images, and on Instagram they’ll be reposted, making the content community created.

**COUNCIL INVITES A CONVERSATION WITH ITS MAJOR CLIENTS**

Whitsunday Regional Council has implemented a monthly Major Client Forum (MCF) for major stakeholders and groups to meet with Council to exchange ideas, seek information or raise matters of concern.

Whitsunday Regional Council recognises the keen interest in Council’s business and service delivery by a range of stakeholders and is committed to maintaining mutually open communication with the community.

As a Council it is our priority to support all opportunities to enhance our region and ensure that we have a prosperous and informed community; this forum will allow us to better understand the needs of our local groups and businesses.

**COUNCIL ENGAGING WITH BUSINESS AND COMMUNITY AT FORUMS**

The Community Forum is another initiative of Mayor Willcox as part of his continued focus on community engagement with Whitsunday Region residents.

It’s about recognising what support groups we have and getting to know the roles of each group and ensuring each group is aware of each other’s roles within the community. Council aims to collaborate with business and community to deliver the best possible outcomes for our residents.

**COUNCIL BUILDING RELATIONSHIPS WITH QUEENSLAND GOVERNMENT**

The Palaszczuk Government’s Country Cabinet visited the Whitsunday Region in October 2016.

Mayor Willcox, Councilors, CEO and senior staff presented 20 deputations to the Premier and her Ministers at the Country Cabinet in Proserpine and the Mayor then joined Premier Palaszczuk and Tourism Minister Kate Jones to tour Cannonvale and Airlie Beach.

The deputations presented at Country Cabinet ranged from “Greening Bowen” through to the upgrade of the Bowen Sewerage Treatment Plant and beneficial recycled water scheme to a focus on prioritising local contractors and suppliers for state government funded projects in the region.

Council is passionate about collaborating and developing strong relationships with government and this is a theme that continued throughout the 2016-17 Financial Year.

**WASTE MANAGEMENT STRATEGY MAPS OUT THE NEXT FIVE YEARS**

Whitsunday Regional Council has adopted a Waste Management Strategy which details a number of actions proposed over a five year timeframe.

Major projects included within the Plan are the introduction of kerbside recycling, increasing kerbside waste bin collection services and possibly offering this service to people in rural areas, reducing bio solids in our landfills as well as managing the landfill cells to provide additional airspace that conforms to industry best practice.

**LOCALS HELP CREATE A FUTURE FOR PROSERPINE**

Proserpine’s future is looking bright with a successful consultation process undertaken with the community developing a draft Proserpine Sustainability and Future Growth Master Plan.

Over a three month period, we went out with a blank slate and asked the community to submit ideas for a town plan. We held public workshops, marquee displays, had a pop-up shop in the Main Street of Proserpine so residents could easily access the displays and speak directly with project staff. Submissions could also be made through our online consultation portal, Your Say Whitsunday. By the end of the consultation period we had 114 submissions and many more ideas and conversations which led to the development of a draft Plan.

**IMPROVING SERVICES THROUGH BETTER ASSET MANAGEMENT**

Council maintains over a $963 million worth of assets. Each year, Council’s assets deteriorate by over $22.9 million, which if not managed well and continually renewed, will result in poor services and public infrastructure. The way Council operates and maintains assets has a large impact on the sustainability of Council’s finances and the ability to keep rates and charges as low as possible.

During the 2016/17 year, Council developed a Strategic Asset Management Plan, providing a framework to improving the management of assets for the current and future generations. A key component is how Council will fund the renewal of existing assets and the provision of new assets to address the growing needs of the community.

Furthermore, Asset Management Plans were renewed for each asset category, directing how Council will operate, maintain and renew assets to provide the best possible services.

**COUNCIL IS HEADING INTO THE CLOUD**

Data is critical to Council providing services to the community. It underpins all of our decisions and ensures that the services we provide are done so in such a way that optimises our expenditure and our efforts. As such, Council is committed to managing our information in the best possible way.
The Council data centre stores all of Council’s electronic data, including critical property and confidential ratepayers information. As a result of building damage caused by Cyclone Debbie, Council reviewed how we secure and managed our data and what the best options were for us given the location challenges. After a detailed strategic review of our data assets and ongoing management requirements, it was decided Council would move the data centre into the Cloud. Rather than managing our own technical infrastructure such as servers, data storage arrays and network optimisation technologies, Council will now leverage the servers of Amazon to purchase data centre services “in the cloud”. This reduces our costs and provides a more reliable, dynamic platform for us to manage our data with.

Our data will still be located within Australia and is fully backed up and highly secure.

**IMPROVING COUNCIL BUSINESS THROUGH SMARTER SYSTEMS**

Council is committed to continuously improving the services it provides to the community including our digital services. In 2016 a review of Council’s technology systems was undertaken that indicated there were some major areas for improvement in regards to our systems. A project has now commenced aimed at replacing many of our corporate systems and associated technologies.

Driving improvements through leveraging smart technologies such as sensors, online customer service mechanisms and mobile technologies are key to driving improvements. Over the next twelve months Council looks forward to delivering innovative solutions to support improved community outcomes.

**SUPPORTING LOCAL SUPPLIERS**

Council adopted a Procurement Policy which enhanced Council’s commitment to supporting local suppliers within the Whitsunday region. Through this policy the awarding of contracts locally was strengthened, including the nomination of local suppliers and subcontractors where due to the specialty of works a local principal contractor could not be engaged.

**INVESTMENT IN MAINTENANCE AND CONSTRUCTION PLANT AND EQUIPMENT**

Council’s plant and fleet are essential to providing services and maintaining public assets. During 2016/2017 Council replaced over $3.6million in plant and fleet. This included a new backhoe for Collinsville Depot, new multi-tyre roller and 4WD tractor for Bowen Depot, tipper truck for Proserpine Depot and number of Roads and Drainage and Parks and Gardens maintenance trucks.

Council also replaced a number of light fleet items within its pool of vehicles including the upgrade and replacement of three new SES vehicles to assist with disaster recovery work.
2.2 People

OUR GOAL

In 2020, the Whitsunday Region is an inviting and welcoming community with an envious lifestyle. Our region is active, healthy and inclusive, and our residents enjoy access to a range of social, cultural and recreation activities. We are a fair, equitable and affordable community and we respect our region’s diversity.

PERFORMANCE MEASURES

- Response to emergencies and natural disasters
- Community and stakeholder satisfaction with public spaces and facilities
- Attendance at Council facilitated events

DISASTER MANAGEMENT PREPAREDNESS A STRONG FOCUS FOR COUNCIL

Disaster Management preparedness was a major focus of the 2016/2017 financial year which saw vital projects and community education released across the region.

On 26 September 2016, Whitsunday Regional Council received a letter from the Deputy Premier that funding assistance of $69,000.00 have been granted under the Natural Disaster Resilience Program for the River and Rainfall Alert Stations project. The upgrade of the River and rainfall stations at the Upper Don, Ida Creek, Mt Danger, Reeves and Bowen Pump station was completed.

New Evacuation Maps (Storm Tide) were finalised and the community roll out of these maps was conducted.

The objective of the maps was to significantly improve the community’s ability to identify and understand their Evacuation Zones (Storm Tide) and make it easier to coordinate evacuations in this regard. Evacuation Zones (Storm Tide) colours are now included on rates notices as a standard inclusion. A new Storm Tide Evacuation short video was produced and released to the public.

The Whitsunday Region Emergency Action Guide was completely revised providing much more detailed information that is more relevant to the local area.

Installation of a flood camera to monitor access on Crofton Creek bridge was installed and is currently monitoring flood levels at this critical route.

THE WHITSUNDAY REGION EXPERIENCES CLIMATE EXTREME

In August 2016, a 5.8 magnitude earthquake occurred approximately 50 km offshore of Bowen and Airlie Beach. This was the second largest earthquake on record in Queensland. No major damage was recorded however as a result, a new Earthquake webpage was created with a list of Frequently Asked Questions for the community. This information was written in conjunction with Geoscience Australia. An earthquake page was also included in the revised Emergency Action Guide.

On 28th March 2017, Category 4 Tropical Cyclone Debbie (TC Debbie) made landfall as a Category 4 system and caused widespread destruction across the Whitsunday Region. Each and every person in the community has been challenged in one way or another. None more so than our Council employees who continue to work tirelessly and with immense pride, to help restore some normality back into our communities.

They too had their families to take care of and homes to repair; they have also felt first-hand the effects of what Debbie inflicted.

Our team in the Whitsunday Disaster Coordination Centre and Council’s Water and Waste employees had to work with Ergon Energy under immense pressure to establish temporary generators and restore power and water to our residents as quickly as possible. This was extremely difficult given that many roads were flooded, blocking access in the initial hours after the cyclone. At the peak of the response, we had 44 generators stationed at our water and sewerage pump stations across the region.

The day after the cyclone our outdoor crews were out assisting the police with road diversions and working with contractors to clear drains of debris to minimise flooding, clearing roads so they were accessible for emergency services, supplies and traffic, refuelling generators for the Telstra tower and other major buildings, managing landslides and other emergency works.

By day two the green waste and vegetation removal had commenced with temporary drop – off points established and day three saw the clean-up of major foreshore areas and the Airlie Beach Lagoon with our friends from Rockhampton Regional Council.

A lot of this work will be ongoing for some time as Council and the recovery teams work together to bring our region back to the normal way of life.

Whitsunday Regional Council is proud of its employees, the local SES volunteers, emergency services and our residents for showing strength, resilience and courage in the face of one of the worst disasters to hit the Whitsundays.

RECOVERING FROM THE IMPACT OF TROPICAL CYCLONE DEBBIE

Following TC Debbie, Whitsunday Regional Council launched the Local Recovery Plan to assist services across the Whitsunday Region in getting back to normality. To do this, four Recovery Sub-Groups were devised; Human Social, Economic, Environment, and Infrastructure.

These groups assembled a variety of local agencies relevant to each topic to discuss and pin-point vital issues ranging from subjects concerning individuals, small businesses, and the larger industry establishments throughout the region that may require immediate and on-going support with getting back to ‘business as usual’ as quickly as possible after the event. These activities remain ongoing.

Whitsunday Regional Council has devised a number of strategies to assist the community as they recover from the impacts of TC Debbie.

All council fees for reconstruction work have been waived where the structure is being replaced as was previously. This has proved to have a positive impact on small “mum & dad” type jobs such as re-roofs and reconstruction of sheds even though Council inspections still have to be carried out.

The Council Building Surveyors have been busy processing applications and inspecting building works across the region. Since Tropical Cyclone Debbie, 259 building and plumbing inspections have been undertaken and over 114 Building and Plumbing approvals issued.

A very practical approach to dealing with reconstruction works has been taken, with staff meeting with builders and owners on a regular basis to explain those works that do or do not require approval. Given the volume of works and the very truncated timeframes required, the building team have put in a huge effort to enable reconstruction works to proceed with as minimal delay as possible.
Council coordinated the Economic Recovery working group following the devastating impacts experienced by Tropical Cyclone Debbie. This working group included Council and key stakeholders including chambers of commerce, regional and local tourism organisations, and growers associations. This working group facilitated data gathering of 700+ business survey results to ensure that the impacts and situational analysis was communicated to the State and Federal Governments to support the Whitsunday Region’s request for assistance under the Natural Disaster Relief and Recovery Arrangements. This work contributed to the announcement of funding under this assistance scheme in early 2017/18.

The damage sustained at Shute Harbour from Tropical Cyclone Debbie is extensive and it will be some time before it is restored to its full potential. Council’s priority was to safely re-establish a ferry service particularly for our commuters and construction workers and alleviate the pressure that was being experienced at Port of Airlie. Despite extensive damage to the facility, negotiations and arrangements were successfully implemented to make temporary repairs to the Shute Harbour facility to ensure that our island residents and commercial activities could be facilitated.

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**IMPROVING PUBLIC SAFETY THROUGH CCTV**

Whitsunday Regional Council, together with the Commonwealth Government, Queensland Police and the Safer Streets program, are installing an extensive network of CCTV cameras in the Airlie Beach Main Street and Foreshore area.

The cameras are expected to act as both a deterrent to unsavory behaviours in the area as well as to provide evidence in the event of prosecution. Police can review footage in real time with the added benefit of leveraging speakers to communicate directly with people within small or large geographic regions. Furthermore, the speaker system can be used as a broadcast system in the event of a wider emergency event.

Improving community safety and disaster response are key aspects of Council’s services and the CCTV network is expected to provide a significant tool to ensuring a safe night out in the Airlie Beach precinct as well as a useful emergency management communication device.

**FIRST 5 FOREVER – LIBRARY PROGRAM**

First 5 Forever is an initiative of State Library Queensland and Queensland Government, delivered in partnership with Whitsunday Regional Council Libraries. The literacy program for children aged 0 – 5 years, directly supports parents and primary caregivers in being their child’s first and most important educator as well as providing families with increased access to resources through public libraries, outreach programs and online. Key highlights include:

- The First 5 Forever Project Officer and library staff have distributed 430 free First 5 Forever toolkits to families across the region.
- The Splash and Rhyme program, integrating swimming and literacy learning, had 89 parents and carers, 82 babies and 2 toddlers attending the 16 sessions held at Collinsville, Proserpine, Jubilee Pocket and Flame Tree swimming pools.
- Over 100 parents, carers and teachers, along with 20 babies and 550 children attended eight performances of The Wild Puppet “tour” held in Bowen, Scottville, Collinsville, Cannonvale and Proserpine.
- A new Book Swap Box program was established to improve access for those families that may not regularly visit libraries. They are currently located at the Whitsunday Neighbourhood Centre, Whitsunday Community Health Clinic, Cooinda Family Centre, Bowen Hospital, Save the Children Playgroup, Collinsville Hospital and Proserpine Community Health Clinic/Hospital.
In 2020, the Whitsunday Region is thriving and sustainable. Our region's infrastructure supports our growing population and our towns are well planned, with our unique heritage and character protected. We value our natural environment and work together to protect and enhance our region’s natural assets.

**PERFORMANCE MEASURES**

- Community and stakeholder satisfaction with Council
- Growing our asset base
- Community and stakeholder satisfaction with our road, water and sewerage infrastructure and networks
- Compliance with State and Federal benchmarks and standards
- Percentage of total capital works completed
- Percentage of total operating projects completed
- Development and implementation of strategies

**REGIONAL SCHEME UNITES AND STRENGTHENS**

More than 3½ years in the making, the new Whitsunday Regional Council Planning Scheme 2017 was adopted on 28 June 2017, providing greater flexibility and certainty about development throughout the region. The planning scheme is the culmination of several detailed investigations into future population growth and infrastructure demands to ensure that a well-planned, well-serviced, liveable and sustainable Whitsunday region caters well for future generations.

By 2036 it is anticipated that the area’s population will swell by 14,000 residents. With the new planning scheme in place the Whitsundays is well-positioned to ensure it continues as a liveable and sustainable region where people want to live, work, play and invest.

The planning scheme is built upon a foundation of five key themes: liveable communities and housing, economic growth, environment and heritage, safety and resilience to hazards, and infrastructure. Each theme has guiding principles that ensures the region will optimise its unique attributes and competitive advantages that promote Airlie Beach, Bowen, Collinsville and Proserpine and their surrounds.

Community input was invaluable in the development of the planning scheme. Two rounds of public consultation helped shape the development of the scheme and together with input from the state government means that residents and those wishing to do business in our Region can now develop, grow a business and create jobs with the certainty of a solid planning framework.

The planning scheme is an ever evolving document and Council is committed to an ongoing revision program. Residents are encouraged to take advantage of every future opportunity for input.

**IMPROVING THE UTILISATION OF COUNCIL OWNED AERODROMES AND AVIATION ASSETS**

In March 2017 additional flights commenced by Jetstar and Tigerair provided even greater schedule options and made travel to the Whitsundays more affordable than it has ever been before. This resulted in July 2017 hitting an all-time new record for passenger numbers 41,760 through the Whitsunday Coast Airport (WCA).
In the 2016/2017 FY two calls for Expressions of Interest were undertaken to specifically increase utilisation of WRC Aerodromes at Bowen and Proserpine. The first was for use of the general aviation precinct at the WCA, the second for appropriate commercial uses of Bowen Aerodrome. The latter process was very successful identifying 3 potential new tenants for the Bowen Aerodrome and resulting in a new tenancy agreement being signed up to date. The WCA EOI created greater awareness for commercial opportunities for general aviation operators at the WCA.

RENEWING COUNCIL’S PUBLIC FACILITIES

In 2016/17 Council completed capital works for the Greys Bay amenities, Bowen CBD Amenities (including the upgrade to Disability Access), reconstruction of Horseshoe Bay Toilets, replacement of the air-conditioning system at the Proserpine Library and refurbishment of the Collinsville Services Hall.

NORTH HEAD LIGHTHOUSE REFURBISHMENT PROJECT

Whitsunday Regional Council committed $100,000 towards the restoration of the heritage listed lighthouse situated on North Head Island just off the coast from Bowen. The project was a great example of Council working with local groups and individuals to achieve a terrific outcome. Council acknowledges the contributions made by Ian Shield, the working group led by John Attwood and members including the NQCYC, the Bowen Independent and the Bowen Historical Society as well as the local suppliers who donated goods for the project.

OUR DEDICATION TO BEAUTIFY AND MAINTAIN OUR OPEN SPACES

Whitsunday Regional Council has an outstanding team of skilled Parks & Gardens staff who have the ability to design, construct, manage, maintain and take pride in our community facilities. Covering a massive 198 hectares, our 44 playgrounds, 105 public parks, and more than 2,700 pieces of park furniture are maintained to a first class standard for the local community and visitors to our beautiful region.

During the 2016/17 year, Parks & Gardens have assisted community groups and provided in-kind support for numerous community events. The team also assisted with the erection of 4 outdoor Christmas trees and various decorations for the 2016 Christmas displays throughout the region. Parks & Gardens will continue to assist and implement additional decorations each year in conjunction with other departments.

The Parks & Gardens Team have completed a number of capital works projects in the 2016/17 year including the installation of the new main circulation pumps at the Airlie Beach Lagoon and a brand new playground equipment piece was installed at Queens Beach Park in Bowen.

Other improvement projects carried out throughout the year included:

- Extension to the Darcy Munro Concrete Walking Track in Collinsville. This project was completed with the assistance of the Bowen Work Camp.
- Installation of shade structures at Bowen Water Park (see Photo 2) and the Airlie Beach Lagoon.
- Installation of 3 columbarium walls at the Proserpine Cemetery.
- Engaging consultants to provide concept plans and community consultations for Gideon Pott Park, Henry Darwen Park and Barker Park in Bowen.
- Installation of fairy lighting in trees at Fairy Tree Park, Airlie Beach.
- Revegetation of site at Bowen Front Beach.
- Installation of Heart of the Reef and Welcome to Airlie signage, at the Airlie Beach Town Entrances.
- Refurbishment of the amenity block at the Collinsville Swimming Pool; and
- Installation of BBQ shelters at Pelican Park, Darcy Munro Park and Skate Park in Collinsville.

In June 2017, the Parks & Gardens branch was transferred from the Community & Environment directorate to the newly formed Customer Experience directorate.

CLIMATE PROGRAM

Whitsunday Regional Council is committed to becoming a leader in the climate change arena. In the 16/17 year Council adopted a Climate Change Policy and commenced the development of a Coastal Hazard Adaptation Strategy and Climate Mitigation Strategy.

Council has also undertaken the initiative to partner with Kingborough Council, a leader in climate adaptation, through a formal memorandum of understanding. Council also received a highly commended award at the 2017 Australian Coastal Awards for Council’s work on climate adaptation and organisational governance. Information on Council’s Climate Program can be found at the Your Say Whitsundays webpage.
The Whitsunday Biosecurity Plan was adopted on April 2017 with the purpose of guiding pest management within the Whitsunday local government area. The implementation of this plan will allow Council to describe how the extent of pest plants and animals in the region will be mapped and monitored, effectively informing the community of their pest management obligations, describe how the regional pests are prioritised, describe how pests will be managed across the region and document roles and responsibilities for pest management stakeholders.

The Dingo Beach and Hydeaway Bay Bushfire Management Plan was adopted in February 2017. The aim of this plan is to document the bushfire hazard of the Dingo Beach and Hydeaway Bay area, document the procedures for hazard reduction burns, define the roles and responsibilities for fire management in the Dingo Beach area and determine the resources required to effectively manage bushfire hazard and risk in the Dingo Beach area.

This report is intended for all stakeholders with an interest in bushfire management in the Dingo Beach and Hydeaway Bay area, including all residents.

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WATER INFRASTRUCTURE CATERING FOR OUR FUTURE

Proserpine Sewage Treatment Plant Upgrade project commenced and has progressed on schedule throughout 16/17. The Project is well into the construction phase which includes a new building to house the screw press, new potable water mains, new fire-fighting system along with installation of Process of Nitrification Denitrification (PND) technology.

The major water line providing Bowen’s water supply has required refurbishment throughout 16/17. Council plumbing crews have replaced a significant number of air valves on the Proserpine to Bowen Main Water line. This work was required planned water outages, which was necessary to conduct critical maintenance.

Council is currently constructing a 400kW solar array at the Bowen Water Treatment Plant (BWTP). This project is one of a number of solar projects that are currently being rolled out by Council across the region. The BWTP solar project was initiated to ensure that the operation of this critical facility can be maintained while the facility is off grid in emergency situations. Full utilisation of the electricity generated by the solar array will also put downward pressure on water prices with the project to save around $150,000 from Council’s electricity bill annually. This project received support from Queensland Government.

Several water main tenders were awarded in 2016/2017 and replacement of water mains through the region was carried out by local contractors. These major works packages included Thomas Street, West Street, Powell Street, Davey Ave, Ruge Street and Old Perch Street.

2.4 Prosperity

OUR GOAL

In 2020, the Whitsunday Region is the economic hub of North Queensland and the state’s leading regional economy. The diversity of our agriculture, mining, small business and tourism sectors has allowed our region to prosper, with our residents enjoying access to strong education and employment pathways.

PERFORMANCE MEASURES

- Community and stakeholder satisfaction with Council
- Growth in Gross Regional Product (GRP) and the local economy
- Growth in population
- Increased investment in the local economy
- Development and implementation of strategies

WHITSUNDAY COAST AIRPORT REMAINS A KEY ECONOMIC DRIVER

Whitsunday Regional Council aims to develop the Whitsunday Coast Airport as a significant transport and exports hub and regional economic driver.

The Airport continues to break all time passenger numbers cementing its position as a key economic driver for the Whitsundays Region. The Whitsunday Coast Airport Master Plan and Feasibility Study, July 2015 has identified long term opportunities to establish the WCA as a multi-modal transportation hub and this vision remains part of the airport’s long term strategy.

ABBOT POINT WATER STRATEGY

With the support of the Department of State Development, Council completed the Abbot Point Water Strategy to service development in the Abbot Point State Development Area. The study investigated the options for water supply to Abbot Point from existing and potential local water sources in the short, medium and long-term. Council recognises the need to unlock the economic development potential of the State Development Area and the importance of supporting the infrastructure needs of the mining and mining support industries.

This Strategy is the foundation of a decision-making framework for both Local and State Government, and it is Council’s priority to ensure that the needs of the State Development Area do not conflict or restrict water supply to meet the needs of the community and the important agricultural sector located in and around Bowen. The Strategy also supported the development of the Greening and Growing Bowen Project including the upgrade to the Bowen Water Treatment Plant and recycled water benefits arising from the upgrade.

From August 2017 $40 million worth of infrastructure projects will be underway at the Whitsunday Coast Airport including a $25 million runway upgrade in parallel with $15 million terminal expansion works will provide appropriate airport infrastructure for years to come. This in turn will ensure that any potential investment opportunities requiring reliable and regular air transport in our region can be fully supported.
GROWTH AND INVESTMENT LOOKING POSITIVE

Boasting a strong and relatively diverse economy, with a population of approximately 34,300 the Whitsunday Region encompasses a total land area of almost 24,000 square kilometres. The resident population has grown steadily in the region over the ten years to 2016 at an average rate of 1.25%. The region has a labour force of 19,500 and accommodates 14,000 jobs. The strength of the region’s tourism industry is reflected in the record numbers to the region in 2016, with 734,000 visitors, including 243,000 international guests.

The Economic Development Strategy will enable Council to take bold steps to establish our region within the global community while ensuring that our region’s values and authenticity are respected and nurtured. Our game changing projects will transform the entire Whitsunday Region, boosting our employment base and providing a wealth of investment opportunities that set us on a course towards a $6 billion economy. Investments of this magnitude will provide a significant boost to the retail and construction sectors, while encouraging new investments and providing solid employment options for our communities well into the future.

In Development Assessment, three hundred and seventy six development applications were processed, up slightly from the previous year and one hundred and forty inspections were undertaken on roads and drainage works associated with land development. Timeframes for the processing of applications were consistently within statutory requirements.

3.1 Democratic Governance

3.1.1 Role of Council

The Local Government Act 2009 outlines the roles and responsibilities of Councillors, the Deputy Mayor, Mayor and the Chief Executive Officer.

THE ROLE OF THE MAYOR AND COUNCILLORS

1. A councillor must represent the current and future interests of the residents of the local government area.
2. All councillors of a local government have the same responsibilities, but the mayor has some extra responsibilities.
3. All councillors have the following responsibilities:
   a. ensuring the local government -
      (i) discharges its responsibilities under this Act; and
      (ii) achieves its corporate plan; and
   (iii) complies with all laws that apply to local governments;
   b. providing high quality leadership to the local government and the community;
   c. participating in council meetings, policy development, and decision-making, for the benefit of the local government area;
   d. being accountable to the community for the local government’s performance.
4. The mayor has the following extra responsibilities:
   a. leading and managing meetings of the local government at which the mayor is the chairperson, including managing the conduct of the participants at the meetings;
   b. preparing a budget to present to the local government;
   c. leading, managing, and providing strategic direction to the chief executive officer in order to achieve the high quality administration of the local government;
   d. directing the chief executive officer and senior executive employees, in accordance with the local government’s policies;
   e. conducting a performance appraisal of the chief executive officer, at least annually, in the way that is decided by the local government (including as a member of a committee, for example);
   f. ensuring that the local government promptly provides the Minister with the information about the local government area, or the local government, that is requested by the Minister;
   g. being a member of each standing committee of the local government;
   h. representing the local government at ceremonial or civic functions.

THE ROLE OF THE CHIEF EXECUTIVE OFFICER

- Implements the local government’s policies and decisions;
- Is responsible for organizing the presentation of reports and reporting to the local government; conducts correspondence between Council and other persons; manages and oversees the administration of Council and its corporate plan, and coordinates the activities of all Council employees.

3.1.2 Council Meetings

Councillors and officers are committed to providing the Whitsunday Region with strong and responsive local government and achieving an innovative, efficient and sustainable organisation.
GOVERNANCE

Council's governance practices focus on providing a framework that demonstrates a high standard of ethical and transparent behaviour at all times.

Members of the public can attend Council's ordinary meetings which are held on the second and fourth Wednesday of each month. The meeting location is rotated between Proserpine and Bowen Council Chambers with meetings held in Collinsville and Cannonvale a few times a year.

Council has also commenced ‘Country Community Catch-Ups’ to various locations in between the major townships such as Scottville, Mount Coolon, Dingo Beach & Hydeaway Bay, Conway & Wilsons Beach and Molongle Creek & Gumlpu.

At each Council meeting there is an opportunity for residents and ratepayers to ask public questions to Council, with a response being provided at the following Council meeting. Those who wish to address a meeting must submit their question to the Chief Executive Officer prior to the meeting they wish to address.

There were 22 Ordinary Council meetings and 2 Special Council Meetings in 2016/17.

ORDINARY MEETINGS

2016
13 July, 26 July, 10 August, 24 August, 14 September, 28 September, 12 October, 26 October, 9 November, 23 November, 7 December

2017
25 January, 8 February, 22 February, 8 March, 22 March, 12 April, 26 April, 17 May, 31 May, 13 June, 28 June

SPECIAL MEETINGS

2016 - 22 July
2017 - 30 June

3.1.3 Mayor and Councillor Meeting Attendance

3.1.4 Mayor and Councillor Remuneration, Facilities and Expenses

Councillor remuneration is set by the independent Local Government Remuneration Tribunal established under the Local Government Act.

The tribunal determines remuneration for Mayors, Deputy Mayors and Councillors. These pay scales take into consideration factors such as the size of the council, the area it covers and the population it serves.

In addition to the remuneration listed below, Councillors have access to a Council vehicle (if available at the time of request), laptop computer, mobile phone (unless a BYO agreement has been made with the Councillor and CEO), tablet and home office equipment.

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CR ANDREW WILLCOX
Mayoral Remuneration $123,631
Mayoral Superannuation $14,715.06
Phone and Vehicle $211
Conference/Training Attendance & Travel Costs $22,322

CR JOHN COLLINS
Deputy Mayoral Remuneration $76,644
Deputy Mayoral Superannuation $9196.90
Phone and Vehicle $1820
Conference/Training Attendance & Travel Costs $719

CR MIKE BRUNKER
Councillor Remuneration $65,147
Councillor Superannuation $7817.48
Phone and Vehicle $1421
Conference/Training Attendance & Travel Costs $3526

CR JAN CLIFFORD
Councillor Remuneration $65,147
Councillor Superannuation $7817.48
Phone and Vehicle $4523
Conference/Training Attendance & Travel Costs $9389

CR DAVID CLARK
Councillor Remuneration $65,147
Councillor Superannuation $7817.48
Phone and Vehicle $1421
Conference/Training Attendance & Travel Costs $150

CR RON PETTERSON
Councillor Remuneration $65,147
Councillor Superannuation $7817.48
Phone and Vehicle $3394
Conference/Training Attendance & Travel Costs $9251

CR PETER RAMAGE
Councillor Remuneration $65,147
Councillor Superannuation $7817.48
Phone and Vehicle $906
Conference/Training Attendance & Travel Costs $ -

An amount of $18,813.44 remuneration and $2257.36 superannuation was paid in the 2017/18 financial year.
3.1.6 Community Assistance Grants Program

The first full year of the Community Assistance Grants Program has been extremely well received by the Whitsundays not-for-profit clubs and associations sector. The key outcomes for 2016/17 included:

- 95 applications received, in total, from clubs and associations
- 52 applications for the Sport and Recreation Clubs Grant
- 37 applications for the Special Projects Grants and;
- 2 applications for the Facilities Management Grants

Approximately 80% of the applications were approved. $250,000 was injected by Council into local clubs and associations.

3.1.7 Rebates and concessions

The Whitsunday Regional Council grants a range of rebates and concessions for rates and charges to assist the community. In accordance with section 190 of the Regulation the concessions available for rates and charges during the financial year are shown below.

- Debt Policy
- Special Circumstances
- Economic Development Incentives Policy
- Hardship Policy
- Owner Occuper Concession
- Rates Assistance for eligible pensioners
- Paying Rates by Arrangement
- Waiving, reducing or refunding development fees and charges
- Concealed Leak Policy
3.2 Corporate Governance

3.2.1 Corporate Governance

RIGHT TO INFORMATION

There were 17 Right to Information requests, all of which were finalised in the 2016/17 financial year.

ADMINISTRATIVE ACTION COMPLAINTS

The Administrative Action Complaints Management Policy sets out the formal policy position of Council in relation to Administrative Action Complaints.

A key objective of this policy is to promote public confidence in Council by ensuring openness and transparency in handling applications for administrative review of decisions made about its services and products.

The policy was developed in accordance with section 268 of the Local Government Act 2009, and section 306 of the Local Government Regulation 2012.

The Administrative Action Complaints Management Process adheres to the principles contained within the Policy. The Process sets out in detail the process by which customers’ administrative action complaints will be dealt with. This provides customers with the opportunity to request an administrative action review of administrative decisions made by Council officers or Council. Council places a high value on feedback from its customers and this feedback is used to shape and refine the future delivery of products and services.

ADMINISTRATIVE ACTION COMPLAINTS - 2016/17

The Whitsunday Regional Council strives to efficiently and effectively investigate and manage administrative action complaints following the principle of natural justice.

Council’s record keeping systems show that there were 9 administrative action complaints in the 2016/17 financial year. This figure shows a considerable decrease in administrative action complaints since the previous financial year.

Of the 9 complaints, 8 have been resolved. The outstanding complaint is pending advice from a third party.

COMPLAINTS MADE AGAINST COUNCILLORS

In the 2016/17 Financial Year there were 0 complaints made against Councillors.

3.2.2 Future Planning

3.2.3 Our Organisation

The corporate structure supports Council to make informed, accountable and transparent decision making which ensures value for ratepayers’ money and effective delivery of services to the communities within the Whitsunday Region.

The gender ratio as at 30th June was 65% male to 35% female. The number of employees over 55 was 106 (27% of total headcount).

Council’s organisational functions and associated services are listed below:
3.2.4 Executive Leadership Team

The Executive Leadership Team (ELT) provides clear and consistent leadership and decision making, which supports the delivery of the strategic priorities and direction of operational business for the Council. This team is led by the Chief Executive Officer and has recently been expanded to include five Directors. Details on each Director and key areas of responsibility for each directorate are as follows:

CHIEF EXECUTIVE OFFICER / OFFICE OF THE MAYOR AND CEO

Barry Omundson

The Chief Executive Officer is responsible for managing the Council’s administration, focusing on:

- effective, efficient and economical management of public resources and excellence in service delivery and continuous improvement
- managing employees and promoting equal employment opportunity and workplace health and safety
- providing the Mayor and Councillors with advice to assist them in carrying out their duties and implementing Council decisions and priorities.

In practical terms, this involves:

- leading the development of the annual draft budget and financial overview for presentation to the Mayor
- driving key strategic agendas
- the ongoing review of City functions and services
- meeting with key stakeholders and government partners to negotiate and progress significant regional opportunities

This directorate also strengthens the local economy by creating and delivering projects in partnership with the private and public sectors. Key areas of responsibility include export development, industry development, cultural development and major projects delivery.

DIRECTOR CORPORATE SERVICES

Graham Jarvis

This directorate delivers internal services to the organisation. Key areas of responsibility include customer service, asset management, property and facilities management, fleet, information technology and management, procurement, finance and revenue services, records management and workplace health & safety.

DIRECTOR ENGINEERING SERVICES

Jason Raiteri

This Directorate delivers and maintains quality infrastructure and services to meet the current and future needs of the region. Key areas of responsibility include emergency and disaster management, waste and recycling services, municipal infrastructure and local area works delivery, transport planning network management and maintenance, town cleaning, ocean beach and waterways management and flood management.

Whitsunday Water and Waste and the Foxdale Quarry both operate as separate business units that fall under the leadership of the Director of Engineering Services.

DIRECTOR COMMUNITY & ENVIRONMENTAL SERVICES

Julie Wright

This directorate provides community services focused on public health and safety, natural resource management, social development, sport and recreation. Key responsibilities include parks and gardens, community and library services, sports facilities, environmental and public health, regulatory and lifeguard services, Schoolies, community safety and local laws.

DIRECTOR PLANNING & DEVELOPMENT SERVICES

Neil McGaffin

This directorate supports sustainable living in the Region through land use and infrastructure planning and development control. Key areas of responsibility include strategic land-use planning, urban design, planning, implementation and assessment, development compliance, infrastructure charging, growth management, environmental planning, nature conservation and place making.
3.2.5 Our Culture, Our Life

Whitsunday Regional Council has been undergoing a culture transformation over the past year to build a shared language and understanding of the targeted culture which we would like to achieve, what values underpin it and how this translates into day to day operating and behaviours.

The culture journey to date has seen Council involved in an organisation wide survey to kick start Our Culture Our Life. Reveur, who have been employed as cultural transformation specialists, then centralised their focus on our Executive Leadership Team (ELT) and Executive Management Team (EMT).

Staff then completed another pulse survey to provide qualitative data on our journey to date and our understanding of the culture values and where we as an organisation need to focus our attention to bring the culture to life for Whitsunday Regional Council.

As we continue to embark on the culture journey, we encourage staff to be open minded, and look for positive ways to improve on a regular basis.

3.2.6 Employee Overseas Travel

The following employees travelled overseas during the 2016-17 Financial Year:

<table>
<thead>
<tr>
<th>NAME: ANDREW WILLCOX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Position: Mayor</td>
</tr>
<tr>
<td>Destination: India</td>
</tr>
<tr>
<td>Purpose: International Trade Mission delegation to India with Premier Annastacia Palaszczuk</td>
</tr>
<tr>
<td>Cost: $8705.82</td>
</tr>
</tbody>
</table>

3.2.7 - Code of Conduct

Whitsunday Regional Council acknowledges that working in the public sector is different from employment in the private sector. There are particular responsibilities which Councillors and employees have for safeguarding the public interest, exercising a duty of care and inspiring public confidence and trust.

Providing clarity to people in dealing with ethical matters will assist Council in being more efficient and will give staff a better appreciation of the need to use resources responsibly; to comply with Council policies; to develop good client relations; and to promote the public interest.

In this way Council hopes to better achieve its Corporate Vision and Guiding Principles as set out in the Corporate Plan.

Codes of Conduct are to prescribe appropriate behaviour for all officers and employees of the Council, however they can provide for different requirements in respect of different classifications of officers and employees. The Act identifies five ethics principles as the basis of good public sector practice. Employees will be required to make judgments in balancing competing interests or duties. Judgment about the priority given to each principle will always depend on the facts and circumstances of a particular case.

Principle 1: RESPECT FOR THE LAW AND SYSTEM OF GOVERNMENT
Principle 2: RESPECT FOR PERSONS
Principle 3: INTEGRITY
Principle 4: DILIGENCE
Principle 5: ECONOMY AND EFFICIENCY

3.2.8 - Access to registers and documents

Council is required under the Local Government Act 2009 to keep certain documents and to maintain certain registers. Some of these are made available on the Whitsunday Regional Council website while others are used internally as part of Council’s operations.

<table>
<thead>
<tr>
<th>Financial Statements</th>
<th>Special Needs / Vulnerable Persons Register</th>
</tr>
</thead>
<tbody>
<tr>
<td>Council Budget and associated documents</td>
<td>Don River Flood Warning Call-up list</td>
</tr>
<tr>
<td>Fees and Charges</td>
<td>Portable &amp; Attractive Items Register</td>
</tr>
<tr>
<td>Financial Statements</td>
<td>IT Infrastructure Asset Register</td>
</tr>
<tr>
<td>Right to Information Disclosure Log</td>
<td>Mobile Phone &amp; Device Register</td>
</tr>
<tr>
<td>Council Policies</td>
<td>Lease Register (510)</td>
</tr>
<tr>
<td>Annual Report</td>
<td>Asset Register</td>
</tr>
<tr>
<td>Ordinary / Special Meeting Council Minutes and Agendas</td>
<td>Land Register</td>
</tr>
<tr>
<td>Corporate Plan</td>
<td>Road Register</td>
</tr>
<tr>
<td>Operational Plan</td>
<td>Contributed Asset Register</td>
</tr>
<tr>
<td>Community Plan</td>
<td>Registered dogs and cats</td>
</tr>
<tr>
<td>Register of Interests</td>
<td>Impounded animals</td>
</tr>
<tr>
<td>Awarded contracts above the value of $200,000</td>
<td>Impounded vehicles</td>
</tr>
<tr>
<td>Roads Register</td>
<td>Infringements</td>
</tr>
<tr>
<td>Delegations Register</td>
<td>Local Law – prescribed activities:</td>
</tr>
<tr>
<td>Gifts and Benefits Register</td>
<td>– Accommodation</td>
</tr>
<tr>
<td>Public Interest Disclosure Register</td>
<td>– Advertising signage</td>
</tr>
<tr>
<td>Administrative Complaints Register</td>
<td>– Footpath Dining</td>
</tr>
<tr>
<td>Lobbyist Register (internal)</td>
<td>– Goods on Footpath</td>
</tr>
<tr>
<td>Policies; Procedures; and Forms Registers</td>
<td></td>
</tr>
</tbody>
</table>
3.2.9 – Internal Audit

INTERNAL AUDIT

Through the internal audit role, Whitsunday Regional Council has the following goals:

- Assurance that processes and internal controls are in place to ensure accountability and compliance
- Assurance that Council’s systems and governance produce expected outcomes
- Identification of opportunities for improved performance and efficiencies
- Identification of processes to reduce Council’s risks.

It is also envisaged that the internal audit function will complement the work undertaken by the external auditors. Council has a focus on continuous improvement. It is expected that an internal audit function will support the move towards more efficient and effective processes and systems.

The contract internal auditor will be responsible for the following key responsibilities:

1. Report to the Chair of the Committee or the Chief Executive Officer recognising the primary reporting relationship is to the audit and risk management committee;
2. Prepare and develop an annual audit plan, in conjunction with the Audit Committee, based on the Queensland Treasury’s Audit Committee Guidelines and incorporating a risk based approach;
3. Prepare and internal audit program in conjunction with the committee, including the scope and objective of internal audits and the preparation of internal audit programs;
4. Complete fully detailed working papers and internal audit reports or such reports as may be required;
5. Carry out the internal audit function within contemporary developments in auditing, local government, public sector and management philosophies and best practices.

Council owns and operates several business assets, namely the Whitsunday Coast Airport, Foxdale Quarry, Shute Harbour Transit Terminal and Water Supply & Sewerage Services.

4.1 Foxdale Quarry

Foxdale Quarry supplies material for domestic and commercial purposes. The Quarry’s products are quality controlled by Council’s own National Association of Testing Authorities (NATA) certified testing laboratory that ensures compliance to required product specification.

4.2 Whitsunday Coast Airport

The Whitsunday Coast Airport services a significant range of air traffic from all phases of commercial, public and private enterprises; however the bulk of passenger traffic is generated by the domestic services provided by Tiger Air, Jetstar and Virgin Australia.

4.3 Whitsunday Water and Waste

Whitsunday water and waste services are a wholly owned commercial business unit of Whitsunday Regional Council.

Any surplus earned by a business unit of Council is to be returned as a dividend to the Council in addition to equivalent taxation. This dividend return is in recognition that business units have been established to further the good governance of the region.

Funds earned by Council through dividends are utilised to provide enhanced services and infrastructure to the Whitsunday Region.

4.4 Shute Harbour

The Shute Harbour Transit Terminal was severely damaged in Tropical Cyclone Debbie however Council has worked hard to ensure that this port facility is operating to transfer commuters and visitors to the Whitsunday Islands.

4.5 Tourist Parks

Council owns the Wangaratta at the Beach Caravan Park in Bowen and the Proserpine Tourist Park, both of which are operated and managed privately.
Community Financial Statements

The income statement shows how Council performed for the 12 month period 2016-17. The income statement illustrates Council’s revenue generated and Council expenses incurred maintaining community service and operating Council assets.

**Simplified Income Statement 2017 2016**

*For the year ended 30 June 2017 $000 $000*

- Operating revenue: 114,776 104,248
- Operating Expenses: (113,695) (100,136)
- Net result for the period: 1,081 4,112
- Add Capital grants and contributed assets: 10,329 10,168
- Less Asset disposals and write-downs: (20,151) (4,616)

**Simplified balance sheet 2017 2016**

*As at 30 June 2017 $000 $000*

- What we have in the bank: 50,177 43,677
- What we own: 966,711 1,027,154
- What we are owed: 17,176 14,067

**Our Operating Revenue**

*(+$118,463,109 BEFORE DISCOUNTS GIVEN)*

<table>
<thead>
<tr>
<th>How we earned our Operating Revenue</th>
<th>2017 %</th>
<th>2017 $000</th>
<th>2016 %</th>
<th>2016 $000</th>
</tr>
</thead>
<tbody>
<tr>
<td>General rates</td>
<td>41.03%</td>
<td>$47,089</td>
<td>44.37%</td>
<td>$46,253</td>
</tr>
<tr>
<td>Water &amp; sewerage utility charges</td>
<td>25.81%</td>
<td>$29,618</td>
<td>29.22%</td>
<td>$30,457</td>
</tr>
<tr>
<td>Refuse</td>
<td>3.03%</td>
<td>$3,480</td>
<td>3.24%</td>
<td>$3,373</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$80,167</strong></td>
<td></td>
<td><strong>$80,083</strong></td>
</tr>
<tr>
<td>Less: Discount and Remissions</td>
<td>-3.21%</td>
<td>-$3,687</td>
<td>-3.51%</td>
<td>-$3,661</td>
</tr>
<tr>
<td>Grants &amp; contributions</td>
<td>13.27%</td>
<td>$15,230</td>
<td>6.43%</td>
<td>$6,704</td>
</tr>
<tr>
<td>Fees &amp; charges</td>
<td>11.22%</td>
<td>$12,883</td>
<td>11.77%</td>
<td>$12,272</td>
</tr>
<tr>
<td>Other income</td>
<td>7.21%</td>
<td>$8,271</td>
<td>6.32%</td>
<td>$6,593</td>
</tr>
<tr>
<td>Interest</td>
<td>1.65%</td>
<td>$1,892</td>
<td>2.17%</td>
<td>$2,257</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$114,776</strong></td>
<td></td>
<td><strong>$104,248</strong></td>
</tr>
</tbody>
</table>
Our Operating Revenue

Council endeavours to maximise its revenue from sources other than rates by actively pursuing grants and subsidies from the State and Federal Government and seeking appropriate contributions from the property development industry (refer to the table below that shows grants and subsidies sourced and/or obtained).

Fees and charges, and utility charges are generally applied on a full cost recovery basis to ensure as much as possible the user pays. These strategies help to minimise the reliance on the general rate to fund council’s operations.

State and Federal grants & subsidies sourced and/or obtained:

<table>
<thead>
<tr>
<th>Grant Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proserpine Waste Water Treatment Plant</td>
<td>$1.80 million</td>
</tr>
<tr>
<td>Gregory River Bridge</td>
<td>$1.26 million</td>
</tr>
<tr>
<td>Work for Queensland</td>
<td>$2.61 million</td>
</tr>
<tr>
<td>CCTV Project</td>
<td>$0.30 million</td>
</tr>
<tr>
<td>TIDS Program</td>
<td>$0.22 million</td>
</tr>
<tr>
<td>Other State Government subsidies</td>
<td>$0.41 million</td>
</tr>
<tr>
<td>Roads to Recovery Program</td>
<td>$1.06 million</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$7.65 million</strong></td>
</tr>
</tbody>
</table>

Our Operating Expenses

The operating expenses represent the cost to Council of running services, operating facilities and maintaining assets. Materials and services are the goods and services required for operational and maintenance purposes within Council. These make up 49.13 per cent of Council’s expenses. Employee and labour hire costs are the labour costs that council incurs in operating and maintaining the services and assets of the region. Depreciation and amortisation represents the cost of Council’s assets over time. These assets include roads, drains, storm water infrastructure, water and sewerage infrastructure.

<table>
<thead>
<tr>
<th>Operating Expenses</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Materials &amp; services</td>
<td>49.13%</td>
<td>44.61%</td>
</tr>
<tr>
<td>Employee and labour hire costs</td>
<td>27.70%</td>
<td>27.14%</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>20.16%</td>
<td>23.34%</td>
</tr>
<tr>
<td>Finance costs</td>
<td>3.00%</td>
<td>4.91%</td>
</tr>
</tbody>
</table>

Total **$113,695**

**$100,135**
Council owns and manages more than $1.38 billion worth of infrastructure providing benefits directly to the community.

The accounting standards require Council to ensure that its infrastructure assets are recorded at fair value. It is Council’s progressive approach to asset management that ensures our assets are optimised and that the community benefits from the greatest value possible.

### The Community Infrastructure We Manage

Council owns and manages more than $1.38 billion worth of infrastructure providing benefits directly to the community.

The accounting standards require Council to ensure that its infrastructure assets are recorded at fair value. It is Council’s progressive approach to asset management that ensures our assets are optimised and that the community benefits from the greatest value possible.

The Community Infrastructure We Manage

The Community Infrastructure We Manage

Financial Ratios

Details of these ratios are shown below.

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<tr>
<th>Ratio</th>
<th>Target Range</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Surplus Ratio</td>
<td>Net operating surplus divided by total operating revenue. Expressed as a percentage</td>
<td>0% - 10%</td>
<td>0.94% 3.94%</td>
</tr>
<tr>
<td>Asset ‘Sustainability Ratio</td>
<td>Capital expenditure on the replacement of assets (renewals) divided by depreciation expense. Expressed as a percentage</td>
<td>&gt; 90%</td>
<td>78.77% 54.58%</td>
</tr>
<tr>
<td>Net Financial Liabilities Ratio</td>
<td>Total Liabilities less current assets divided by Total Operating Revenue. Expressed as a percentage</td>
<td>&lt;60%</td>
<td>-0.72% 2.32%</td>
</tr>
</tbody>
</table>

With the implementation of the Local Government Regulation 2012, three sustainability ratios were mandated, including target ranges for each measure.

Financial Ratios

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</table>

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## Whitsunday Regional Council

### Statement of Comprehensive Income
For the year ended 30 June 2017

<table>
<thead>
<tr>
<th>Note</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recurrent revenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rates and levies</td>
<td>$76,499,562</td>
<td>$76,423,351</td>
</tr>
<tr>
<td>Sale of goods and major services</td>
<td>$9,757,250</td>
<td>$8,951,955</td>
</tr>
<tr>
<td>Fees and charges</td>
<td>$3,126,476</td>
<td>$3,320,431</td>
</tr>
<tr>
<td>Interest received</td>
<td>$1,891,565</td>
<td>$2,256,849</td>
</tr>
<tr>
<td>Sales of contract and recoverable works</td>
<td>$3,444,057</td>
<td>$3,639,823</td>
</tr>
<tr>
<td>Rental income</td>
<td>$442,444</td>
<td>$437,756</td>
</tr>
<tr>
<td>Other recurrent income</td>
<td>$4,384,805</td>
<td>$2,914,865</td>
</tr>
<tr>
<td>Grants, subsidies, contributions and donations</td>
<td>$15,229,648</td>
<td>$6,704,148</td>
</tr>
<tr>
<td><strong>Total recurrent revenue</strong></td>
<td>$114,775,807</td>
<td>$104,248,178</td>
</tr>
</tbody>
</table>

| **Capital revenue** |
| Grants, subsidies, contributions and donations | $10,319,190 | $10,167,583 |
| Other capital income | - | - |
| **Total capital revenue** | $10,329,422 | $10,167,583 |
| **Total income** | $125,105,229 | $114,415,761 |

| **Expenses** |
| **Recurrent expenses** |
| Employee benefits | $(31,497,567) | $(27,172,416) |
| Materials and services | $(55,862,441) | $(44,669,189) |
| Finance costs | $(3,410,268) | $(4,920,040) |
| Amortisation | $(43,500) | $(43,500) |
| Depreciation | $(22,881,294) | $(23,330,654) |
| **Total recurrent expenses** | $(113,666,070) | $(100,135,799) |

| **Capital expenses** | $(20,151,017) | $(4,616,240) |
| **Total expenses** | $(133,817,087) | $(104,752,039) |
| **Net result** | $(8,740,858) | $9,663,722 |

| **Other comprehensive income** |
| **Items that will not be reclassified to net result** |
| Decrease in asset revaluation surplus | $(28,729,115) | $(28,551,901) |
| **Total other comprehensive income for the year** | $(28,729,115) | $(28,551,901) |
| **Total comprehensive income for the year** | $(37,469,973) | $(18,888,179) |

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

Statement of Financial Position
As at 30 June 2017

<table>
<thead>
<tr>
<th>Note</th>
<th>2017</th>
<th></th>
<th>2016</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Current Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>10</td>
<td>50,176,596</td>
<td>43,677,236</td>
<td></td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>11(a)</td>
<td>17,167,647</td>
<td>14,051,122</td>
<td></td>
</tr>
<tr>
<td>Inventories</td>
<td>12</td>
<td>1,615,768</td>
<td>1,525,550</td>
<td></td>
</tr>
<tr>
<td>Non-current assets classified as held for sale</td>
<td>13</td>
<td>-</td>
<td>6,967,873</td>
<td></td>
</tr>
<tr>
<td>Total Current Assets</td>
<td></td>
<td>68,960,011</td>
<td>59,253,908</td>
<td></td>
</tr>
<tr>
<td>Non-current Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>11(b)</td>
<td>8,594</td>
<td>15,469</td>
<td></td>
</tr>
<tr>
<td>Investment properties</td>
<td>14</td>
<td>1,680,000</td>
<td>1,800,000</td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>15</td>
<td>963,093,185</td>
<td>1,016,494,429</td>
<td></td>
</tr>
<tr>
<td>Intangible assets</td>
<td></td>
<td>322,614</td>
<td>366,114</td>
<td></td>
</tr>
<tr>
<td>Total Non-Current Assets</td>
<td></td>
<td>965,104,393</td>
<td>1,018,676,012</td>
<td></td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td></td>
<td>1,034,064,404</td>
<td>1,084,897,793</td>
<td></td>
</tr>
</tbody>
</table>

| Current Liabilities |           |        |            |        |
| Trade and other payables | 16 | 11,760,143 | 9,806,369 |
| Provisions | 17 | 3,096,950 | 2,886,854 |
| Borrowings | 18 | 2,683,491 | 2,556,128 |
| Total Current Liabilities | | 17,540,584 | 15,249,351 |
| Non-current Liabilities |           |        |            |        |
| Provisions | 17 | 1,776,060 | 2,066,014 |
| Borrowings | 18 | 48,820,900 | 51,386,840 |
| Total Non-Current Liabilities | | 50,596,960 | 53,392,854 |
| TOTAL LIABILITIES | | 68,137,544 | 68,642,205 |

| NET COMMUNITY ASSETS | | 965,926,860 | 1,016,255,588 |

| Community Equity |           |        |            |        |
| Asset revaluation surplus | 19 | 358,846,281 | 387,375,396 |
| Retained surplus | 25 | 557,876,777 | 590,771,887 |
| Reserves | | 49,403,802 | 38,392,355 |
| TOTAL COMMUNITY EQUITY | | 965,926,860 | 1,016,255,588 |

The above statement should be read in conjunction with the accompanying notes and Significant Accounting Policies.
### Statement of Cash Flows

**For the year ended 30 June 2017**

<table>
<thead>
<tr>
<th>Cash flows from operating activities</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receipts from customers</td>
<td>101,092,437</td>
<td>100,486,589</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td>(9,573,229)</td>
<td>(7,178,202)</td>
</tr>
<tr>
<td>Interest income</td>
<td>1,891,565</td>
<td>2,256,849</td>
</tr>
<tr>
<td>Rental income</td>
<td>442,444</td>
<td>437,756</td>
</tr>
<tr>
<td>Non capital grants and contributions</td>
<td>4,061,348</td>
<td>7,959,308</td>
</tr>
<tr>
<td>Total operating cash flow</td>
<td>100,246,538</td>
<td>100,003,672</td>
</tr>
</tbody>
</table>

**Cash flows from investing activities**

| Payments for property, plant and equipment | 15,229,684 | 6,704,148 |
| Net movement in loans to community organisations | 6,874     | 16,725  |
| Proceeds from sale of property plant and equipment | 539,964   | 227,803 |
| Grants, subsidies, contributions and donations | 9,371,149 | 7,983,386 |
| Total investing cash flow | 28,446,446 | 21,267,813 |

**Cash flows from financing activities**

| Repayment of borrowings | 18,438,577 | 17,908,308 |
| Total financing cash flow | (18,438,577) | (17,908,308) |

**Net cash outflow from financing activities**

| (13,848,621) | (11,776,770) |

**Net cash outflow from operating activities**

| 24,766,596 | 28,703,788 |

**Cash and cash equivalents at end of the financial year**

| 50,176,596 | 43,677,236 |

The above statement should be read in conjunction with the accompanying notes and Significant Accounting Policies.
Notes to the Financial Statements
For the year ended 30 June 2017

Whitsunday Regional Council

1. 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.

2. Taxation
Income of local authorities and public authorities is exempt from Commonwealth taxation except for Fringe Benefits Tax and Goods and Services Tax (GST). The net amount of GST recoverable from the ATO or payable to the ATO is shown as an asset or liability respectively. The Council pays payroll tax to the Queensland Government on certain activities.

Corporations Taxation

The Council pays payroll tax to the Queensland Government on certain activities.

Benefits Tax and Goods and Services Tax ('GST').

Incorporates the offices of the Mayor, Councillors and the Chief Executive Officer to set and achieve the Council's goals and objectives for the citizen of the Whitsunday Region by providing direction, support, co-ordination, sound resource management policy and achieve effective and efficient management of Council's assets and resources.

Planning & Community Services

Some Council functions have been re-aligned for year ended 30 June 2017. Planning & Community Services being split into Community & Environment and Planning & Development. CFO and Commercial Operations previously report with the Corporate Services.

Office of the Chief Executive

This department also manages parks and gardens with barbeque and picnic facilities, public swimming pools, sports grounds and playgrounds.

Community & Environment

To protect public health, safety and the environment by the provision of an efficient system for safe collection, transportation, treatment and disposal of sewage waste.

Water Services

To maintain fully compliant waste facilities within the Whitsunday region to meet the communities current and future needs.

Engineering

To support local, state and national initiatives that contribute to the efficient and effective delivery of services and infrastructure to the community.

Waste Management

To provide well constructed safe efficient infrastructure networks and engineering services that will meet community needs.

Planning & Development Services

To operate and maintain quarries and pits, Shute Harbour Operations, Caravan Parks and the Heart of the Reef Terminal within the Whitsunday region.

Airport Operations

To maintain the Shute Harbour Operations for the community and tourism needs within the Whitsunday region.

Shute Harbour Operations

To maintain the Shute Harbour Operations for the community and tourism needs within the Whitsunday region.

CFO and Commercial Operations

To maintain a fully operational airport to meet the community and tourism needs within the Whitsunday region.

Water Services

To maintain fully compliant waste facilities within the Whitsunday region to meet the communities current and future needs.

Airport Operations

To meet the community needs for potable water by the efficient purchase, treatment, storage and distribution of water to consumers.

Sewerage Services

To provide water services to maintain fully compliant waste facilities within the Whitsunday region.

Some Council functions have been re-aligned for year ended 30 June 2017. Planning & Community Services being split into Community & Environment and Planning & Development. CFO and Commercial Operations previously report with the Office of the Chief Executive Officer. Shute Harbour now reports under CFO and Commercial Operations.
### Whitsunday Regional Council

**Notes to the financial statements**

**For the year ended 30 June 2017**

<table>
<thead>
<tr>
<th>Note</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Revenue analysis

Revenue is recognised at the fair value of the consideration received or receivable, at the time indicated below.

##### (a) Rates and levies

Where rate monies are received prior to the commencement of the rating/levying period, the amount is recognised as revenue in the period in which they are received, otherwise rates are recognised at the commencement of rating period.

- **General rates**: $47,088,714 / $46,252,993
- **Water**: $9,094,449 / $8,929,807
- **Water consumption, rental and sundries**: $5,210,596 / $6,598,322
- **Sewerage**: $15,312,842 / $14,929,155
- **Waste management**: $3,480,264 / $3,373,396
- **Rates and utility charge revenue**: $82,186,854 / $80,083,673
- **Less: Discounts**: $(3,037,048) / $(3,121,720)
- **Less: Pensioner remissions**: $(650,254) / $(539,602)

**Net rates and utility charges**: $76,499,562 / $74,422,351

##### (b) Sales Revenue

Sales 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. 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.

- **Parking and Other Ranger Services**: $1,051,023 / $1,027,155
- **Refuse tips and transfer station charges**: $2,238,068 / $2,063,679
- **Aerodrome charges**: $3,220,782 / $2,423,499
- **Quarry charges**: $1,996,423 / $2,099,261
- **Shute harbour commercial activities**: $363,386 / $446,942
- **Caravan parks fees and charges**: $1,757,296 / $1,581,852
- **Water and sewerage fees and charges**: $543,158 / $618,115
- **Water consumption, rental and sundries**: $363,396 / $466,942
- **Shute harbour commercial activities**: $2,238,068 / $2,063,679
- **Caravan parks fees and charges**: $1,757,296 / $1,581,852
- **Water and sewerage fees and charges**: $543,158 / $618,115

**Net sales revenue**: $6,251,034 / $5,970,844

---

*Whitsunday Regional Council*

*Notes to the financial statements*

*For the year ended 30 June 2017*
Whitsunday Regional Council

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

4 Grants, subsidies, contributions and donations

<table>
<thead>
<tr>
<th>Note</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

Grants, subsidies and contributions that are non-reciprocal in nature are recognised as revenue in the year in which Council obtains control over them which is usually upon receipt of funds. An equivalent amount is transferred from retained earnings to the relevant reserve until the funds are expended. Unspent non-reciprocal capital grants are placed in the Constrained grants and subsidy contributions reserve.

Council has not spent all recurrent grants in the year received and therefore Council has established a reserve for this purpose.

(i) Recurrent

<table>
<thead>
<tr>
<th>Purpose</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>General purpose grants</td>
<td>7,187,358</td>
<td>4,739,876</td>
</tr>
<tr>
<td>State Government subsidies &amp; grants</td>
<td>861,445</td>
<td>653,764</td>
</tr>
<tr>
<td>State Government grant for food damage</td>
<td>7,139,525</td>
<td>928,505</td>
</tr>
</tbody>
</table>

Contributions: 41,320 382,003

Total recurrent revenue: 15,229,848 6,704,142

Developers also pay infrastructure charges for trunk infrastructure, such as pumping stations, treatment works, mains, sewers and water pollution control works. These infrastructure charges are not within the scope of AASB Interpretation 18 because there is no performance obligation associated with them. Consequently, the infrastructure charges are recognised as income when received.

(ii) Capital

(a) Monetary revenue designated for capital funding purposes:

| Commonwealth government grants | 2,620,813 | 2,892,749 |
| State Government subsidies & grants | 5,035,156 | 3,220,452 |

Contributions: 1,715,380 1,870,186

Total capital revenue: 9,371,149 7,883,387

Physical assets contributed to Council by developers in the form of road works, stormwater, water and wastewater infrastructure and park equipment are recognised as revenue when the development becomes "on maintenance" (i.e. the Council obtains control of the assets and becomes liable for any ongoing maintenance) and there is sufficient data in the form of drawings and plans to determine the approximate specifications and values of such assets.

All non-cash contributions are recognised at the fair value of the contribution received on the date of acquisition.

(b) Non-monetary revenue received is analysed as follows:

<table>
<thead>
<tr>
<th>Developer assets contributed by developers at fair value</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>948,041</td>
<td>2,184,196</td>
</tr>
</tbody>
</table>

Total capital revenue: 10,319,190 10,167,583

(iii) Conditions over contributions

Non-reciprocal grants and contributions which were recognised as revenues during the reporting period and which were expended during the current reporting period:

| Non-reciprocal grants for infrastructure and services funding | 6,318,189  | 176,203     |
| Non-reciprocal grants for infrastructure and services funding | 1,715,380  | 1,870,186   |

Total 8,033,569 2,046,309

Non-reciprocal grants and contributions which were recognised as revenues during a previous reporting period and were expended during the current reporting period:

| Non-reciprocal grants for infrastructure and services funding | 191,093  | 954,488     |

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

Whitsunday Regional Council

5 Gain (loss) on the disposal of capital assets

(a) Non-current assets classified as held for sale proceeds

<table>
<thead>
<tr>
<th>Note</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

Proceeds: 539,964 152,853

Less: Book value of plant and equipment sold

<table>
<thead>
<tr>
<th>Note</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

Proceeds (375,527) 39,557

Total gain (loss) on the disposal of capital assets

<table>
<thead>
<tr>
<th>Note</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

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

Whitsunday Regional Council

6 Employee benefits

<table>
<thead>
<tr>
<th>Note</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

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

Whitsunday Regional Council

7 Materials and services

<table>
<thead>
<tr>
<th>Note</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

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

Whitsunday Regional Council

8 Note 1.20

<table>
<thead>
<tr>
<th>Note</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

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

Whitsunday Regional Council
Notes to the financial statements
For the year ended 30 June 2017

8 Finance costs

<table>
<thead>
<tr>
<th>Note</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Finance costs charged by the Queensland Treasury Corporation</td>
<td>2,886,307</td>
<td>4,003,352</td>
</tr>
<tr>
<td>Banks charges</td>
<td>332,270</td>
<td>302,688</td>
</tr>
<tr>
<td>Impairment of receivables and bad debts written off</td>
<td>169,163</td>
<td>600,801</td>
</tr>
<tr>
<td>Quarry rehabilitation - change in present value</td>
<td>12,528</td>
<td>13,199</td>
</tr>
<tr>
<td></td>
<td>3,419,284</td>
<td>4,920,040</td>
</tr>
</tbody>
</table>

9 Capital expenses

Loss on sale of capital assets | 5 | 375,527 | 41,443 |
Loss on write-off of capital assets | 15 | 10,061,246 | 4,072,277 |
Revaluation down of investment properties | 14 | 120,000 | 480,000 |
Increase in Rehabilitation provision for future costs, on land not controlled by Council, due to a change in discount rate | - | - | 22,520 |
Revaluation down of property, plant and equipment | 15 | 9,574,244 | - |
Total capital expenses | 20,151,017 | 4,616,240 |

10 Cash and cash equivalents

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

Cash at bank and on hand | 524,173 | 396,825 |
Deposits at call | 49,652,423 | 43,280,411 |
Balance per Statement of Cash Flows | 50,176,596 | 46,619,236 |

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

- Externally imposed expenditure restrictions at the reporting date relate to the following assets:
  - Restricted government grants and subsidies | 3,694,476 | 120,142 |
  - Restricted developer contributions | 11,103,926 | 9,388,547 |
- Internally imposed expenditure restrictions at the reporting date relate to the following assets:
  - Funds set aside by council and held in reserves for future projects | 34,605,400 | 28,599,616 |
Total unused restricted cash | 49,403,802 | 38,108,305 |

Cash and deposits at call are held in the Westpac Bank and Queensland Treasury Corporation in a normal term deposits and Business cheque accounts. The bank currently has a short term credit rating of A1+ and long term rating of AA-.

Trust funds

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

11 Trade and other 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.

All known bad debts were written-off at 30 June. Because Council is empowered under the provisions of the Local Government Act 2009 to sell an owner’s property to recover outstanding rate debts, Council does not impair any rate receivables.

Loans and advances are recognised in the same way as other receivables. Terms are usually a maximum of five years with interest charged at negotiated rates. Security is not normally obtained.

(a) Current

- Rateable revenue | 9,464,037 | 9,579,630 |
- GST recoverable | 407,151 | 589,603 |
- Other debeters | 6,874,570 | 4,350,947 |
- Less: Impairment | (234,961) | (692,556) | 16,510,797 | 13,827,624 |

(b) Non-current

- Prepayments | 649,975 | 216,623 |
- Loans and advances to community organisations | 6,875 | 6,875 |
- 17,167,647 | 14,651,122 |

- Impairment adjustment in period | (457,595) | 378,677 |
- Opening balance | 692,556 | 313,879 |
- Closing balance | 692,556 | 313,879 |

Interest is charged on outstanding rates at a rate of 11% per annum. No interest is charged on other debeters. There is no concentration of credit risk for rates and utility charges, fees and other debeters receivable.

Loans relate to advances made to various sporting bodies. These loans arise from time to time and are subject to negotiated interest rates. The credit risk on these loans is considered low.

Movement in accumulated impairment losses (trade and other receivables) is as follows:

- Opening balance | 692,556 | 313,879 |
- Impairment adjustment in period | (457,595) | 378,677 |
- Closing balance | 692,556 | 313,879 |

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

<table>
<thead>
<tr>
<th>Ageing</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-30 days</td>
<td>8,845,657</td>
<td>6,703,898</td>
</tr>
<tr>
<td>Past due 31-60 days</td>
<td>116,232</td>
<td>323,858</td>
</tr>
<tr>
<td>Past due 61-90 days</td>
<td>1,223</td>
<td>1,338</td>
</tr>
<tr>
<td>More than 90 days</td>
<td>7,798,115</td>
<td>7,513,430</td>
</tr>
<tr>
<td>Total</td>
<td>(457,595)</td>
<td>(378,677)</td>
</tr>
<tr>
<td>Impairment total</td>
<td>16,526,266</td>
<td>13,849,968</td>
</tr>
</tbody>
</table>

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.

All known bad debts were written-off at 30 June. Because Council is empowered under the provisions of the Local Government Act 2009 to sell an owner’s property to recover outstanding rate debts, Council does not impair any rate receivables.

Loans and advances are recognised in the same way as other receivables. Terms are usually a maximum of five years with interest charged at negotiated rates. Security is not normally obtained.

(a) Current

- Rateable revenue | 9,464,037 | 9,579,630 |
- GST recoverable | 407,151 | 589,603 |
- Other debeters | 6,874,570 | 4,350,947 |
- Less: Impairment | (234,961) | (692,556) | 16,510,797 | 13,827,624 |

(b) Non-current

- Prepayments | 649,975 | 216,623 |
- Loans and advances to community organisations | 6,875 | 6,875 |
- 17,167,647 | 14,651,122 |

- Impairment adjustment in period | (457,595) | 378,677 |
- Opening balance | 692,556 | 313,879 |
- Closing balance | 692,556 | 313,879 |

Interest is charged on outstanding rates at a rate of 11% per annum. No interest is charged on other debeters. There is no concentration of credit risk for rates and utility charges, fees and other debeters receivable.

Loans relate to advances made to various sporting bodies. These loans arise from time to time and are subject to negotiated interest rates. The credit risk on these loans is considered low.

Movement in accumulated impairment losses (trade and other receivables) is as follows:

- Opening balance | 692,556 | 313,879 |
- Impairment adjustment in period | (457,595) | 378,677 |
- Closing balance | 692,556 | 313,879 |

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

<table>
<thead>
<tr>
<th>Ageing</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-30 days</td>
<td>8,845,657</td>
<td>6,703,898</td>
</tr>
<tr>
<td>Past due 31-60 days</td>
<td>116,232</td>
<td>323,858</td>
</tr>
<tr>
<td>Past due 61-90 days</td>
<td>1,223</td>
<td>1,338</td>
</tr>
<tr>
<td>More than 90 days</td>
<td>7,798,115</td>
<td>7,513,430</td>
</tr>
<tr>
<td>Total</td>
<td>(457,595)</td>
<td>(378,677)</td>
</tr>
<tr>
<td>Impairment total</td>
<td>16,526,266</td>
<td>13,849,968</td>
</tr>
</tbody>
</table>
Notes to the financial statements  
For the year ended 30 June 2017

12 Inventories
Inventories held for distribution (internal consumption) are:
• goods to be supplied at no, or nominal, charge, and
• goods to be used for the provision of services at no or nominal, charge.
Inventory held for distribution is valued at cost, adjusted, when applicable, for any loss of service potential.
Land acquired by Council with the intention of reselling it (with or without further development) is classified as inventory. This land is valued at the lower of cost or net realisable value. As an inventory item, this land held for resale is treated as a current asset. Proceeds from the sale of this land will be recognised as sales revenue on the signing of a valid unconditional contract of sale.

<table>
<thead>
<tr>
<th>Note</th>
<th>2017</th>
<th>2016</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
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<tr>
<td>12</td>
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<tr>
<td>Inventories for internal use</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quarry and road materials</td>
<td>581,906</td>
<td>573,315</td>
</tr>
<tr>
<td>Stores and materials</td>
<td>445,185</td>
<td>363,558</td>
</tr>
<tr>
<td></td>
<td>1,027,091</td>
<td>936,873</td>
</tr>
<tr>
<td>Land purchased for development and sale</td>
<td>0.00</td>
<td>0.00</td>
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<tr>
<td>Closing Balance</td>
<td>588,677</td>
<td>588,677</td>
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<tr>
<td></td>
<td>1,615,768</td>
<td>1,525,550</td>
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</tbody>
</table>

13 Non-current assets classified as held for sale

Items of property, plant and equipment are reclassified as non-current assets held for sale when the carrying amount of these assets will be recovered principally through a sales transaction rather than continuing use. Non-current assets classified as held for sale are available for immediate sale in their present condition and management believe the sale is highly probable. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less cost to sell and are not depreciated. On the eventual sale of these assets a gain or loss is recognised.

Where Council determines that a sale is no longer highly probable, the asset is transferred to property plant and equipment.

Opening balance at valuation | 6,967,873 | 7,123,873 |
Internal transfer to land and improvements | (6,967,873) | - |
Disposal - value of asset sold | (156,000) | - |
Closing Balance | - | 6,967,873 |
### Notes to the financial statements

#### For the year ended 30 June 2017

#### 15 Property, plant and equipment

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<tbody>
<tr>
<td><strong>Asset Values</strong></td>
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<tr>
<td>Opening gross value as at 1 July 2016</td>
<td>36,923,323</td>
<td>36,842,623</td>
<td>36,923,323</td>
<td>36,842,623</td>
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<td>Additions to cost</td>
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<tr>
<td>Transfer from Land held for sale</td>
<td>5,743,136</td>
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<tr>
<td>Closing gross value as at 30 June 2017</td>
<td>44,796,462</td>
<td>44,762,559</td>
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#### Accumulated depreciation and impairment

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<tbody>
<tr>
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<td>15,260</td>
<td>16,684</td>
<td>15,260</td>
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<tr>
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<td>1,245</td>
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<td>Depreciation on write-offs</td>
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<tr>
<td>Revision adjustment to other comprehensive income (net of the ARS*)</td>
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<tr>
<td>Closing gross value as at 30 June 2017</td>
<td>16,930</td>
<td>16,331</td>
<td>16,930</td>
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#### Total written down value as at 30 June 2017

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<tr>
<td>Closing gross value as at 30 June 2017</td>
<td>42,666,459</td>
<td>42,585,759</td>
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#### Notes to the financial statements

#### For the year ended 30 June 2015

#### 15 Property, plant and equipment - prior year

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</thead>
<tbody>
<tr>
<td>Depreciation provided in period</td>
<td>1,213</td>
<td>1,026</td>
<td>1,213</td>
<td>1,026</td>
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<tr>
<td>Contributed assets at valuation</td>
<td>5,743,136</td>
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#### Total written down value as at 30 June 2016

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</thead>
<tbody>
<tr>
<td>Opening balance as at 1 July 2015</td>
<td>36,923,323</td>
<td>35,020,055</td>
<td>36,923,323</td>
<td>35,020,055</td>
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<td>Additions to cost</td>
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<tr>
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</table>

#### Notes to the financial statements

#### For the year ended 30 June 2014

#### 15 Property, plant and equipment - prior year

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Opening balance as at 1 July 2014</td>
<td>36,842,623</td>
<td>34,910,088</td>
<td>36,842,623</td>
<td>34,910,088</td>
<td></td>
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<td></td>
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<tr>
<td>Depreciation provided in period</td>
<td>1,065</td>
<td>875</td>
<td>1,065</td>
<td>875</td>
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<tr>
<td>Depreciation on write-offs</td>
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<td></td>
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</tr>
<tr>
<td>Contributed assets at valuation</td>
<td>5,743,136</td>
<td>5,743,136</td>
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<td>Transfer from Land held for sale</td>
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<tr>
<td>Closing gross value as at 30 June 2015</td>
<td>42,585,759</td>
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#### Total written down value as at 30 June 2015

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<tbody>
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<td>Additions to cost</td>
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</tbody>
</table>

#### Notes to the financial statements

#### For the year ended 30 June 2013

#### 15 Property, plant and equipment - prior year

<table>
<thead>
<tr>
<th>Basis of measurement</th>
<th>2014</th>
<th>2013</th>
<th>Value</th>
<th>2014</th>
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<td>33,010,088</td>
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<td>Depreciation provided in period</td>
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<tr>
<td>Contributed assets at valuation</td>
<td>5,743,136</td>
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<td>Transfer from Land held for sale</td>
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<td>Closing gross value as at 30 June 2014</td>
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#### Total written down value as at 30 June 2014

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<tr>
<td>Opening balance as at 1 July 2013</td>
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</table>
15 Property, plant and equipment

(a) Recognition
Each class of property, plant and equipment is stated at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment loss. Items of plant and equipment with a total value of less than $7,500, and infrastructure assets and buildings with a total value of less than $10,000 are treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised.

Expenditure necessarily incurred in either maintaining the operational capacity of assets or ensuring that their original life estimates are achieved, is considered maintenance and is treated as an expense as incurred. Pre-feasibility project costs (which may involve research and development) are also treated as an expense in the year they are incurred.

Expenditure incurred in accordance with Natural Disaster Relief and Recovery arrangements, on road assets is analysed to determine whether the expenditure is capital in nature or not. The analysis of the expenditure requires Council engineers reviewing the nature and extent of expenditure on a given asset. For example, expenditure that patches a road is generally maintenance in nature, whereas a kerb to kerb rebuild is treated as capital. Material expenditure that extends the useful life or renews the service potential of the asset is capitalised.

(b) Measurement
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 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.

Capital and operating expenditure
Direct labour and materials and an appropriate proportion of overheads expenditure incurred in the purchase or construction of assets is capitalised to the appropriate property, plant and equipment asset class.

(c) 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.

(d) Depreciation
Land, Road Formation and Earthworks are not depreciated as they have an unlimited useful life. Depreciation on other property, plant and equipment assets is calculated on a straight-line basis so as to write-off the net cost or revalued amount of each depreciable asset, progressively over its estimated useful life to the Council. Management believes 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.

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

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

15 Property, plant and equipment (continued)

(i) Impairment of non-current assets
Each non-current physical and intangible asset and group of assets is assessed for indicators of impairment annually.

(g) Valuation
(1) Valuation Processes
Council’s valuation policies and procedures are set by the Council, based on advice of the Executive Management Team which comprises the Chief Executive Officer, Chief Finance Officer, Director of Corporate Services, Senior Management Accountant and Asset Management Coordinator. They are reviewed annually taking into consideration an analysis of movements in fair value and other relevant information.

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

Non-current physical assets measured at fair value are revalued, where required, so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This is achieved by engaging independent, professionally qualified valuers to determine the fair value for each class of property, plant and equipment assets at least once every five years.

This process involves the valuer physically sighted a representative sample of Council assets across all asset classes and making their own assessments of the condition of the assets at the date of inspection.

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

An analysis performed by management has indicated that, on average, the variance between an indexed asset value and the valuation by an independent valuer when performed is not significant and the indices used by Council are sound. 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 depreciation 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 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.

Recognised fair value measurements
- Council measures and recognises the following assets at fair value on a recurring basis
  - Investment properties
  - Property, plant and equipment
    - Land
    - Buildings and Other Structures
    - Transport Infrastructure
    - Sewerage
  - Water
  - Sewerage

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

Council also has assets measured at fair value on a non-recurring basis as a result of being reclassified as assets held for sale. These comprise land previously developed for sale and are disclosed in note 13. A description of the valuation techniques and the inputs used to determine the fair value of this land is included below under the heading “Land (Level 3).”

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 or liability (level 3)

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

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

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

15 Property, plant and equipment (continued)
The table presents the Council's assets and liabilities measured and recognised at fair value at 30 June 2017.

<table>
<thead>
<tr>
<th>Note</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Significant other observable inputs (inputs)</td>
<td>Significant other unobservable inputs (inputs)</td>
<td>Significant unobservable inputs (inputs)</td>
</tr>
<tr>
<td>15</td>
<td>Total</td>
<td>Total</td>
<td>Total</td>
</tr>
<tr>
<td>15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recurring fair value measurements</td>
<td>14</td>
<td>14</td>
<td>14</td>
</tr>
<tr>
<td>- Investment property - Land and Buildings</td>
<td>1,680,000</td>
<td>1,680,000</td>
<td>-</td>
</tr>
<tr>
<td>- Land and Improvements</td>
<td>44,776,533</td>
<td>36,904,639</td>
<td>-</td>
</tr>
<tr>
<td>- Buildings and Other Structures</td>
<td>3,030,286</td>
<td>583,322,673</td>
<td>70,970,356</td>
</tr>
<tr>
<td>- Transport Infrastructure</td>
<td>155,391,219</td>
<td>155,391,219</td>
<td>-</td>
</tr>
<tr>
<td>- Water</td>
<td>155,391,219</td>
<td>155,391,219</td>
<td>-</td>
</tr>
<tr>
<td>- Sewerage</td>
<td>155,391,219</td>
<td>155,391,219</td>
<td>-</td>
</tr>
<tr>
<td>Non-recurring fair value measurements</td>
<td>13</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>- Non-current assets classified as held for sale</td>
<td>6,967,673</td>
<td>6,967,673</td>
<td>6,967,673</td>
</tr>
</tbody>
</table>

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

(ii) Specific valuation techniques used to value Council assets comprise:

Investment Property

- Investment property - Land and Buildings (level 2) is based on comparable properties in the local market.
- Land and Improvements (level 3) is based on comparable properties in the local market.
- Buildings and Other Structures (level 3) is based on comparable properties in the local market.
- Transport Infrastructure (level 3) is based on comparable properties in the local market.
- Water (level 3) is based on comparable properties in the local market.
- Sewerage (level 3) is based on comparable properties in the local market.

In determining the level of accumulated depreciation the asset has been disaggregated into significant components with different useful lives. Allowance has been made for the typical asset life cycle and renewal treatments of each component, at the time of the asset is considered to be no longer available for use and the condition of the asset. A condition assessment is applied, which is based on factors such as the age of the asset, overall condition as noted by the Valuer during inspection, economic and functional obsolescence. While the unit rates based on square metres can be supported by market evidence (level 2), 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.

Investment Property - Land and Buildings

- Valuation of Land and Buildings was determined using methods relevant to the asset class as described under individual asset categories below.
- The valuation of Land and Buildings was determined using capitalized income stream approach, adjusted for comparables and adjusted for differences in key attributes such as property size (level 2).
- The valuation of Land and Buildings was determined using capitalized income stream approach, adjusted for comparables and adjusted for differences in key attributes such as property size (level 3).
- The valuation of Land and Buildings was determined using capitalized income stream approach, adjusted for comparables and adjusted for differences in key attributes such as property size (level 3).
- As per Council policy, Assetic was engaged to provide Valuation Indices for period 1 July 2016 to 30 June 2017 to determine if a revaluation is required if a revaluation is required in the interim period between comprehensive valuations and whether the indices are material for recognition of a change in Fair Value. As indexation is reviewed year to year, Assetic used LGAQ CCI 2017 to establish a increase of 1.74% (2016) and 1.9% (2017). Council's Asset Accounting Policy establishes a material difference for changes in fair value as 10% of the relevant asset class.

The impact of the indices on infrastructure assets was considered to be not material to change the replacement cost of the infrastructure assets as at 30 June 2017.

Specific valuation techniques used to value Council infrastructure assets

Roads

- Current replacement cost
- Council categorises its road infrastructure into sealed and unsealed roads. Sealed roads and Unsealed roads are managed in segments. All road segments are then compartmentalised into formation, base, sub-base and surface (where applicable).
- Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment.
- As per Council policy, Assetic was engaged to provide Valuation Indices for period 1 July 2016 to 30 June 2017 to determine if a revaluation is required in the interim period between comprehensive valuations and whether the indices are material for recognition of a change in Fair Value. As indexation is reviewed year to year, Assetic used LGAQ CCI 2017 to establish a increase of 1.74% (2016) and 1.9% (2017). Council's Asset Accounting Policy establishes a material difference for changes in fair value as 10% of the relevant asset class.

The impact of the indices on road assets replacement value was a 3.64% increase and therefore considered to be not material to change the replacement cost of the roads assets class as at 30 June 2017.

As per Council policy, Assetic was engaged to provide Valuation Indices for period 1 July 2016 to 30 June 2017 to determine if a revaluation is required in the interim period between comprehensive valuations and whether the indices are material for recognition of a change in Fair Value. As indexation is reviewed year to year, Assetic used LGAQ CCI 2017 to establish a increase of 1.74% (2016) and 1.9% (2017). Council's Asset Accounting Policy establishes a material difference for changes in fair value as 10% of the relevant asset class.

Remaining useful lives were determined by the Valuer taking into consideration the visual condition, construction date, remaining useful lives of Council roads has occurred.

Accumulated depreciation

- In determining the level of accumulated depreciation, roads were disaggregated into significant components which exhibited different useful lives, that are applicable as observed for roads in this region of Queensland.
The last full valuation of bridge infrastructure was undertaken by Assetic Valuers Pty Ltd effective 30 June 2015. CRC was calculated by reference to asset linear and area specifications, estimated labour and material inputs, services costs, and overhead allocations. For internal construction estimates, material and services prices were based on existing supplier contract rates or supplier price lists and labour wage rates were based on Council’s Enterprise Bargaining Agreement (EBA). All direct costs were allocated to assets at standard usage quantities according to recently completed similar projects. Where construction is outsourced, CRC was based on the average of completed similar projects over the last few years.

As per Council policy, Assetic was engaged to provide Valuation Indices for period 1 July 2016 to 30 June 2017 to determine if a revaluation is required in the interim period between comprehensive valuations and whether the indices are material for recognition of a change in Fair Value. As indication is reviewed year to year, Assetic used LGAQ CCI 2017 to establish an increase of 1.74% (2016) and 1.9% (2017). Council’s Asset Accounting Policy establishes a material difference for changes in fair value as 10% of the relevant asset class.

The impact of the indices on bridge assets replacement value was a 3.64% increase and therefore considered to be not material to change the replacement cost of the bridge assets class as at 30 June 2017.

Accumulated depreciation
In determining the level of accumulated depreciation, remaining useful lives were determined based on condition assessments. The condition assessments were made using an eleven point scale with zero being the lowest and ten the highest. A zero condition assessment indicates an asset with an extremely high level of remaining service potential and ten represents an asset at the end of life.

Remaining useful lives were determined by the Valuer taking into consideration the visual condition, construction date, evidence of recent repairs or capital works and the surrounding environmental factors.

Drainage
Current replacement cost
The last full valuation of drainage infrastructure was undertaken by Assetic Valuers Pty Ltd effective 30 June 2015. Council also engaged Whitsunday Surveys to capture a full register of all drainage assets during the 2015/16 financial year. APV Valuers conducted a desktop revaluation using the new drainage register, effective as at 1 July 2015. CRC was calculated by reference to asset linear and area specifications, estimated labour and material inputs, services costs, and overhead allocations. For internal construction estimates, material and services prices were based on existing supplier contract rates or supplier price lists and labour wage rates were based on Council’s Enterprise Bargaining Agreement (EBA). All direct costs were allocated to assets at standard usage quantities according to recently completed similar projects. Where construction is outsourced, CRC was based on the average of completed similar projects over the last few years.

As per Council policy, Assetic was engaged to provide Valuation Indices for period 1 July 2016 to 30 June 2017 to determine if a revaluation is required in the interim period between comprehensive valuations and whether the indices are material for recognition of a change in Fair Value. As indication is reviewed year to year, Assetic used LGAQ CCI 2017 to establish an increase of 1.74% (2016) and 1.9% (2017). Council’s Asset Accounting Policy establishes a material difference for changes in fair value as 10% of the relevant asset class.

The impact of the indices on drainage assets replacement value was a 3.64% increase and therefore considered to be not material to change the replacement cost of the drainage assets class as at 30 June 2017.

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

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

Estimates of expired service potential and remaining useful lives were determined on a straight line basis based on industry standard practices and past experience, supported by maintenance programs.
Notes to the financial statements
For the year ended 30 June 2017

16 Trade and other 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.

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.

A liability for annual leave is recognised. Amounts expected to be settled within 12 months are calculated on current wage and salary levels and includes related employee on-costs. Amounts not expected to be settled within 12 months are calculated on projected future wage and salary levels and related employee on-costs, and are discounted to present values.

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

Current
- Creditors and accounts $7,084,370 $5,782,272
- Employee related accruals $1,144,709 $876,876
- Annual leave $3,325,089 $3,000,531
- Other entitlements $255,985 $146,696

Total $11,760,143 $9,505,469

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

Where employees have 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.

Quarry rehabilitation

A provision is made for the cost of restoration in respect of the quarry where it is probable the Council will be liable, or required, to incur such a cost on the cessation of use of this facility. The provision is measured at the expected cost of the work required, discounted to current day values using the interest rates attaching to Commonwealth Government guaranteed securities with a maturity date corresponding to the anticipated date of the restoration.

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

Management estimates that the restoration will occur in 2042.

Current
- Long service leave $3,096,950 $2,886,854
- Non-CURRENT
  - Long service leave $1,333,683 $1,522,314
  - Quarry rehabilitation $442,375 $453,700

Total $5,873,008 $5,863,268

18 Borrowings
Borrowings are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these liabilities are measured at amortised cost.

In accordance with the Local Government Regulation 2017 council adopts an annual debt policy that sets out council’s planned borrowings for the next nine years. Council’s current policy is to only borrow for capital projects and for a term no longer than the expected life of the asset. Council also aims to comply with the Queensland Treasury Corporation’s borrowing guidelines and ensure that sustainability indicators remain within acceptable levels at all times.

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

Current
- Queensland Treasury Corporation $2,683,491 $2,556,128
- Non Current
  - Queensland Treasury Corporation $48,820,900 $51,386,840

Non Current
- Queensland Treasury Corporation $51,504,391 $53,942,968

movements in borrowings

- Queensland Treasury Corporation $53,942,968 $61,902,276
- Principal repayments $1,964,677 $7,459,326
- Balance at end of financial year $48,820,900 $51,386,840

The QTc loan market value at the reporting date was $59,405,995.84.

This represents the value of the debt if Council repaid it at that date. As it is the intention of Council to hold the debt for its term, no provision is required to be made in these accounts.

No assets have been pledged as security by the council for any liabilities.

Unsecured borrowings are provided by the Queensland Treasury Corporation.

No interest has been capitalised during the current or comparative reporting period.

Expected final repayment dates vary from 15 June 2026 to 15 June 2032.

There have been no defaults or breaches of the loan agreement during the period.

Principal and interest repayments are made quarterly in arrears.

Details of movements in provisions:

<table>
<thead>
<tr>
<th>Description</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long service leave</td>
<td>$4,409,166</td>
<td>$4,057,730</td>
</tr>
<tr>
<td>Amount provided for in the period</td>
<td>$352,416</td>
<td>$748,148</td>
</tr>
<tr>
<td>Amount paid in the period</td>
<td>($349,951)</td>
<td>($386,773)</td>
</tr>
<tr>
<td>Balance at end of financial year</td>
<td>$4,409,166</td>
<td>$4,057,730</td>
</tr>
<tr>
<td>Quarry rehabilitation</td>
<td>$483,700</td>
<td>$351,975</td>
</tr>
<tr>
<td>Increase in provision - due to change in time</td>
<td>$12,526</td>
<td>$13,199</td>
</tr>
<tr>
<td>Increase (decrease) in provision - change in discount rate</td>
<td>($33,853)</td>
<td>$118,526</td>
</tr>
<tr>
<td>Balance at end of financial year</td>
<td>$450,375</td>
<td>$460,700</td>
</tr>
</tbody>
</table>

This is the present value of the estimated cost of restoring the Foxdale Quarry site to a usable state at the end of its useful life. The projected cost is $935,952 and this cost is expected to be incurred in 2042.
Notes to the financial statements
For the year ended 30 June 2017

19 Asset revaluation surplus

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

Increases and decreases on revaluation are offset within a class of assets.

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

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

Movements in the Asset Revaluation Surplus were as follows:

<table>
<thead>
<tr>
<th>Note</th>
<th>2017 ($)</th>
<th>2016 ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at the beginning of financial year</td>
<td>387,375,396</td>
<td>415,927,297</td>
</tr>
<tr>
<td>Adjustments to property, plant and equipment through revaluations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transport Infrastructure</td>
<td>15,273,548</td>
<td>28,446,956</td>
</tr>
<tr>
<td>Water</td>
<td>26,415,065</td>
<td>2,829</td>
</tr>
<tr>
<td>Sewerage</td>
<td>644,093</td>
<td>6,110</td>
</tr>
<tr>
<td>Change in value of future rehabilitation costs credited (charged) to the surplus</td>
<td>43,621</td>
<td>96,006</td>
</tr>
<tr>
<td></td>
<td>(29,729,115)</td>
<td>(28,551,901)</td>
</tr>
<tr>
<td>Balance at end of financial year</td>
<td>358,646,281</td>
<td>387,375,396</td>
</tr>
</tbody>
</table>

Asset revaluation surplus analysis

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

<table>
<thead>
<tr>
<th>Note</th>
<th>2017 ($)</th>
<th>2016 ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land and Improvements</td>
<td>8,019,334</td>
<td>7,975,713</td>
</tr>
<tr>
<td>Transport Infrastructure</td>
<td>271,293,701</td>
<td>274,907,290</td>
</tr>
<tr>
<td>Water</td>
<td>22,583,540</td>
<td>47,998,635</td>
</tr>
<tr>
<td>Sewerage</td>
<td>56,745,708</td>
<td>57,395,799</td>
</tr>
<tr>
<td></td>
<td>358,646,281</td>
<td>387,375,396</td>
</tr>
</tbody>
</table>

20 Commitments for expenditure

Operating leases

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

- Within one year: 235,270
- Later than 1 year but not later than 5 years: 27,887
- Later than 5 years: 1,789,923

An operating lease has been entered into for the Cannonvale Library expiring 17 September 2018.

Contractual commitments

Contractual commitments at balance date but not recognised in the financial statements are as follows:

- Management and operation - Bowen landfill - expires January 2018: 249,677
- Refuse collection - Bowen and Whitsunday - expires June 2021: 10,772,564
- Kelsey Creek Landfill - expires January 2018: 317,325
- Waste water - operating and maintenance - expires May 2019: 3,933,505
- Apprenticeship program - expires June 2019: 892,128
- Other contractual commitments - expiring between 2017 and 2020: 17,355,122

Accumulated surplus: 17,355,122

21 Events after reporting period

There were no material adjusting or disclosing events after balance date.

22 Contingent liabilities

Details and estimates of maximum amounts of contingencies are as follows:

Local Government Workcare

The Whitsunday Regional Council is a member of the Queensland local government workers compensation self-insurance scheme, Local Government Workcare. Under this scheme the Council has provided a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled and there was insufficient funds available to cover outstanding liabilities. Only the Queensland Government’s workers compensation authority may call on any part of the guarantee should the above circumstances arise.

The Council’s maximum exposure to the bank guarantee is: 698,910

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. At 30 June 2017 the Financial Statements reported an accumulated surplus and it is not anticipated any liability will arise.

Accumulated surplus: 60,234,042
23 Superannuation

The Council contributes to the Local Government Superannuation Scheme (QLG) (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 (CDBG) which covers former members of the City Super Defined Benefits Fund
- The Regional Defined Benefits Fund (Regional DBF) which covers defined benefit fund members working for regional local governments; and
- The Accumulation Benefits Fund (ABF).

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

Council does not have any employees who are members of the City Defined Benefit Fund 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 employee contributions which remain at 12% of employee assets and there are no known requirements to change the rate of contributions.

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

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

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

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

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

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

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

24 Reconciliation of net result for the year to net cash inflow (outflow) from operating activities

<table>
<thead>
<tr>
<th>Note</th>
<th>2017 $</th>
<th>2016 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>24</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net result</td>
<td>(8,740,858)</td>
<td>9,663,722</td>
</tr>
<tr>
<td>Non-cash operating items</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impairment of receivables and bad debts written off</td>
<td>169,563</td>
<td>600,801</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>22,924,794</td>
<td>23,374,154</td>
</tr>
<tr>
<td>Change in restoration provisions expensed to finance costs</td>
<td>12,328</td>
<td>13,199</td>
</tr>
<tr>
<td>Investing and development activities</td>
<td>23,106,485</td>
<td>23,088,154</td>
</tr>
<tr>
<td>Capital grants, subsidies and contributions</td>
<td>(10,319,190)</td>
<td>(10,167,583)</td>
</tr>
<tr>
<td>Capital income</td>
<td>(10,232)</td>
<td></td>
</tr>
<tr>
<td>Capital expenses</td>
<td>20,151,017</td>
<td>4,616,240</td>
</tr>
<tr>
<td>Changes in operating assets and liabilities</td>
<td>9,821,595</td>
<td>(5,551,343)</td>
</tr>
<tr>
<td>(Increase) decrease in receivables</td>
<td>(2,852,336)</td>
<td>(191,875)</td>
</tr>
<tr>
<td>(Increase) decrease in inventories (excluding land)</td>
<td>(90,218)</td>
<td>18,160</td>
</tr>
<tr>
<td>Increase (decrease) in payables</td>
<td>1,520,423</td>
<td>429,532</td>
</tr>
<tr>
<td>Increase (decrease) in provisions</td>
<td>21,467</td>
<td>351,438</td>
</tr>
<tr>
<td></td>
<td>(1,900,864)</td>
<td>669,286</td>
</tr>
<tr>
<td>Net cash inflow from operating activities</td>
<td>22,786,558</td>
<td>28,703,788</td>
</tr>
</tbody>
</table>

25 Reserves

Reserves held for funding future capital expenditure

Unspent loan cash reserve

The amounts reported in this reserve at balance date correspond to the amount of cash (reported within cash and cash equivalents) which has been received in respect of approved loan funds from QTC that have been drawn down but not expended on the specific capital projects. As the funds are expended they are transferred to the council’s capital account. Refer note 10.

Constrained grants and subsidy contributions reserve

The amounts reported in this reserve at balance date correspond to the amount of cash (reported within cash and cash equivalents) which has been received in respect of capital works where the required capital works have not yet been carried out. Where non-reciprocal grants, subsidies and contributions are received for specific capital projects, amounts equivalent to the capital grants received are transferred from retained surplus to the constrained works reserve. When the grant monies are expended on the respective projects, an equivalent amount is transferred out of the constrained works reserve to retained surplus. The Council does not reallocate amounts in this reserve to any other reserve or for any other purpose.

Capital works reserve

This reserve has been established to set funds aside for future capital works projects within the Whitsunday region. From time to time Council will adopt a resolution to clarify the purposes of the funds held. This reserve also includes funds set aside for the sub-purpose of Cyclone Restoration. Reserve held for funding future recurrent expenditure

These reserves and represent funds that are accumulated within the Council to meet anticipated future recurrent or operating expenditure needs. In each case the amount relates to a perceived future requirement which is not currently a liability.

Operational Grants reserve

This reserve has been established to constrain unspent operating grant monies.

<table>
<thead>
<tr>
<th>Reserve Summary</th>
<th>2017 $</th>
<th>2016 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constrained grants and subsidy contributions reserve</td>
<td>14,798,402</td>
<td>9,508,685</td>
</tr>
<tr>
<td>Capital works reserve</td>
<td>31,722,356</td>
<td>28,509,967</td>
</tr>
<tr>
<td>Reserves held for funding future recurrent expenditure</td>
<td>20,151,017</td>
<td>4,616,240</td>
</tr>
<tr>
<td>Operational Grants reserve</td>
<td>21,467</td>
<td>351,438</td>
</tr>
<tr>
<td></td>
<td>49,403,802</td>
<td>66,569,338</td>
</tr>
</tbody>
</table>
Disclosures about business activities to which the Competitive Code of Conduct applies, must be made in the annual financial statements.

A “business activity” of a local government is any activity that involves trading in goods or services.

The code of competitive conduct (CCC) must be applied to the following business activities:

(a) A building certifying activity that
   (i) involves performing building certifying functions within the meaning of the Building Act, section 8; and
   (ii) is prescribed under a regulation*.

*Section 38 of the Local Government Regulation 2012 lists the local government’s activities which are prescribed building certifying activities.

(b) A roads activity, other than a roads activity for which business is conducted only through a sole supplier arrangement, that involves
   (i) the construction or maintenance of state controlled roads for which the local government submits an offer to carry out work in response to a tender invitation.
   (ii) construction or road maintenance on another local government’s roads which the local government has put out to tender.

Each local government may elect to apply a Code of Competitive Conduct (CCC) to any other identified business activities. However, for any with current expenditure of $325,000 or more, the local government must decide, by resolution each year, whether to apply the CCC to that activity.

In general, applying the competitive code of conduct means that the competitive neutrality principle is applied to the business activity.

Under the competitive neutrality principle, an entity that is conducting a business activity in competition with the private sector should not enjoy a net advantage over competitors only because the entity is in the public sector.

The competitive neutrality principle may be applied by commercialisation or full cost pricing. This includes removing any competitive advantage or disadvantage, where possible, and charging for goods and services at full cost.

In addition the cost of performing community service obligations, less any revenue received from carrying out those obligations, must be treated as revenue for the business activity.

A community service obligation is an obligation the local government imposes on a business activity that is not in its commercial interest. For example, giving a concession to pensioners.

A local government’s financial statements must contain an activity statement for each business activity to which the CCC applies.

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

- Whitsunday Coast Airport
- Foxdale Quarry
- Shute Harbour Transit Terminal
- Water Supply & Sewerage Services

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

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

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

<table>
<thead>
<tr>
<th>Activity</th>
<th>2017 Actual</th>
<th>2016 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whitsunday Coast Airport</td>
<td>5,110,400</td>
<td>2,009,882</td>
</tr>
<tr>
<td>Foxdale Quarry</td>
<td>2,661,467</td>
<td>155,839</td>
</tr>
<tr>
<td>Shute Harbour Transit Terminal</td>
<td>7,831,847</td>
<td>524,886</td>
</tr>
<tr>
<td>Water Supply &amp; Sewerage Services</td>
<td>3,463,813</td>
<td>600,134</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Activity</th>
<th>2016 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue for services provided to external clients</td>
<td>$2,009,882</td>
</tr>
<tr>
<td>Community service obligations</td>
<td>$524,886</td>
</tr>
<tr>
<td>Less: Expenditure</td>
<td>$1,485,006</td>
</tr>
<tr>
<td>Surplus (deficiency)</td>
<td>$27,120,696</td>
</tr>
</tbody>
</table>

* CSO’s provided to business activities during the period.

<table>
<thead>
<tr>
<th>Activity</th>
<th>2017 Actual</th>
<th>2016 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whitsunday Coast Airport Incentive Payments</td>
<td>$2,661,467</td>
<td>$2,661,467</td>
</tr>
<tr>
<td>Water Supply &amp; Sewerage Services Access &amp; Water consumption charges forgone</td>
<td>$3,463,813</td>
<td>$3,463,813</td>
</tr>
<tr>
<td>Shute Harbour Transit Terminal Use of Council’s transit facility at no or reduced charges</td>
<td>$1,050,134</td>
<td>$1,050,134</td>
</tr>
</tbody>
</table>

27 Controlled entities that have not been consolidated

On the 10th day of March 2016 Whitsunday Regional Council formed the Whitsunday Coast Airport and Infrastructure Pty Ltd (ACN 611 242 196) as a registered company under the Corporations Act 2001.

This company, being registered with the Australian Security and Investments Commission, is currently a dormant company.

The Company’s issued share capital is $10.

On the 27th day of June 2017 Whitsunday Regional Council formed the Collinsville Independent Living Company Pty Ltd (ACN 619 842 732) as a registered company under the Corporations Act 2001.

This company, being registered with the Australian Security and Investments Commission, is currently a dormant company.

The Company’s issued share capital is $100,000.
Notes to the financial statements
For the year ended 30 June 2017

<table>
<thead>
<tr>
<th>Note</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>28</td>
<td></td>
</tr>
<tr>
<td>(a)</td>
<td></td>
</tr>
<tr>
<td>River Improvement Trusts</td>
<td></td>
</tr>
<tr>
<td>Don River Improvement Trust</td>
<td>163,105</td>
</tr>
<tr>
<td>Whitsunday River Improvement Trust</td>
<td>163,105</td>
</tr>
<tr>
<td>Total</td>
<td>326,210</td>
</tr>
<tr>
<td>(b) Transactions with key management personnel (KMP)</td>
<td></td>
</tr>
<tr>
<td>Short-term employee benefits</td>
<td>1,989,546</td>
</tr>
<tr>
<td>Post-employment benefits</td>
<td>286,909</td>
</tr>
<tr>
<td>Long-term benefits</td>
<td>51,347</td>
</tr>
<tr>
<td>Termination Benefits</td>
<td>307,387</td>
</tr>
<tr>
<td>Total</td>
<td>2,635,189</td>
</tr>
</tbody>
</table>

Council have councillors as representative on both the Don River Improvement Trust and the Whitsunday River Improvement Trust. They are represented in the membership of the trusts pursuant to the River Improvement Act 1940. Precept is determined by the Trusts, based on the amount of revenue estimated by the trust in the their budget for the year.

Council have reviewed all other related parties transactions and found that there were no materially relevant amounts to report.

Most of the entities and people that are related parties of council live and operate within the Whitsunday Regional Council. Therefore, on a regular basis ordinary citizen transactions occur between Council and its related parties. Some examples include:
- Payment of rates
- Dog registration
- Borrowing books from a council library

The council employs 388 staff of which only 3 are close family members of key management personnel.

Detailed remuneration disclosures are provided in the annual report.

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

Management Certificate
For the year ended 30 June 2017

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

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

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

(ii) the general purpose financial statements, as set out on pages 1 to 32, 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
Andrew Willcox
Date: 13/09/2017

Chief Executive Officer
Barry Omnasson
Date: 13/09/2017
INDEPENDENT AUDITOR’S REPORT

To the Councillors of Whitsunday Regional Council


Opinion

I have audited the financial report of Whitsunday Regional Council.

In my opinion, the financial report:

a) gives a true and fair view of the council’s financial position as at 30 June 2017, and of its financial performance and cash flows for the year then ended

b) complies with the Local Government Act 2009, the Local Government Regulation 2012 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including significant accounting policies and other explanatory information, and the certificate given by the Mayor and Chief Executive Officer.

Basis for opinion

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

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

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

Other information

Other information comprises the information included in Whitsunday Regional Council’s annual report for the year ended 30 June 2017, but does not include the financial report and my auditor’s response thereon. At the date of this auditor’s report, the other information prepared and approved by the Councillors was the Current Year Financial Sustainability Statement and Long-Term Financial Sustainability Statement.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the Local Government Regulation 2012, I have expressed a separate opinion on the Current Year Financial Sustainability Statement.

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

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

Responsibilities of the council for the financial report

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

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

Auditor’s responsibilities for the audit of the financial report

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

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

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

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

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

- Conclude on the appropriateness of the council’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor’s report.

However, future events or conditions may cause the council to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
I communicate with the council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on other legal and regulatory requirements
In accordance with s.40 of the Auditor-General Act 2009, for the year ended 30 June 2017:

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

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

C G Strickland CA
as Delegate of the Auditor-General

Queensland Audit Office
Brisbane

Whitsunday Regional Council
Financial Statements
For the year ended 30 June 2017

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Current-year Financial Sustainability Statement
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Independent Auditor's Report
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Whitsunday Regional Council

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

Measures of Financial Sustainability:

(i) Operating surplus ratio
Operating surplus (Net result excluding all capital items) divided by total operating revenue (excludes capital revenue)

(ii) Asset sustainability ratio
Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.

(iii) Net financial liabilities ratio
Total liabilities less current assets divided by total operating revenue (excluding capital items).

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

<table>
<thead>
<tr>
<th>Operating surplus ratio</th>
<th>Asset sustainability ratio</th>
<th>Net financial liabilities ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>between 6% and 10%</td>
<td>greater than 90%</td>
<td>not greater than 8%</td>
</tr>
<tr>
<td>6.94%</td>
<td>78.77%</td>
<td>-0.72%</td>
</tr>
</tbody>
</table>

Note 1 - Basis of Preparation
The current year financial sustainability statement is a special purpose statement prepared in accordance with the requirements of the Local Government Regulation 2012 and the Financial Management (Sustainability) Guideline 2013. The amounts used to calculate the three reported measures are prepared on an accrual basis and are drawn from the Council’s audited general purpose financial statements for the year ended 30 June 2017.

Certificate of Accuracy
For the year ended 30 June 2017

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

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

Mayor
Andrew Willcox
Date: 13.09.2017

Chief Executive Officer
Barry Cameron
Date: 13.09.2017
Whitsunday Regional Council

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

Measures of Financial Sustainability

(i) Operating surplus ratio
   Operating surplus (Net result excluding all capital items) divided by total operating revenue (excludes capital revenue)
(ii) Asset sustainability ratio
   Capital expenditure on the replacement of assets (renovates) divided by depreciation expense.
(iii) Net financial liabilities ratio
   Total liabilities less current assets divided by total operating revenue

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

<table>
<thead>
<tr>
<th></th>
<th>Operating surplus ratio</th>
<th>Asset sustainability ratio</th>
<th>Net financial liabilities ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>between 0% and 10%</td>
<td>greater than 90%</td>
<td>not greater than 80%</td>
</tr>
<tr>
<td>Actuals as 30 June 17</td>
<td>0.94%</td>
<td>75.71%</td>
<td>-0.72%</td>
</tr>
<tr>
<td>Projected for the years ended</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>30 June 2018</td>
<td>0.94%</td>
<td>198.98%</td>
<td>35.06%</td>
</tr>
<tr>
<td>30 June 2019</td>
<td>0.97%</td>
<td>103.23%</td>
<td>43.91%</td>
</tr>
<tr>
<td>30 June 2020</td>
<td>0.45%</td>
<td>87.00%</td>
<td>38.28%</td>
</tr>
<tr>
<td>30 June 2021</td>
<td>1.21%</td>
<td>85.99%</td>
<td>32.56%</td>
</tr>
<tr>
<td>30 June 2022</td>
<td>1.90%</td>
<td>91.29%</td>
<td>27.14%</td>
</tr>
<tr>
<td>30 June 2023</td>
<td>2.70%</td>
<td>88.87%</td>
<td>20.62%</td>
</tr>
<tr>
<td>30 June 2024</td>
<td>3.61%</td>
<td>100.00%</td>
<td>14.17%</td>
</tr>
<tr>
<td>30 June 2025</td>
<td>4.65%</td>
<td>104.04%</td>
<td>7.75%</td>
</tr>
<tr>
<td>30 June 2026</td>
<td>5.50%</td>
<td>98.05%</td>
<td>6.84%</td>
</tr>
</tbody>
</table>

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

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

This long-term financial sustainability statement has been prepared pursuant to Section 174 of the Local Government Regulation 2012 (the Regulation).

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

Mayor
Andrew Willcox
Date: 13/09/2017

Chief Executive Officer
Brett Osmond
Date: 13/09/2017