



**TOOWOOMBA  
REGION**

# **ANNUAL REPORT**

2023/24



# ABOUT THIS REPORT

Our Annual Report summarises Council’s 2023/24 activities, our many achievements, our challenges and a snapshot of the year gone by.

Council measures its performance against the 2019 - 2024 Corporate Plan.

We view our Annual Report as one of the key accountability mechanisms between Council and our community and it is developed in compliance with Section 104 of the *Local Government Act 2009*.

This report is also available in full on our website at:  
[www.tr.qld.gov.au/annualreport](http://www.tr.qld.gov.au/annualreport)

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# ACKNOWLEDGEMENT

We acknowledge the Traditional Custodians of the Toowoomba Region whose songlines traverse our lands and pay our respect to Elders past, present and emerging, for they hold the knowledge, rich traditions and bold ambitions of Australia’s first peoples.





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## YEAR IN REVIEW



# Mayor’s report

Fair, timely and untied funding from the State and Commonwealth Governments is what our Council needs if we are to deliver the services and facilities that our growing communities demand and deserve.

Local governments across Australia are under immense pressure balancing growth with liveability, while managing ageing infrastructure across our road, wastewater and water networks.

Council’s management of an asset base valued at almost \$7 billion, highlights the extent of the financial challenge confronting our Council.

Against this backdrop, the Queensland Treasury Corporation in April 2024 completed its credit Review of Council.

It was pleasing to note that despite escalating costs and a large capital program, Council’s credit rating was affirmed as Sound with a Neutral outlook.

Council is focussed on delivering several multi-generational projects in this four-year term.

Top of the list is the \$270 million, State Government-legislated Cressbrook Dam Safety Improvement Program.

We continued to deliver the Flood Recovery Program works, which are valued at almost \$300 million (with the assistance of joint funding from the Australian Government and Queensland Government under the Disaster Relief and Recovery Funding Arrangements).

Our longer-term strategic work included the progression of a new Planning Scheme that will set the platform for future growth and job opportunities. There will be further opportunities for community consultation across the Region.

In the 2023/24 financial year, Council spent \$231.14 million locally, in a further sign of our determination to

support our Region’s businesses and their employees.

The record figure represented 59% of the organisation’s spending with local suppliers for the financial year, which was just shy of our 60% stretch target.

Council continues to be challenged by the rising cost of materials and services. The lack of the expected pre-payment of the financial assistance grant of \$4.7 million has significantly affected the end of year result.

Council generated an operating deficit in the order of \$12.1 million for the financial year ending June 30, 2024, indicating the challenges around funding and delivery of major infrastructure projects.

While a deficit was recorded, it is noted that our audited five-year average of 0.15% is above the required target (0%). During this five-year period, three years recorded deficits, and as such, highlight the precarious situation Council finds itself in with balancing the funding and delivery of major, multi-year infrastructure projects.

The 2023/24 financial year ushered in a new term of local government following the official swearing in of the new Council in early April 2024.

We endorsed a new Councillor portfolio structure to enhance our strategic decision making.

We will continue advocating for funding from the State and Commonwealth Governments, however this source of revenue continues to be reduced each year, which compounds our challenges.

Local government would prefer to see the Federal Financial Assistance Grants restored to at least 1% of national taxation.

I acknowledge and thank my elected colleagues and all Council staff for contributing to another productive year while progressing projects and delivering services across our Region.

  
Geoff McDonald



# CEO’s report

The 2023/24 Annual Report once again provides a comprehensive overview of the activities, achievements and challenges faced by Toowoomba Regional Council during the reporting period.

It provides not only a snapshot of the financial health of the organisation, but also an evaluation of Council’s capability, effectiveness and performance across a broad range of services and operations.

Major projects and initiatives delivered by Council this year included the Pierce Street Safe Active Street project, Pittsworth Aerodrome Resurfacing and Lighting Project, construction and official opening of the Millmerran Aquatic Centre, weighbridge constructions at Clifton, Goombungee and Millmerran Waste Management Facilities, installation of 29,624 SMART water meters, the West Creek Cycleway project and the Clifton Sewerage Treatment Plant.

During the year we saw our major event, the Toowoomba Carnival of Flowers, crowned once again as the best major festival in the country after taking gold at the Australian Tourism Awards. This follows national wins in the same category 2016, 2017 and 2018.

Council elections were conducted in March 2024, and I would like to thank newly elected Councillors for hitting the ground running and for the continued support and strategic leadership of Mayor Geoff McDonald.

Council is one of the largest employers in the Toowoomba Region and we are proud of the lead role we play in creating professional pathways for our people with Council continuing to deliver its Management and Leadership Capability Framework, which is designed to empower our managers and supervisors to lead their teams in the best possible way.

The pressure on local government to deliver key services, respond to rapid technological changes and invest in asset and construction renewal has never been greater.

The added impost of rising costs of living are also having significant impacts on our operations with Council continuing to shoulder many cost increases on behalf of our ratepayers, providing value-for-money services and supporting local businesses.

During the reporting period Council spent \$231 million with local suppliers. This represented a local spend of 59% of our total expenditure, all but meeting our target of 60%.

I am pleased that Council has been recognised by Queensland Treasury Corporation as continuing to have a sound financial position as we continue to pivot and ready the organisation for some large-scale projects on

the horizon such as the \$270 million Cressbrook Dam Safety Improvement project.

Libraries, art galleries, pools, parks, gardens, sporting fields, community halls, safe roads, sustainable drinking water and regular waste removal are services we often take for granted, and I would like to acknowledge Council staff for the key role they play in delivering these vital services.

I also thank the Executive Leadership Team and staff for their dedication and commitment to delivering services to our community each and every day.

The 2024 Community Survey also provided a pathway for feedback to shape our decision making on our future service and operations as we continue to collaborate, build and work with our residents and stakeholders.

I encourage all members of the community to participate in these community engagement activities when they become available. Your valuable feedback will help us to continue to deliver the outcomes needed to grow our wonderful Region and lifestyle.

I look forward to continuing to work with our community to ensure the Toowoomba Region maintains its enviable reputation as a desirable place to live, work and prosper.

  
Brian Pidgeon



“Fair, timely and untied funding from the State and Commonwealth Governments is what our Council needs.”

“The pressure on local government to deliver key services, respond to rapid technological changes and invest in asset and construction renewal has never been greater.”











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## GOVERNANCE



Councillors and their portfolios

|   |  |
|---|--|
|  <div><b>Cr Geoff McDonald</b><br/>MAYOR<br/><b>Portfolios:</b><ul style="list-style-type: none"><li>• Business Transformation &amp; Strategy Portfolio</li><li>• Major Projects Portfolio</li><li>• Planning &amp; Development Portfolio.</li></ul><b>Answering community and media queries for:</b><ul style="list-style-type: none"><li>• Business Transformation &amp; Strategy</li><li>• Economic Development</li><li>• Major Projects.</li></ul></div>   |  <div><b>Cr Rebecca Vonhoff</b><br/>DEPUTY MAYOR<br/><b>Portfolios:</b><ul style="list-style-type: none"><li>• Business Transformation &amp; Strategy Portfolio</li><li>• Major Projects Portfolio</li><li>• Water &amp; Waste Portfolio.</li></ul><b>Answering community and media queries for:</b><ul style="list-style-type: none"><li>• Business Transformation &amp; Strategy</li><li>• Major Projects</li><li>• Strategic Water Planning &amp; Capital Delivery.</li></ul></div>            |
|  <div><b>Cr Bill Cahill</b><br/><b>Portfolios:</b><ul style="list-style-type: none"><li>• Business Transformation &amp; Strategy Portfolio</li><li>• Environment &amp; Community Portfolio</li><li>• Infrastructure Services Portfolio</li><li>• Water &amp; Waste Portfolio.</li></ul><b>Answering community and media queries for:</b><ul style="list-style-type: none"><li>• Business Transformation &amp; Strategy</li><li>• Enterprise Project Management &amp; Project Services</li><li>• Environmental &amp; Regulatory Services</li><li>• Water Infrastructure Services.</li></ul></div> |  <div><b>Cr Edwina Farquhar</b><br/><b>Portfolios:</b><ul style="list-style-type: none"><li>• Business Transformation &amp; Strategy Portfolio</li><li>• Finance &amp; Business Strategy Portfolio</li><li>• Planning &amp; Development Portfolio.</li></ul><b>Answering community and media queries for:</b><ul style="list-style-type: none"><li>• Business Transformation &amp; Strategy</li><li>• Economic Development</li><li>• Information, Communication &amp; Technology.</li></ul></div> |
|  <div><b>Cr Gary Gardner</b><br/><b>Portfolios:</b><ul style="list-style-type: none"><li>• Finance &amp; Business Strategy Portfolio</li><li>• Infrastructure Services Portfolio</li><li>• Major Projects Portfolio</li><li>• Planning &amp; Development Portfolio.</li></ul><b>Answering community and media queries for:</b><ul style="list-style-type: none"><li>• Financial Services</li><li>• Fleet &amp; Logistics</li><li>• Major Projects</li><li>• Planning.</li></ul></div>  |  <div><b>Cr Trevor Manteufel</b><br/><b>Portfolios:</b><ul style="list-style-type: none"><li>• Environment &amp; Community Portfolio</li><li>• Infrastructure Services Portfolio</li><li>• Planning &amp; Development Portfolio.</li></ul><b>Answering community and media queries for:</b><ul style="list-style-type: none"><li>• Development Infrastructure &amp; Growth</li><li>• Property Services</li><li>• Transport &amp; Drainage Planning.</li></ul></div>                               |
|  <div><b>Cr Tim McMahon</b><br/><b>Portfolios:</b><ul style="list-style-type: none"><li>• Environment &amp; Community Portfolio</li><li>• Finance &amp; Business Strategy Portfolio</li><li>• Planning &amp; Development Portfolio.</li></ul><b>Answering community and media queries for:</b><ul style="list-style-type: none"><li>• Financial Services</li><li>• Parks &amp; Recreation Services</li><li>• Place (Planning).</li></ul></div>   |  <div><b>Cr James O'Shea</b><br/><b>Portfolios:</b><ul style="list-style-type: none"><li>• Environment &amp; Community Portfolio</li><li>• Finance &amp; Business Strategy Portfolio.</li></ul><b>Answering community and media queries for:</b><ul style="list-style-type: none"><li>• Community Development, Facilities &amp; Tourism</li><li>• Customer, Communication &amp; Engagement.</li></ul></div>   |
|  <div><b>Cr Kerry Shine</b><br/><b>Portfolios:</b><ul style="list-style-type: none"><li>• Planning &amp; Development Portfolio</li><li>• Water &amp; Waste Portfolio.</li></ul><b>Answering community and media queries for:</b><ul style="list-style-type: none"><li>• Planning</li><li>• Water Operations.</li></ul></div>   |  <div><b>Cr Carol Taylor</b><br/><b>Portfolios:</b><ul style="list-style-type: none"><li>• Infrastructure Services Portfolio</li><li>• Major Projects Portfolio.</li></ul><b>Answering community and media queries for:</b><ul style="list-style-type: none"><li>• Construction &amp; Maintenance (Infrastructure Services)</li><li>• Major Projects.</li></ul></div>   |
|  <div><b>Cr Melissa Taylor</b><br/><b>Portfolios:</b><ul style="list-style-type: none"><li>• Environment &amp; Community Portfolio</li><li>• Finance &amp; Business Strategy Portfolio</li><li>• Water &amp; Waste Portfolio.</li></ul><b>Answering community and media queries for:</b><ul style="list-style-type: none"><li>• Library &amp; Cultural Services</li><li>• People, Culture &amp; Engagement</li><li>• Waste Services.</li></ul></div>   | <div><b>Former Councillors:</b><ul style="list-style-type: none"><li>• Cr Paul Antonio (Mayor)<ul style="list-style-type: none"><li>– Chair, Economic Development Committee</li></ul></li><li>• Cr Megan O'Hara Sullivan<ul style="list-style-type: none"><li>– Chair, Planning &amp; Development Committee</li></ul></li><li>• Cr Nancy Sommerfield<ul style="list-style-type: none"><li>– Portfolio Leader, Water &amp; Waste Committee.</li></ul></li></ul></div>   |

Advisory committees

Advisory committees have been established by Council to provide a formal process to engage with members of the community to provide advice to Council in accordance with sections 264 and 265 of the *Local Government Regulation 2012*. Council has the following Advisory Committees:

- Multicultural Advisory Committee
- Regional Active and Public Transport Advisory Committee
- Regional Arts Development Fund Advisory Committee
- Regional Youth Advisory Committee
- Toowoomba Region Aerodrome Advisory Committee
- Toowoomba Region Biosecurity Advisory Committee.

Council had the following Advisory Committees during the previous Council term:

- Aboriginal and Torres Strait Islander Advisory Committee
- Bridge Street Quarry Development Advisory Committee
- Environment Advisory Committee
- Heritage Advisory Committee
- Multicultural Advisory Committee
- Regional Access and Disability Advisory Committee
- Regional Active and Public Transport Advisory Committee
- Regional Arts Development Fund Advisory Committee
- Regional Youth Advisory Committee
- Toowoomba Region Aerodrome Advisory Committee
- Toowoomba Region Biosecurity Advisory Committee.

Councillor meeting attendance

The number of local government meetings that each Councillor attended during the financial year:

| COUNCILLOR MEETING ATTENDANCE |                    |                              |                             |                           |                            |
|-------------------------------|--------------------|------------------------------|-----------------------------|---------------------------|----------------------------|
| Councillor                    | Meetings attended  |                              |                             | Absent                    |                            |
|                               | Committee meetings | Ordinary meetings of Council | Special meetings of Council | Official Council business | Personal reasons or unwell |
| Total meetings held           | 54                 | 13                           | 18                          |                           |                            |
| Antonio, Paul                 | 6                  | 1                            | -                           | -                         | 1                          |
| McDonald, Geoff               | 53                 | 13                           | 17                          | 1                         | 1                          |
| Cahill, Bill                  | 47                 | 12                           | 17                          | -                         | 9                          |
| Farquhar, Edwina              | 36                 | 10                           | 12                          | -                         | -                          |
| Gardner, Gary                 | 12                 | 3                            | 2                           | -                         | -                          |
| Manteufel, Trevor             | 12                 | 3                            | 2                           | -                         | -                          |
| McMahon, Tim                  | 50                 | 13                           | 18                          | -                         | 4                          |
| O'Hara Sullivan, Megan        | 36                 | 9                            | 16                          | -                         | 7                          |
| O'Shea, James                 | 54                 | 12                           | 18                          | -                         | 1                          |
| Shine, Kerry                  | 54                 | 13                           | 18                          | -                         | -                          |
| Sommerfield, Nancy            | 35                 | 10                           | 16                          | -                         | 7                          |
| Taylor, Carol                 | 49                 | 11                           | 16                          | -                         | 8                          |
| Taylor, Melissa               | 45                 | 11                           | 15                          | -                         | 14                         |
| Vonhoff, Rebecca              | 54                 | 12                           | 18                          | -                         | 1                          |

Councillor remuneration

The total remuneration including superannuation contributions paid to each Councillor during the financial year:

| Councillor             | Salary (\$)  | Council superannuation contributions (\$) | Total (\$)   |
|------------------------|--------------|---|--------------|
| Antonio, Paul          | 14,692.99    | 1,763.16                                  | 16,456.15    |
| McDonald, Geoff        | 187,626.95   | 22,515.10                                 | 210,142.05   |
| Cahill, Bill           | 113,634.31   | 13,636.11                                 | 127,270.42   |
| Farquhar, Edwina       | 88,771.90    | 10,652.63                                 | 99,424.53    |
| Gardner, Gary          | 27,987.20    | 3,139.81                                  | 31,127.01    |
| Manteufel, Trevor      | 27,987.20    | 3,183.54                                  | 31,170.74    |
| McMahon, Tim           | 113,634.31   | 13,636.11                                 | 127,270.42   |
| O'Hara Sullivan, Megan | 86,084.41    | 10,330.12                                 | 96,414.53    |
| O'Shea, James          | 113,634.31   | 13,636.11                                 | 127,270.42   |
| Shine, Kerry           | 113,634.31   | 13,636.11                                 | 127,270.42   |
| Sommerfield, Nancy     | 86,084.41    | 10,330.12                                 | 96,414.53    |
| Taylor, Carol          | 113,634.31   | 13,636.11                                 | 127,270.42   |
| Taylor, Melissa        | 113,634.31   | 13,636.11                                 | 127,270.42   |
| Vonhoff, Rebecca       | 129,441.59   | 15,533.03                                 | 144,974.62   |
| TOTAL                  | 1,330,482.51 | 159,264.17                                | 1,489,746.68 |

Councillor expenses and facilities provided

Councillor expenses

The expenses incurred by each Councillor during the financial year in accordance with 2.53 Expenses Reimbursement and Provision of Facilities – Councillors Policy:

| Councillor             | Accommodation (\$) | Professional development (\$) | Travel & transfers (\$) | Council vehicle         |            | Meals (\$) | Community engagement (\$) | Hospitality (\$) | Legal (\$) | Total (\$) |
|------------------------|--------------------|-------------------------------|-------------------------|-------------------------|------------|------------|---------------------------|------------------|------------|------------|
|                        |                    |                               |                         | Councillor payment (\$) | Cost (\$)  |            |                           |                  |            |            |
| Antonio, Paul          | 101.15             | -                             | 300.00                  | -398.56                 | 1,798.80   | 114.72     | 31.82                     | 104.54           | 2,666.00   | 4,718.47   |
| McDonald, Geoff        | 2,874.64           | 5,468.99                      | 6,544.87                | -4,543.51               | 10,426.68  | 546.36     | 1,505.69                  | 1,498.04         | 696.70     | 25,018.46  |
| Cahill, Bill           | -                  | 980.00                        | -                       | -4,334.47               | 15,704.76  | -          | 728.88                    | -                | -          | 13,079.17  |
| Farquhar, Edwina       | 1,425.54           | 2,981.82                      | 1,313.53                | -4,294.26               | 13,561.30  | 202.18     | 1,106.15                  | -                | 3,831.20   | 20,127.46  |
| Gardner, Gary          | -                  | -                             | -                       | -                       | -          | -          | 176.37                    | -                | -          | 176.37     |
| Manteufel, Trevor      | 574.63             | 1,363.64                      | -                       | -1,218.09               | 3,698.79   | 228.36     | 427.35                    | -                | -          | 5,074.68   |
| McMahon, Tim           | 967.36             | 2,343.64                      | -                       | -5,281.12               | 15,458.16  | 312.42     | 2,647.07                  | -                | -          | 16,447.53  |
| O'Hara Sullivan, Megan | 568.00             | 1,539.18                      | -                       | -3,023.73               | 12,103.47  | -          | 953.72                    | -                | -          | 12,140.64  |
| O'Shea, James          | 214.54             | 950.00                        | 460.13                  | -3,778.59               | 11,223.00  | 80.49      | 231.83                    | -                | -          | 9,381.40   |
| Shine, Kerry           | 2,315.88           | 3,878.18                      | 4,068.43                | -4,639.96               | 20,801.40  | 396.21     | 2,103.06                  | -                | -          | 28,923.20  |
| Sommerfield, Nancy     | 1,527.61           | 2,314.82                      | 2,095.92                | -3,975.00               | 11,096.37  | 66.87      | 584.78                    | -                | 15,000.00  | 28,711.37  |
| Taylor, Carol          | 4,684.61           | 4,201.37                      | 4,213.29                | -4,321.99               | 13,752.00  | 752.85     | 2,418.89                  | -                | 8,000.00   | 33,701.02  |
| Taylor, Melissa        | 1,102.16           | 3,161.82                      | 2,634.76                | -4,234.88               | 13,021.80  | 52.45      | 1,414.89                  | -                | -          | 17,153.00  |
| Vonhoff, Rebecca       | 1,802.69           | 2,171.82                      | 3,298.50                | -4,639.96               | 14,533.44  | 187.61     | 1,113.01                  | -                | -          | 18,467.11  |
| Total                  | 18,158.81          | 31,355.28                     | 24,929.43               | -48,684.12              | 157,179.97 | 2,940.52   | 15,443.51                 | 1,602.58         | 30,193.90  | 233,119.88 |



Councillor facilities

The facilities provided to each Councillor during the financial year in accordance with 2.53 Expenses Reimbursement and Provision of Facilities - Councillors Policy:

| Councillor             | Laptop computer | Smart phone | Tablet | Motor vehicle |
|------------------------|-----------------|-------------|--------|---------------|
| Antonio, Paul          | ✓               | ✓           | ✓      | ✓             |
| McDonald, Geoff        | ✓               | ✓           | ✓      | ✓             |
| Cahill, Bill           | ✓               | ✓           | ✓      | ✓             |
| Farquhar, Edwina       | ✓               | ✓           | ✓      | ✓             |
| Gardner, Gary          | ✓               | ✓           | ✓      | -             |
| Manteufel, Trevor      | ✓               | ✓           | ✓      | ✓             |
| McMahon, Tim           | ✓               | ✓           | ✓      | ✓             |
| O'Hara Sullivan, Megan | ✓               | ✓           | ✓      | ✓             |
| O'Shea, James          | ✓               | ✓           | ✓      | ✓             |
| Shine, Kerry           | ✓               | ✓           | ✓      | ✓             |
| Sommerfield, Nancy     | ✓               | ✓           | ✓      | ✓             |
| Taylor, Carol          | ✓               | ✓           | ✓      | ✓             |
| Taylor, Melissa        | ✓               | ✓           | ✓      | ✓             |
| Vonhoff, Rebecca       | ✓               | ✓           | ✓      | ✓             |

Councillor travel

Councillors did not travel overseas in an official capacity during 2023/24.

Councillor tickets

Complimentary tickets provided to Councillors for Council organised events during the financial year under the 2.53 Expenses Reimbursement and Provision of Facilities - Councillors Policy:

| Councillor             | Council event              |                               |
|------------------------|----------------------------|-------------------------------|
|                        | TCOF* Mayoral Garden Party | TCOF* Festival of Food & Wine |
| Antonio, Paul          | -                          | -                             |
| McDonald, Geoff        | 26                         | 2                             |
| Cahill, Bill           | 12                         | 2                             |
| Farquhar, Edwina       | -                          | -                             |
| Gardner, Gary          | -                          | -                             |
| Manteufel, Trevor      | -                          | -                             |
| McMahon, Tim           | 12                         | 2                             |
| O'Hara Sullivan, Megan | 12                         | 2                             |
| O'Shea, James          | 12                         | 2                             |
| Shine, Kerry           | 9                          | 2                             |
| Sommerfield, Nancy     | 12                         | 2                             |
| Taylor, Carol          | 12                         | 2                             |
| Taylor, Melissa        | 11                         | 2                             |
| Vonhoff, Rebecca       | 12                         | 2                             |
| Total                  | 130                        | 20                            |

\*Toowoomba Carnival of Flowers

Resolutions made

Expenses reimbursement

Section 250(1) of the Local Government Regulation 2012 requires Council to adopt an expenses reimbursement policy. Council last made a resolution and adopted the 2.53 Expenses Reimbursement and Provision of Facilities - Councillors Policy at its Ordinary Meeting of Council on 20 July 2021.

Valuation of non-current physical assets

Section 206(2) of the Local Government Regulation 2012 requires Council by resolution to set an amount for each different type of non-current physical asset below which the value of an asset of the same type must be treated as an expense. The last resolution was made at the Ordinary Meeting of Council on 15 September 2015 in adopting the 2.51 Non-Current Asset Policy.



## Councillor conduct (complaints)

The *Local Government Act 2009* provides a framework for assessing complaints about the conduct or performance of Councillors. The 2.72 Investigation Policy - Councillors details how complaints about a suspected conduct breach of a Councillor will be dealt with as required under the Act. It is a requirement under the *Local Government Regulation 2012* that the Annual Report contains details of complaints received about Councillors conduct or performance.

| Section of LGA*                | Type of order/complaint  | Number     |
|--------------------------------|--|------------|
| 150I(2)                        | Orders made about unsuitable meeting conduct   | 0          |
| 150IA(2)(b)                    | Orders made about unsuitable meeting conduct of chairperson  | 0          |
| 150AH(1)                       | Orders made about conduct breaches   | 1**        |
| 150AR(1)                       | Decisions, orders and recommendations made by the Conduct Tribunal                                   | 0          |
| 150P(2)(a)                     | Complaints referred to the assessor  | 0          |
| 150P(3)                        | Complaints referred to the Crime and Corruption Commission   | 0          |
| 150R(2)                        | Conduct notifications to the assessor  | 4          |
| 150S(2)(a)                     | Misconduct notifications to the assessor   | 0          |
| 150AC(1)                       | Suspected conduct breaches referred from the assessor  | 0          |
| 150AEA                         | Suspected conduct breaches for which an investigation was not started or was discontinued by Council | 0          |
| 150AF(3)(a)                    | Misconduct notifications to the assessor during an investigation                                     | 0          |
| 150AG(1)                       | Decisions made about a conduct breach  | 1          |
| 150AG(1)                       | Conduct breach matters not decided by the end of financial year                                      | 0          |
| 150AG(1)                       | Average time taken to make a decision about a conduct breach   | 3.33 hours |
| Chapter 5A, part 3, division 5 | Occasions another entity was asked to investigate a suspected conduct breach                         | 0          |
| Chapter 5A, part 3, division 6 | Applications heard by the conduct tribunal about an alleged misconduct or conduct breach             | 0          |

\* *Local Government Act*

\*\* The Office of the Independent Assessor referred a complaint to Council to be dealt with pursuant to section 150W of the *Local Government Act 2009* regarding a comment made by Councillor Nancy Sommerfield concerning a staff member in a closed session of the Ordinary Meeting of Council on 15 March 2022.

On 15 August 2023, Council decided pursuant to Section 150AG of the *Local Government Act 2009* that Councillor Nancy Sommerfield had engaged in inappropriate conduct regarding the unsubstantiated allegation against the Chief Executive Officer during a meeting which was for the specific purpose of considering his reappointment. The reasons are that the Councillor failed to treat a staff member appropriately as was required by the Code of Conduct for Councillors in Queensland operative on the date the conduct arose.

Council ordered pursuant to Section 150AH of the *Local Government Act 2009*:

- a. a public admission be made by Councillor Nancy Sommerfield that she has engaged in inappropriate conduct at the next Ordinary Meeting of Council;
- b. that Councillor Nancy Sommerfield attend appropriate training, as advised by the Local Government Association Queensland, covering the Code of Conduct; and
- c. that a reprimand be recorded against the Councillor for the conduct.

## Discretionary funds

Council does not allocate discretionary funds to Councillors.

## Grants to community organisations

**Total grants funded - \$586,601.**

## Community economic development grants

**Total funded in this category - \$19,660.**

Crows Nest Historical Society Inc: \$5,000

Crows Nest Progress, Recreation & Tourism Association Inc: \$4,660

High Country Festivals Inc: \$5,000

The Child Writes Fund Ltd: \$5,000.

## Community support grants

**Total funded in this category - \$50,461.**

AEIOU Foundation: \$2,273

Civic Assist: \$2,409

Crows Nest Agricultural Horticultural & Industrial Society Inc: \$2,318

Darling Downs Historical Railway Society Ltd: \$1,413

Days For Girls Toowoomba Inc: \$2,500

Friends Of Jondaryan Woolshed Inc: \$1,438

Garden City Toowoomba Probus Club Inc: \$1,895

Gowrie Junction Progress Association Inc: \$1,481

Gowrie Little Plain Tennis Club: \$589

Harvest New Life Church Inc: \$2,500 (round one)

Harvest New Life Church Inc: \$1,224 (round two)

History Pittsworth Inc: \$1,002

Lions Club Of Westbrook & Districts: \$2,037

Maclagan Memorial Hall Association Inc: \$2,487

Perseverance Hall Association Inc: \$2,214

Pittsworth & District Campdraft Association Inc: \$788

Pittsworth District Alliance Inc: \$539

Queensland Medieval Combat (TYR'S Warriors Branch) Inc: \$343

Rosies Youth Mission Inc: \$1,151

Safer Toowoomba Regional Partnerships Inc: \$1,709

Sing Australia Toowoomba: \$1,592

The Child Writes Fund Ltd: \$2,420

Thornville Hall Inc: \$2,500

Toowoomba Community Organic Gardens Association Inc: \$1,430

Toowoomba Malayali Association: \$1,739

Toowoomba Municipal Band & Drayton Memorial Hall Association Inc: \$2,318 (round one)

Toowoomba Municipal Band & Drayton Memorial Hall Association Inc: \$1,655 (round two)

Treasure Island Clifton Community Childcare Association Inc: \$2,475

Wesleyan Methodist Church of Australia in Queensland Toowoomba: \$1,200

Westbrook Trauma Teddy Group: \$824.

## Cultural & arts support grants

**Total funded in this category - \$20,360.**

Alliance Francaise De Toowoomba: \$1,487

Curious Arts Inc: \$3,980

The Child Writes Fund Ltd: \$3,750

The Child Writes Fund Ltd: \$4,000

Toowoomba Arts Society Ltd: \$3,375

Toowoomba Philharmonic Society Inc: \$2,693

Toowoomba Repertory Theatre Society: \$1,075.

## Environment grants

**Total funded in this category - \$31,660.**

Amaroo Environmental Education Parents & Citizens Association: \$7,500

Clifton Landcare Group Inc: \$7,500

Crows Nest Community Solutions Ltd: \$4,060 (round one)

Crows Nest Community Solutions Ltd: \$7,500 (round two)

Friends Of Escarpment Parks Toowoomba Inc: \$5,100.

## Event support (community) grants

**Total funded in this category - \$49,338.**

Anglican Parish of Pittsworth - St Andrews: \$1,500

Australian Network For Plant Conservation Inc: \$1,500

Boodua Public Hall Association Inc: \$1,500 (round one)

Boodua Public Hall Association Inc: \$1,500 (round one)

Cambooya Campdraft Association: \$1,500

Cambooya Public Hall Committee: \$1,500

Cooyar & District Progress Association Inc: \$454

Crows Nest Agricultural Horticultural & Industrial Society Inc: \$1,500

Crows Nest Historical Society Inc: \$1,500

Darling Downs Environment Council Inc: \$1,464

Darling Downs Model Railway Club Inc: \$1,500

Felton Hall Association Inc: \$1,097

Goombungee Public Hall Inc: \$600

Gowrie Little Plain Community Centre Inc: \$1,500 (round one)

Gowrie Little Plain Community Centre Inc: \$1,500 (round two)

Gowrie Little Plain Community Centre Inc: \$1,500 (round two)

Haden Public Hall Inc: \$1,500

High Altitude Harmony Inc: \$1,500

Hike To Heal Australia Inc: \$1,500

Kath Dickson Family Centre Ltd: \$1,500

Lions Club Of Cecil Plains Inc: \$1,500

Lions Club Of Millmerran Inc: \$1,345

MG Car Club Of Queensland Inc: \$1,500

Millmerran & District Historical Society Inc: \$750

Millmerran Commerce & Progress Inc: \$750

Nobby Heritage & Development Association Inc: \$1,000

Nobby Heritage & Development Association Inc: \$750

Oakey Community Care Committee Inc: \$1,182



The Brain Injury Community Inc: \$240  
The Native Orchid Society Of Toowoomba Inc: \$1,307  
Tony's Community Ltd: \$1,500  
Toowoomba Bonsai Group Inc: \$1,000  
Toowoomba Islamic Charitable Organisation Pty Ltd: \$1,400  
Toowoomba Lapidary Club Inc: \$1,500  
Toowoomba Stamp Club Inc: \$1,500  
Toowoomba Tamil Association Inc: \$1,500  
Vedic Education Arts & Culture Ltd: \$1,500  
Yarraman & District Progress Association Inc: \$1,500.

Floral parade grants - TCOF 2023

Total funded in this category - \$14,200.

Bhakti Centre Gold Coast Pty Ltd: \$700  
Breakaway Toowoomba Inc: \$800  
Chinese Tai Chi & Dancing Group: \$700  
Darling Downs Irish Club Inc: \$1,000  
Emmanuel Lutheran Fellowship: \$800  
Endeavour Foundation: \$800  
Oakey Chamber Of Commerce Inc: \$1,000  
Queensland Country Women’s Association Darling Downs Division: \$800  
RSL Care RDNS Ltd: \$750  
The Child Writes Fund Ltd: \$600  
The Rotary Club Of Toowoomba Metropolitan Inc: \$700  
The Royal Society For The Prevention Of Cruelty To Animals (Queensland) Ltd: \$800  
The Scout Association Of Australia Queensland Branch Inc - Darling Downs Region: \$500  
Tony's Community Ltd: \$1,000  
Toowoomba Malayali Association: \$800  
Toowoomba Tamil Association Inc: \$700  
Toowoomba Together Inc: \$750  
Victory Life Toowoomba Inc: \$1,000.

Major and regional event support grants

Total funded in this category - \$127,421.

Anglican Parish Of Toowoomba St Luke's: \$4,000  
Australian Camp Oven Festival Millmerran Inc: \$11,024  
Brymaroo Rodeo Campdraft Committee Inc: \$9,800  
Clifton & District Progress Association Inc: \$1,825  
Crows Nest Progress, Recreation & Tourism Association Inc: \$4,200  
Darling Downs Filipino-Australian Community: \$8,393  
Downs Sound Systems Pty Ltd: \$7,341  
Empire Theatres Pty Ltd: \$6,500

Oakey Chamber Of Commerce Inc: \$3,576  
Rosalie Shire Historical Society Inc: \$10,000  
Rotary Club Of Toowoomba North Inc: \$2,400  
The Scout Association Of Australia Queensland Branch Inc - Darling Downs Region: \$5,000  
Toowoomba Turf Club Inc: \$50,445  
Yarraman & District Progress Association Inc: \$2,916.

Sport and recreation support grants

Total funded in this category - \$200,001.

Darling Downs Rifle Club Inc: \$14,064  
Darling Downs Soaring Club Inc: \$15,120  
Pittsworth Vikings Soccer Club Inc: \$3,689  
St Mary's Old Boys’ Association Inc: \$117,858  
The Laurel Bank Croquet Club Inc: \$2,964  
Brothers Toowoomba Rugby League Football Club Inc: \$7,085  
Gowrie Junction Progress Association Inc: \$8,450  
Queensland Medieval Combat (TYR'S Warriors Branch) Inc: \$2,246  
Rangers Baseball Club Inc: \$1,367  
The Laurel Bank Croquet Club Inc: \$805  
The Scout Association Of Australia Queensland Branch Inc - Darling Downs Region: \$5,659  
Toowoomba Clay Target Club Inc: \$10,755  
Westbrook Sports Club Inc: \$9,940.

Sports tourism event grants

Total funded in this category - \$66,000.

Austriathlon Ltd: \$8,000  
Equestrian Queensland Inc: \$5,000  
Everest Cricket Club Toowoomba Inc: \$5,000  
Fulfilling Dreams Inc: \$10,000  
Millmerran Pony Club Inc: \$5,000  
Pittsworth & District Junior Rugby League Inc: \$5,000  
Softball Queensland Inc: \$5,000  
Toowoomba Hockey Association: \$10,000  
Toowoomba Malayalee Association Inc: \$3,000  
Toowoomba Mountain Bike Club Inc: \$5,000  
Toruk Makto Sports Club Inc: \$5,000.

Youth support grants

Total funded in this category - \$7,500.

Emerge Toowoomba Inc: \$2,500  
Oakey Junior Cricket Club Inc: \$2,500  
University Of Southern Queensland: \$2,500.

Beneficial enterprises

The following beneficial enterprises were conducted by Toowoomba Regional Council during the financial year (section 41, Local Government Act 2009). A beneficial enterprise is an enterprise that a local government considers to benefit, and/or can reasonably be expected to benefit, the whole or part of its local government area. As a result of feedback from the Queensland Audit Office, Council has reported on enterprises conducted by Council and not payments to third parties for help or a particular cause.

- The beneficial enterprises are limited to the controlled entities, which are as follows:
- Empire Theatres Pty Ltd
  - Empire Theatres Foundation
  - Empire Theatres Foundation Ltd
  - Toowoomba and Surat Basin Enterprises Pty Ltd
  - Toowoomba and Surat Basin Enterprise Development Fund Limited.

Summary of concessions for rates and charges

Pensioner rate concession

A rebate of general rates is granted by Council if the owner of the land is a pensioner or, in some circumstances, if the land is occupied but not owned by a pensioner. The rebate is subject to the conditions set out in Council's Pensioner Rate Concession Policy. The Policy sets out the eligibility criteria and the calculation of the rebate.

Water charges concession (unapparent plumbing failure)

Part rebate of water consumption charges is granted to owners of land who incur water consumption charges because of an unapparent plumbing failure and who satisfy the criteria set down in Council's Water Charges Concession Policy. The Policy sets out the eligibility criteria to be satisfied and the manner of calculation of the rebate.

Water charges concession (home haemodialysis)

Part rebate of water consumption charges is granted to owners of land where the occupier is receiving home haemodialysis and who satisfy the criteria set down in Council's Water Charges Concession (Home Haemodialysis) Policy. The Policy sets out the eligibility criteria to be satisfied and the manner of calculation of the rebate.

Rates and charges hardship concession

Part rebate of rates or charges interest is granted to owners of land who incur serious financial hardship and who satisfy the criteria set down in Council's Rates and Charges Hardship Concession Policy. The Policy sets out the eligibility criteria to be satisfied and the manner of calculation of the rebate.

Water charges concession for community sporting organisations

Part rebate of water consumption charges is granted to owners of land (community sporting organisations) who incur water consumption charges maintaining soft playing fields and who satisfy the criteria set down in Council's Water Charges Concession for Community Sporting Organisations Policy. The Policy sets out the eligibility criteria to be satisfied and the manner of calculation of the rebate.

Report on the internal audit for the financial year

Council's Audit Committee has the prime objective to assist Council to fulfill its corporate governance role and oversight responsibility relating to accounting and reporting practices.

Council's internal audit function is established through a ‘co-sourced’ service delivery arrangement with an external agency to provide an independent and objective assessment and evaluation of control measures to manage Council's operational risks. This arrangement provides us with access to extensive expertise and skills, seamless service delivery and an opportunity to mentor, build capacity and drive performance.

A risk-based approach was used when developing our Internal Audit Plan to direct internal audit focus to areas of higher risk. Six internal audits were undertaken during the financial year:

- Corporate credit cards
- Procurement hub (centralised procurement)
- Contract management
- Service delivery in community
- Strategic HR / workforce management succession planning
- Workplace culture.

Council's Audit Committee monitors and reviews the integrity of financial documents and the internal audit function as well as the effectiveness and objectivity of the internal auditors. It also makes recommendations about any matters that the Audit Committee considers need action or improvement.






3

## ORGANISATION




Executive leadership team




**Brian Pidgeon**  
CHIEF EXECUTIVE OFFICER  
Branches:

- Business Transformation and Strategy
- Governance & Legal Services.




**Ann-Marie Johnston**  
GENERAL MANAGER  
FINANCE & BUSINESS STRATEGY  
Branches:

- Customer Communication & Engagement
- Financial Services
- Information & Communication Technology
- People Culture & Engagement.




**Jaek Passier**  
GENERAL MANAGER  
WATER & WASTE SERVICES\*  
Branches:

- Strategic Water Planning & Capital Delivery
- Water Infrastructure Services
- Water Operations
- Waste Services.




**Mike Brady**  
GENERAL MANAGER  
INFRASTRUCTURE SERVICES  
Branches:

- Construction & Maintenance
- Fleet & Logistics
- Project Services
- Transport & Drainage Planning.



**Nick Hauser**  
GENERAL MANAGER  
ENVIRONMENT & COMMUNITY SERVICES  
Branches:

- Community Development, Facilities & Tourism
- Environmental & Regulatory Services
- Library & Cultural Services
- Parks & Recreation
- Property Services.



**Nikola Stepanov**  
GENERAL MANAGER  
PLANNING & DEVELOPMENT  
Branches:

- Development Infrastructure & Growth
- Economic Development
- Planning
- Place.

\*Damian Platts - General Manager until 11 December 2023.

Executive remuneration

The total remuneration for senior management staff came to \$2,037,618.26.

| Number of senior management staff | Total remuneration range* |
|-----------------------------------|---------------------------|
| 5                                 | \$300,000 - \$400,000     |
| 1                                 | \$400,000 - \$500,000     |

\*The total remuneration includes annual salary, superannuation and non-cash benefits.

Employee overseas travel

Local government employees travelled overseas in an official capacity during 2023/24.

| Employee   | Position           | Destination | Purpose  | Cost (\$) |
|------------|--------------------|-------------|--|-----------|
| Kate Scott | Coordinator Events | Singapore   | To participate as a delegate at Australia Marketplace South-East Asia 2023 trade mission with Southern Queensland Country Tourism and Tourism Australia. | 6,587     |

Administrative action complaints

Toowoomba Regional Council is committed to the effective management of administrative complaints.

Council seeks to perform this function in an accountable, timely and fair manner. All administrative review complaints are treated seriously and are considered to provide Council with an opportunity to identify and implement business improvements in addition to correcting operational and administrative errors and/or omissions.

Unresolved complaints (brought forward from the previous year) – 5.  
Complaints received – 45.  
Complaints resolved – 32.  
Unresolved complaints (carried forward to next year) – 18.

Penalty infringement notice

A Penalty Infringement Notice (PIN) is issued for non-compliance with local laws such as parking regulations, vegetation management and animal management standards.

All requests received to review PINs must be assessed and determined fairly, consistently and transparently. Each request is assessed against clearly stated criteria and considered objectively.

This year the following PIN review requests were completed.

| Type of PIN                     | Number of PINS issued | PIN review requests | Total number of PINs waived/ withdrawn |               |
|---------------------------------|-----------------------|---------------------|--|---------------|
|                                 |                       |                     | Errors                                 | Other reasons |
| Parking                         | 17,102                | 1,187               | 106                                    | 295           |
| Animal management               | 1,682                 | 85                  | 26                                     | 49            |
| Environmental health compliance | 36                    | 3                   | 2                                      | 1             |
| Development compliance          | 17                    | 2                   | 0                                      | 2             |
| Total number of PINs            | 18,837                | 1,277               | 134                                    | 347           |

Business activities

Council undertook the following business activities to which it applied the Code of Competitive Conduct:

- Aerodromes
  - Building certification
  - Cemeteries
  - Fleet and logistics services
  - Highfields Cultural Centre
- Laboratory services
  - Other roads
  - Private works
  - Waste services
  - Water and wastewater.

The following activities were identified as significant business activities:

- Fleet and plant services
- Waste services
- Water and wastewater.

Council applies the competitive neutrality principles to all significant business activities.

Competitive neutrality complaints

Toowoomba Regional Council did not receive any competitive neutrality complaints in 2023/24 and did not respond to any Queensland Competition Authority’s recommendations on any competitive neutrality complaints during this year.

Registers kept

- Asset Register
  - Councillor Conduct Register
  - Local Laws Register
  - Register of Cost Recovery Fees and Charges
  - Register of Delegations - CEO to Employees/ Contractors
- Register of Delegations - Council to CEO
  - Register of Delegations - Council to Mayor
  - Register of Delegations - Mayor to Councillors
  - Register of Interests
  - Road Asset Register.

Services, facility or activity provided by another local government

There are no details to report under this section for the 2023/24 financial year.

Invitations to change tenders

Council issued one invitation to change tenders during the 2023/24 financial year.



# ORGANISATIONAL DIVERSITY

## Diversity statistics

# 1,602

Total headcount

Our Diversity and Inclusion Policy outlines our commitment to providing a workplace that acknowledges, embraces and encourages workplace diversity, and inclusion. The principles that have guided the development of this policy revolve around the importance of workplace diversity and inclusion to an organisation.

Diversity encompasses the wide range of differences across the workforce and community. It includes inherent characteristics such as age/generational differences, race, ethnicity, intellectual and/or physical ability and cultural background. Diversity also refers to less visible aspects such as education, socioeconomic circumstances, religious beliefs, marital status, job level, family responsibilities, experience, thinking and work styles, sexual orientation and/or gender identity.

Inclusion refers to the way our organisational culture, values and behaviours make a person feel valued, included and welcome. It relates to a work environment where all people are treated fairly and respectfully, with equal access to opportunities and resources.

A diverse and inclusive workplace leads to enhanced employee engagement, improved performance, greater innovation, development and retention of talent, improved employee wellbeing and less inappropriate behaviour, including harassment and discrimination.

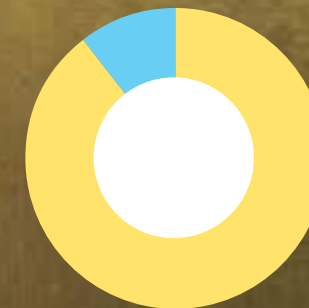
To demonstrate our organisation's commitment to a diverse and inclusive workplace, Toowoomba Regional Council has joined the long list of Australian organisations committed to building and supporting diverse and inclusive workplaces as a proud corporate member of the Diversity Council Australia (DCA). DCA is Australia's only independent, not-for-profit peak body for workplace diversity and inclusion. Our corporate membership with DCA provides all staff members with free access to a unique knowledge bank of research, best practice and expertise across all the diversity dimensions. To continue building diversity and inclusiveness into our workplace, Council has conducted a workforce diversity survey to capture diversity in the workspace. This year a Diversity and Inclusion Strategy was drafted to address the following key pillars. Representatives from across the organisation provided input and feedback into this strategy, and list of programs and initiatives have been developed.

### Key pillars of diversity & inclusion at Toowoomba Regional Council

- Aboriginal and Torres Strait Islander peoples
- Age/generational
- Gender
- Cultural diversity (including religion)
- Intellectual and physical ability and accessibility
- Mental health, wellness, and family.

### The diversity and inclusion organisational strategy for Council aims to strengthen:

- Belonging and inclusion
- Talent attraction and retention
- Learning and organisational development
- Employee engagement.



**Disability (823 disclosed)**

- No - 737 (89.55%)
- Yes - 86 (10.45%)



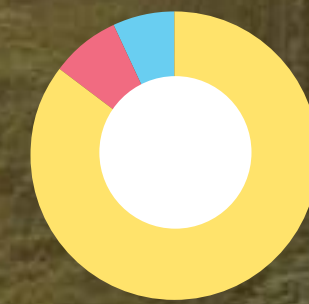
**Gender (1,590 disclosed)**

- Male - 985 (61.95%)
- Female - 599 (37.67%)
- Intersex or indeterminate - 6 (0.38%)



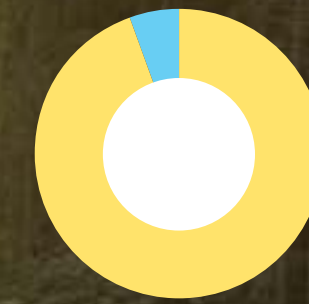
**Veteran (846 disclosed)**

- No - 825 (97.52%)
- Yes - 21 (2.48%)



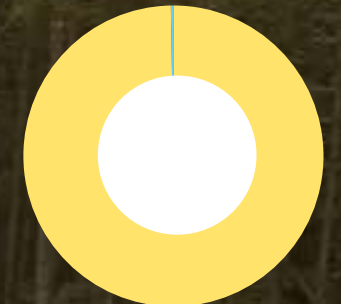
**Country of birth (851 disclosed)**

- Australia - 727 (85.43%)
- Overseas non-English - 67 (7.87%)
- Overseas English - 57 (6.7%)



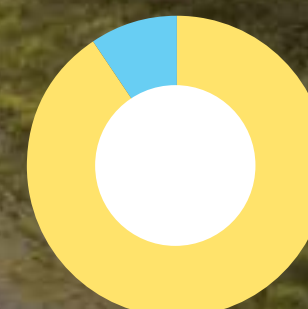
**Aboriginal and Torres Strait Islander people (849 disclosed)**

- No - 802 (94.46%)
- Yes - 47 (5.54%)



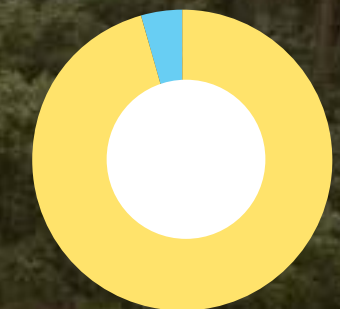
**Australian South Sea Islander people (829 disclosed)**

- No - 827 (99.76%)
- Yes - 2 (0.24%)



**Linguistic diversity (842 disclosed)**

- No - 764 (90.74%)
- Yes - 78 (9.26%)



**LGBTIAQ+ (658 disclosed)**

- No - 630 (95.74%)
- Yes - 28 (4.26%)



Council goal performance

This scorecard summarises final progress against long-term targets central to our vision and the implementation of our corporate objectives. It also provides an overview relating to the implementation of our 2019 - 2024 Corporate Plan. Overall performance is determined by our achievement against established performance measures and the progress of major initiatives. Our figures are based on the following:

- ✔ Greater than or equal to 85% - is recognised as being on track
  - ⚠ Greater than or equal to 50%, but below 85% - is recognised as being in need of increased attention
  - ✖ Below 50% - is recognised as underperforming
- Commentary is provided for scores below 75%.



4

PERFORMANCE





## PEOPLE

Council supports a safe, healthy and engaged Region. We create opportunities for people to connect and belong. We are proud of our unique and diverse communities.



## SCORECARD

|               |  | 2022/23     | 2023/24    |   |
|---------------|--|-------------|------------|---|
| <b>GOAL 1</b> | <b>PEOPLE:</b> Council supports a safe, healthy and engaged Region. We create opportunities for people to connect and belong. We are proud of our unique and diverse communities.                    | <b>96%</b>  | <b>98%</b> | ✓ |
| <b>1.1</b>    | <b>Connected and inclusive communities</b>   | <b>100%</b> | <b>99%</b> | ✓ |
| 1.1.1         | Partner with agencies, organisations, volunteers and our community to deliver effective community information and education programs to encourage participation to enhance the Region's liveability. | 98%         | 100%       | ✓ |
| 1.1.2         | Identify, promote and grow opportunities for arts, cultural expression and the development of creative industries.   | 100%        | 100%       | ✓ |
| 1.1.3         | Provide equitable access, and advocate for, a range of services, programs and facilities to address the marginalised and foster inclusion.   | 100%        | 92%        | ✓ |
| 1.1.4         | Build social capital through the provision of accessible community infrastructure and programs.  | 100%        | 100%       | ✓ |
| 1.1.5         | Implement effective and genuine community consultation processes that enable participation, engagement and collaboration.  | 100%        | 100%       | ✓ |
| <b>1.2</b>    | <b>Community participation and active lifestyles</b>   | <b>93%</b>  | <b>99%</b> | ✓ |
| 1.2.1         | Plan and provide community facilities and programs to meet the needs of our diverse community and enable regional development.   | 100%        | 98%        | ✓ |
| 1.2.2         | Provide contemporary library facilities and services across the Region to support the community.   | 63%         | 100%       | ✓ |
| 1.2.3         | Plan and provide facilities and programs that enable participation in sport and recreation.  | 100%        | 100%       | ✓ |
| 1.2.4         | Establish partnerships with stakeholders to increase opportunity in sport, recreation, cultural and community activity.  | 100%        | 100%       | ✓ |
| 1.2.5         | Strengthen and promote a calendar of regional and local events.  | 100%        | 100%       | ✓ |
| <b>1.3</b>    | <b>Safe, healthy and well communities</b>  | <b>94%</b>  | <b>95%</b> | ✓ |
| 1.3.1         | Maintain and improve health standards including food safety and public health.   | 88%         | 92%        | ✓ |
| 1.3.2         | Improve community safety through effective design, information and programs.   | 100%        | 100%       | ✓ |
| 1.3.3         | Enhance disaster management preparedness and capability in collaboration with the community and agencies.  | 96%         | 98%        | ✓ |





## PLACE

Council supports sustainable and innovative practices to conserve our valuable natural assets and rich agricultural land. Our environment is protected for future generations to enjoy.

## SCORECARD

|               |   | 2022/23    | 2023/24    |  |
|---------------|---|------------|------------|--|
| <b>GOAL 2</b> | <b>PLACE:</b> Council supports sustainable and innovative practices to conserve our valuable natural assets and rich agricultural land. Our environment is protected for future generations to enjoy. | <b>79%</b> | <b>81%</b> |  |
| <b>2.1</b>    | <b>Healthy and resilient natural and agricultural environments</b>  | <b>49%</b> | <b>66%</b> |  |
| 2.1.1         | Build community awareness and participation in natural and agricultural land conservation.  | 0%         | 17%*       |  |
| 2.1.2         | Ensure planning supports economic development while protecting and enhancing high quality agricultural lands, scenic amenity and community, environmental and heritage values.                        | 93%        | 90%        |  |
| 2.1.3         | Advocate for, develop and implement environmental strategies that protect and enhance living assets in urban, natural and agricultural landscapes.  | 10%        | 90%        |  |
| <b>2.2</b>    | <b>Enhanced urban environments and open spaces</b>  | <b>67%</b> | <b>93%</b> |  |
| 2.2.1         | Plan and implement urban improvement works which enhance local character and identity, conserve and improve the Region's streetscapes and provide iconic parkland.                                    | 84%        | 100%       |  |
| 2.2.2         | Plan and provide an integrated and accessible network of open space, parkland, trails, corridors and natural areas including recreational waterways.  | 84%        | 91%        |  |
| 2.2.3         | Identify, facilitate and promote community-led place making and activation of public places and, opportunities to enhance and activate the urban environment.   | 0%         | 91%        |  |
| <b>2.3</b>    | <b>Well-planned and connected liveable communities</b>  | <b>92%</b> | <b>81%</b> |  |
| 2.3.1         | Undertake integrated strategic land use, infrastructure planning and urban design to manage growth in a financially sustainable manner that enhances liveability.                                     | 25%        | 30%**      |  |
| 2.3.2         | Plan centres and townships to reflect a strong sense of identity while supporting employment, participation and housing choice.   | 85%        | 80%        |  |
| 2.3.3         | Ensure development aligns with community sentiment, through effective and efficient assessment, with the planning scheme, planning instruments, codes and legislation.                                | 98%        | 89%        |  |
| 2.3.4         | Partner with industry to implement a standard for development that is appropriate for the local context.  | 100%       | 100%       |  |
| 2.3.5         | Undertake broad scale planning for natural hazards to mitigate future risk.   | 90%        | 0%***      |  |

\* 2.1.1 A review of the Green Infrastructure Strategy (GIS) Action Plan commenced under the Strategic Planning and Economic Development Branch. The project did not progress in 2022/23 and was moved to the Place Branch in the last quarter of 2023 as part of a Group restructure. The Place Branch sought grant funding to supplement team vacancies and resource challenges. The Place Branch was not successful in securing funding through the State Government in relation to a grant application (Regional Economic Futures Fund – REFF) to progress the GIS Action Plan. Staff vacancies continue to impact on time frames for delivery of this project.

\*\* 2.3.1 In August 2023, Council endorsed the Toowoomba Region Growth Plan (TRGP) model projections for the Local Government Infrastructure Plan (LGIP) network planning. The progress of the implementation of the TRGP was on hold awaiting the release of ShapingSEQ 2023. The introduction of ShapingSEQ delayed the network planning program by approximately six months. The delay limited the ability of teams to progress with their programs. The Growth Output Model has now been updated to reflect the ShapingSEQ 2023 regional plan data framework and it has been circulated to the network planning teams across Council to facilitate the continuous development of the LGIP.

\*\*\* 2.3.5 While Phase 1 of a Draft Climate Risk Management Strategy Report has been received, no funding was available to progress to Phase 2.





## SUSTAINABILITY

Council integrates good planning and sustainable infrastructure networks to enhance our communities. Our infrastructure is well-maintained and enables growth into the future.



## SCORECARD

|               |   | 2022/23    | 2023/24     |   |
|---------------|---|------------|-------------|---|
| <b>GOAL 3</b> | <b>SUSTAINABILITY:</b> Council integrates good planning and sustainable infrastructure networks to enhance our communities. Our infrastructure is well-maintained and enables growth into the future. | <b>98%</b> | <b>96%</b>  | ✓ |
| <b>3.1</b>    | <b>Strategic asset management</b>   | <b>97%</b> | <b>91%</b>  | ✓ |
| 3.1.1         | Develop and implement strategic infrastructure and asset management plans that meet the needs and priorities of Council, the community and industry.  | 97%        | 90%         | ✓ |
| 3.1.2         | Investigate and implement more effective and efficient processes and systems that focus on energy and operational improvements.   | 100%       | 100%        | ✓ |
| <b>3.2</b>    | <b>Essential infrastructure and services</b>  | <b>98%</b> | <b>95%</b>  | ✓ |
| 3.2.1         | Implement water sensitive urban design and stormwater management approaches that enhance natural systems and ensure a flood resilient Region.   | 82%        | 89%         | ✓ |
| 3.2.2         | Plan, deliver and manage efficient and sustainable, high quality water systems.   | 100%       | 95%         | ✓ |
| 3.2.3         | Advance water efficiency and security ensuring total water cycle management and innovation.   | 100%       | 100%        | ✓ |
| 3.2.4         | Plan, deliver and manage efficient, integrated and sustainable waste and resource recovery services and reduction of emissions from landfill.   | 97%        | 97%         | ✓ |
| 3.2.5         | Minimise environmental impacts through consumer education and engagement.   | 100%       | 100%        | ✓ |
| 3.2.6         | Plan, deliver and manage high quality sewerage networks and treatment facilities.   | 98%        | 95%         | ✓ |
| <b>3.3</b>    | <b>Integrated transport networks and systems</b>  | <b>99%</b> | <b>100%</b> | ✓ |
| 3.3.1         | Plan for Toowoomba Region to be a strategic transport and logistics hub of regional and national significance.  | 100%       | 100%        | ✓ |
| 3.3.2         | Improve safety, serviceability and efficiency of the Region's road network and integrated transport system.   | 99%        | 100%        | ✓ |
| 3.3.3         | Implement the Sustainable Transport Strategy including a safe walking, cycling and public transport network.  | 100%       | 100%        | ✓ |
| 3.3.4         | Plan and deliver safe, sustainable and efficient aerodrome services.  | 100%       | 100%        | ✓ |
| 3.3.5         | Plan and regulate parking to meet the needs of community and business.  | 100%       | 100%        | ✓ |





## PROSPERITY

Our Region has a strong and diverse economy. Flourishing businesses and industries attract and retain employment opportunities. Rich traditions and bold ambitions continue to drive our Region.

## SCORECARD

|               |   | 2022/23    | 2023/24      |   |
|---------------|---|------------|--------------|---|
| <b>GOAL 4</b> | <b>PROSPERITY:</b> Our Region has a strong and diverse economy. Flourishing businesses and industries attract and retain employment opportunities. Rich traditions and bold ambitions continue to drive our Region. | <b>98%</b> | <b>90%</b>   | ✓ |
| <b>4.1</b>    | <b>Diverse, innovative and resilient economy</b>  | <b>98%</b> | <b>90%</b>   | ✓ |
| 4.1.1         | Plan to ensure Toowoomba City is connected to a network of rural towns to make a vibrant Region.  | 100%       | <b>100%</b>  | ✓ |
| 4.1.2         | Partner with stakeholders to implement the Toowoomba Region Economic Development Strategy.  | 100%       | <b>64%*</b>  | ⚠ |
| 4.1.3         | Leverage the opportunities inherent in major regional, state and national projects.   | 100%       | <b>100%</b>  | ✓ |
| 4.1.4         | In partnership promote the Region by supporting the growth of new and existing businesses.  | 100%       | <b>75%</b>   | ⚠ |
| 4.1.5         | Ensure planning and infrastructure supports future economic growth of strong, viable and diverse economic clusters, regional centres and townships.   | 92%        | <b>62%**</b> | ⚠ |
| 4.1.6         | Continue to promote the Region as a business, tourism, lifestyle and cultural destination.  | 100%       | <b>100%</b>  | ✓ |
| 4.1.7         | Identify and plan civic projects that promote the Region, stimulate economic development and enhance identity.  | 100%       | <b>100%</b>  | ✓ |

\* 4.1.2 The Economic Development Strategy (EDS) required updating to align with the new Corporate Plan. The delivery of the EDS has been impacted by limited resources and vacancies, however, recruitment of staff is currently in progress.

\*\* 4.1.5 The Toowoomba Region Growth Plan 2023 was endorsed by Council as the preferred infrastructure network planning growth model. Training and education on the growth model was delivered. ShapingSEQ 2023 proposed alternative model data. An amendment to the Local Government Infrastructure Plan has been delayed to obtain and review the ShapingSEQ 2023 growth model data that will be used to inform network planning.





## PERFORMANCE

Our diverse Region's values are reflected through ethical decision-making and good governance. Our approach to improvement and innovation enhances customer experience.

## SCORECARD

|               |   | 2022/23    | 2023/24    |   |
|---------------|---|------------|------------|---|
| <b>GOAL 5</b> | <b>PERFORMANCE:</b> Our diverse Region's values are reflected through ethical decision-making and good governance. Our approach to improvement and innovation enhances customer experience. | <b>94%</b> | <b>96%</b> | ✓ |
| <b>5.1</b>    | <b>Leadership and governance for regional success</b>   | <b>96%</b> | <b>99%</b> | ✓ |
| 5.1.1         | Foster a positive performance-driven culture that embraces Council's mission, values and behaviours.  | 86%        | 99%        | ✓ |
| 5.1.2         | Maintain and improve a healthy, safe and well organisation utilising SafeTRC.   | 100%       | 100%       | ✓ |
| 5.1.3         | Ensure leadership and decision making is transparent, accountable and represents the current and future interests of the Region.  | 98%        | 99%        | ✓ |
| 5.1.4         | Develop, implement and communicate local laws, policies, standards and codes to achieve regulatory compliance.  | 100%       | 100%       | ✓ |
| 5.1.5         | Provide assurance through effective governance, audit and risk management practices.  | 100%       | 100%       | ✓ |
| 5.1.6         | Maintain sustainable financial management and effective procurement practices.  | 99%        | 100%       | ✓ |
| 5.1.7         | Support business operations through integrated strategic human resource management practices.   | 80%        | 95%        | ✓ |
| 5.1.8         | Implement integrated strategic planning approaches across Council.  | 92%        | 100%       | ✓ |
| 5.1.9         | Ensure that Council entities provide assurance through effective governance practices and that business probity checks are undertaken.  | 100%       | 93%        | ✓ |
| <b>5.2</b>    | <b>Innovative and effective service delivery</b>  | <b>91%</b> | <b>93%</b> | ✓ |
| 5.2.1         | Identify and implement innovative process and system enhancements facilitating improved decision making and operational success.  | 97%        | 100%       | ✓ |
| 5.2.2         | Deliver contemporary customer experience that aligns with the expectations of our customers and community.  | 99%        | 99%        | ✓ |
| 5.2.3         | Develop and implement an organisational culture strategy.   | 100%       | 100%       | ✓ |
| 5.2.4         | Implement contemporary human resource practices and organisational development to attract and retain a skilled workforce.   | 56%        | 64%*       | ✓ |
| 5.2.5         | Foster collaborative working environments to support integrated innovation and entrepreneurial approaches where appropriate.  | 94%        | 100%       | ✓ |
| 5.2.6         | Implement reliable and contemporary information, knowledge and management systems.  | 86%        | 85%        | ⚠ |

\* 5.2.4 Managers are utilising the retention survey results and toolkit to facilitate retention conversations within their branches. Our People Experience framework is under development, however changes in organisational and branch priorities have led to delays in the new onboarding process project and new recruitment strategy. 100% of available and active Temporary Employment Pool staff were in placements for the month of June 2024. A review of this program was undertaken during the financial year and the development of processes for the program are being implemented to ensure efficiencies are achieved.







# COMMUNITY FINANCIAL REPORT

The purpose of the Community Financial Report is to give community members an easy-to-follow summary of Council's financial statements in accordance with Section 179 of *Local Government Regulation 2012*.

Council's financial statements are prepared on an accrual basis, meaning that most transactions are recognised when the event, or performance obligation, occurs, rather than when cash is physically received or paid.

Council's financial statements must be certified by both the Mayor and the Chief Executive Officer as "presenting fairly" Council's financial results for the year. They are also required to be adopted by Council – ensuring both responsibility for, and ownership of, the financial statements by management and elected representatives.

In addition, Council's financial statements are audited by the Queensland Audit Office. The auditor provides an audit report which gives an opinion on whether the financial statements are fairly presenting Council's financial performance and financial position.

This report focuses on:

- Statements of comprehensive income
- Statements of financial position
- Statements of changes in equity
- Statements of cash flows
- Financial sustainability measures.

## Statements of comprehensive income

The Statements of Comprehensive Income is often referred to as the Profit and Loss Statement. This statement shows what Council has earned (revenue) and what costs Council has incurred (expenses) throughout the year.

In summary, Council's result for the reporting period was:

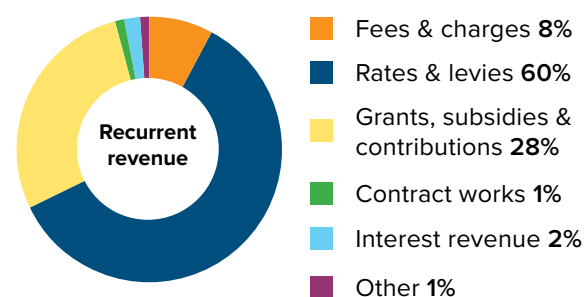
|                                      |                |
|--------------------------------------|----------------|
|                                      | \$'000s        |
| <b>What we have earned (revenue)</b> |                |
| Recurrent revenue                    | 514,387        |
| Capital revenue                      | 95,302         |
| <b>Total revenue</b>                 | <b>609,689</b> |
| <b>What we have spent (expenses)</b> |                |
| Recurrent expenses                   | 526,515        |
| Capital expenses                     | 28,134         |
| <b>Total expenses</b>                | <b>554,649</b> |
| <b>Net result</b>                    | <b>55,040</b>  |

The net result does not necessarily represent surplus cash funds available for general use as certain income items are restricted to specific use. For example, capital grants are generally allocated to maintain or expand Council's infrastructure.

Some revenue and expenses are of a non-cash nature. For example, contributed infrastructure assets (such as roads, sewerage and water mains) constructed by a developer on behalf of Council in conjunction with land sub-divisions or property developments are considered non-cash revenue. Likewise, depreciation expense on assets is considered a non-cash expense.

## What we have earned

There are two main categories of revenue for the financial year – recurrent revenue and capital revenue.



## Recurrent revenue

Council's recurrent revenue is money raised which is used to fund the day-to-day operations of Council. Recurrent revenue is the major source of revenue for Council and primarily earned from sources such as rates and fees and charges.

Council also aims to maximise its revenue from other sources by actively pursuing grants and subsidies from the State and Federal governments and investing surplus funds to earn interest.

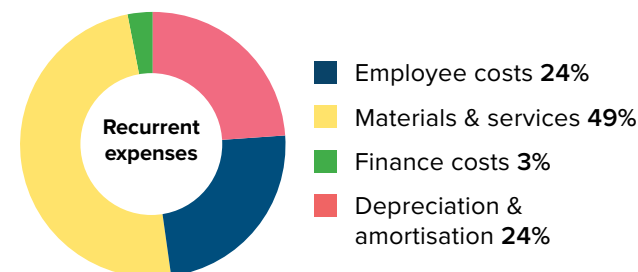
## Capital revenue

Council's capital revenue is used to construct Council's assets now and in the future. Council's capital revenue consists of grants, contributions and subsidies, developer contributions and profits on the disposal of fixed assets. \$95 million was received in grants and contributions to fund capital projects this year.

## What we have spent

Council incurs both recurrent expenses and capital expenses. Capital expenditure is used to renew and expand our asset infrastructure and is therefore added to the carrying value of the assets.

Recurrent expenses are the main expense of Council and represent the day-to-day cost of providing services, operating facilities and maintaining assets. These include employee costs, materials and services, finance costs and depreciation.



Expenses are monitored constantly throughout the year. Detailed estimates are prepared at the beginning of each financial year and performance against these estimates is measured through regular budget reviews to ensure the most efficient use of Council's funds.

Depreciation and amortisation expenses make up nearly one-third of Council's operating expenses. This item represents an allocation of the use or deterioration of the community assets over the asset's expected life. How Council performs in managing its assets is explained in the Statements of Financial Position and Financial Sustainability Measures sections of this report.



## Statements of financial position

The Statements of Financial Position is often referred to as the Balance Sheet and is a snapshot of the financial position of Council at 30 June. The statement measures what Council owns (assets) and what Council owes (liabilities). The difference between these two components is the net wealth (equity) of Council and our community.

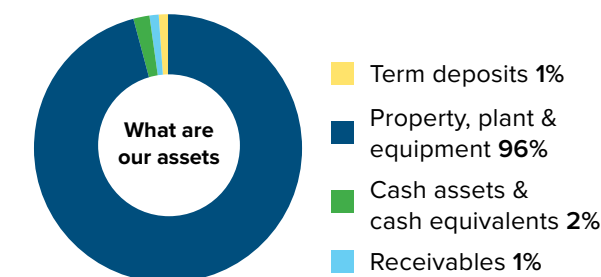
The notes that support this statement explain how Council's assets and liabilities are valued and how various values are determined.

In summary, Council's position at 30 June 2024 was:

|                                  |                  |
|----------------------------------|------------------|
|                                  | \$'000s          |
| Assets (what we own)             | 6,949,243        |
| Liabilities (what we owe)        | 444,683          |
| <b>Equity (community wealth)</b> | <b>6,504,560</b> |

## What do we own?

Council's major asset class is 'property, plant and equipment'. These assets make up 96% of Council's assets. Road, drainage, water and wastewater infrastructure assets make up the bulk of the property, plant and equipment which provide direct benefit to the community.

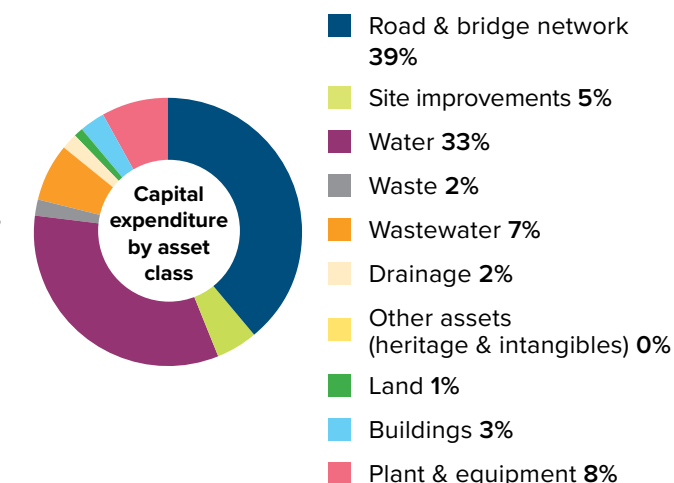


## What did we spend on assets?

What we spend to build or enhance our assets is reflected in the Statements of Financial Position as it increases the value of our assets.

A significant amount of Council's activities is focussed on the maintenance, upgrade and construction of fixed assets to ensure there are adequate infrastructure services for community use. These activities are undertaken in accordance with Council's Long-Term Asset Management Plan which covers a period of 10 years.

This year Council spent \$177 million to renew, upgrade and build new assets for the community. The graph below shows how the money was spent in different asset classes.

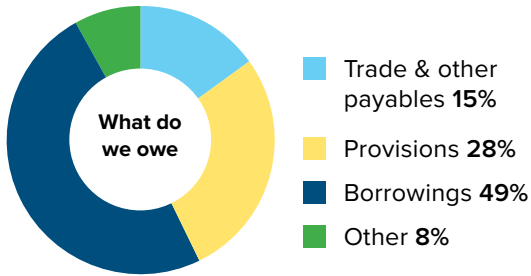


## What do we owe?

Liabilities are the amounts Council owes to suppliers, employees and lenders both now and in the future. This also includes provisions for future entitlements which comprise of money we will pay our employees in the future (e.g. long service leave); and amounts set aside to fund the future rehabilitation of our waste management and quarry sites.



Long-term loans are taken out to undertake the construction and purchase of community assets. Council reviews its loan requirements on an annual basis. A total of \$31 million in new loans was drawn down during the year. Total liabilities as at 30 June 2024 were \$445 million.



Statements of changes in equity

The difference between assets and liabilities is the total community equity or the “net wealth” of the Council. The Statements of Changes in Equity shows the overall change in Council’s net wealth over the year. At 30 June 2024 this was an amount of \$6,504 million (that is, assets of \$6,949 million less liabilities of \$445 million).

This community equity consists of an asset revaluation reserve and retained surpluses. The asset revaluation reserve increased this year by \$388 million (net of adjustment on reclassification of asset class) and the retained surplus increased by \$55 million.

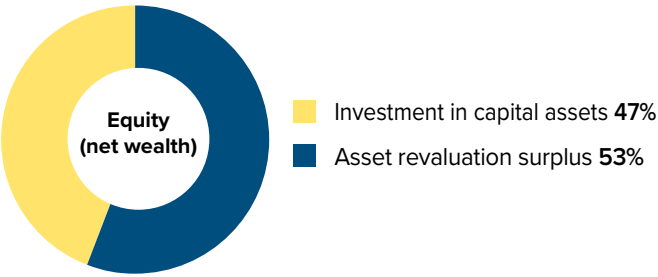
The asset revaluation reserve comprises amounts representing the change in the value of Council’s assets over time. Asset revaluations are completed on a cyclical basis per asset class.

Council’s retained surplus represents amounts available to be invested into assets (now or in the future) to provide services to the community. With good planning, surpluses can be used to place less reliance on loans and withstand any unforeseen financial shocks or adverse changes to our business. A portion of our retained surplus is cash-backed by an appropriate level of internally imposed restrictions to limit amounts available for future use.

Financial sustainability measures

The Financial Sustainability Statement and the associated measures (ratios) provide evidence of Council’s ability to continue operating and provide an acceptable level of service and infrastructure to the community, both now and into the future. The *Local Government Regulation 2012* outlines the requirements to present the relevant measures of financial sustainability for the financial year to which the statements relate to, and the following nine financial years. In addition, the Department of Housing, Local Government, Planning and Public Works sets target ranges for each of these measures.

As part of Council’s 2024-2029 Corporate Plan, we aim to implement sustainable financial management. Council’s performance in these three key measures is an indication of whether we are delivering on this goal.



Statements of cash flows

The Statements of Cash Flows shows where Council’s cash came from and how it was spent throughout the year. This differs from the earlier reports as non-cash items, such as depreciation and donated assets, are excluded.

The Statements of Cash Flows categorises all cash payments made and received throughout the year into three groups:

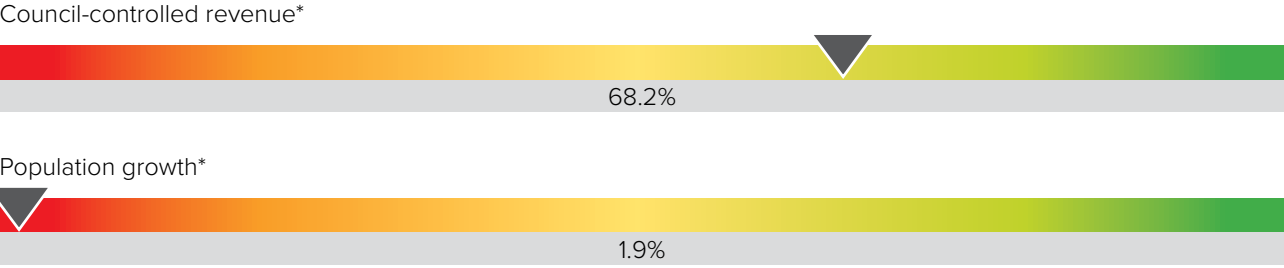
- Operating activities – represent day-to-day cash flows.
- Investing activities – represent cash payments from movements in assets and liabilities, such as purchases and sales of assets and any capital income (grants, contributions) received.
- Financing activities – represent cash flows relating to how Council is financed, including new loans and loan repayments.

|                               | \$'000s   |
|-------------------------------|-----------|
| Opening balance               | 106,912   |
| Plus cash received            | 640,410   |
| Less cash spent               | (620,541) |
| Cash available at end of year | 126,781   |

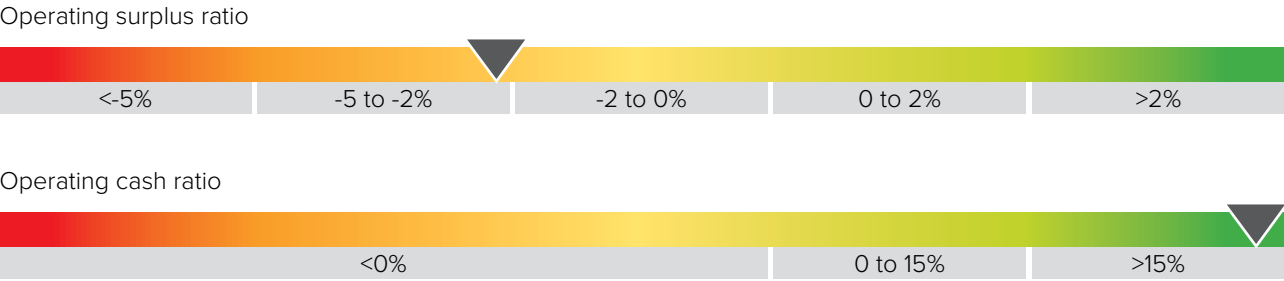
Cash available is used to invest and utilise for future outlays. Much of this is restricted for specific purposes, such as future infrastructure. Council’s cash is wisely invested in accordance with our investment policy and the interest earned contributes to the funding of operational expenses.

1. The Risk Assessment Table for Council (Tier 2) for the year ending 30 June 2024

FINANCIAL CAPACITY



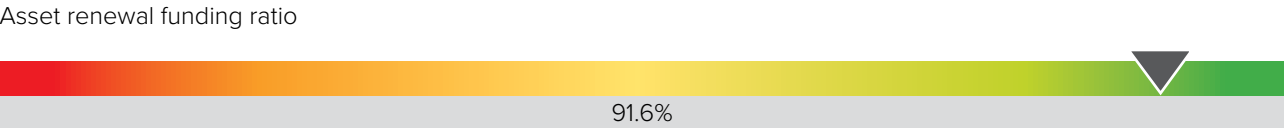
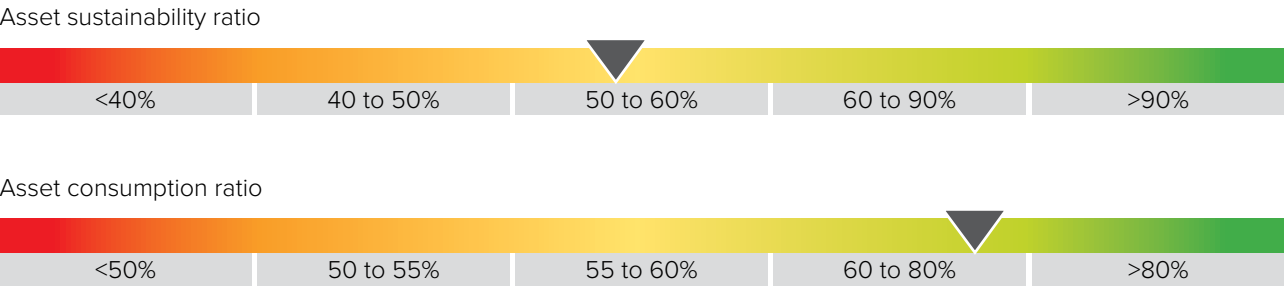
OPERATING PERFORMANCE



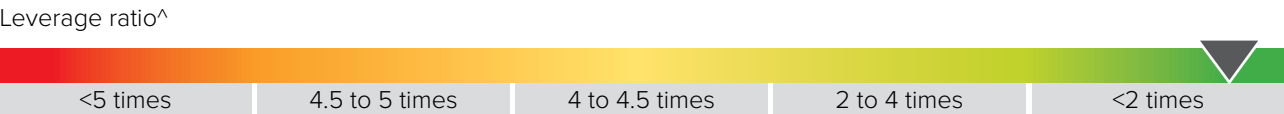
LIQUIDITY



ASSET MANAGEMENT



DEBT SERVICING



\* Contextual - not accessed.



2. The long-term financial sustainability statement

| Type                    | Measure                               | Target<br>(Tier 2)    | Actuals<br>as at 30<br>June<br>2024        | 30 June<br>2025 | 30 June<br>2026 | 30 June<br>2027 | 30 June<br>2028 | 30 June<br>2029 | 30 June<br>2030 | 30 June<br>2031 | 30 June<br>2032 | 30 June<br>2033 | 30 June<br>2034 |
|-------------------------|---------------------------------------|-----------------------|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Financial capacity      | Council-controlled revenue*           | N/A                   | 68.2%                                      | 78.8%           | 90.6%           | 90.8%           | 91.0%           | 91.2%           | 91.4%           | 91.5%           | 91.6%           | 91.7%           | 91.8%           |
|                         | Population growth*                    | N/A                   | 1.9%                                       | 1.8%            | 1.8%            | 1.8%            | 1.8%            | 1.8%            | 1.8%            | 1.8%            | 1.8%            | 1.8%            | 1.8%            |
| Asset management        | Asset renewal funding ratio*          | N/A                   | N/A For long-term sustainability statement |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Operating performance   | Operating surplus ratio               | Greater than 0%       | (2.36%)                                    | (0.56%)         | 0.56%           | 1.06%           | 0.64%           | 0.73%           | 0.28%           | 0.24%           | 0.72%           | 0.73%           | 0.84%           |
|                         | Operating cash ratio                  | Greater than 0%       | 23.5%                                      | 31.1%           | 35.4%           | 35.8%           | 35.3%           | 35.9%           | 36.0%           | 36.2%           | 37.5%           | 37.6%           | 37.8%           |
| Liquidity               | Unrestricted cash expense cover ratio | Greater than 2 months | N/A for long-term sustainability statement |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Asset management        | Asset sustainability Ratio            | Greater than 60%      | 54.3%                                      | 38.0%           | 59.3%           | 62.8%           | 61.2%           | 58.7%           | 58.7%           | 59.4%           | 58.9%           | 59.6%           | 60.4%           |
|                         | Asset consumption ratio               | Greater than 60%      | 72.6%                                      | 73.0%           | 73.2%           | 73.2%           | 73.0%           | 72.9%           | 72.8%           | 72.7%           | 72.6%           | 72.6%           | 72.6%           |
| Debt servicing capacity | leverage ratio**                      | 0 - 4 times           | 1.80                                       | 1.60            | 1.48            | 1.42            | 1.36            | 1.24            | 1.16            | 1.08            | 1.00            | 0.92            | 0.85            |

3. Sustainability measures explained

| Type                    | Measure                               | Rationale  |
|-------------------------|---------------------------------------|--|
| Financial capacity      | Council controlled revenue ratio      | Capacity to generate revenue internally.                                 |
| Financial capacity      | Population growth ratio               | Population growth/decline pressures on council.                          |
| Operating performance   | Operating surplus ratio               | Holistic overview of council operating performance.                      |
| Operating performance   | Operating cash ratio                  | Cash operating performance (less depreciation and other non-cash items). |
| Liquidity               | Unrestricted cash expense cover ratio | Unconstrained liquidity available to council.                            |
| Asset management        | Asset sustainability ratio            | Capital renewals program performance.                                    |
| Asset management        | Asset consumption ratio               | Extent to which assets are being consumed.                               |
| Asset management        | Asset renewal funding                 | Asset replacement program performance.                                   |
| Debt servicing capacity | Leverage ratio                        | Ability to repay existing debt.  |

Summary

Toowoomba Regional Council is in a sound financial position to deliver its budgeted projects and services for the 2024/25 financial year and beyond.



# GENERAL PURPOSE FINANCIAL STATEMENTS

For the year ended 30 June 2024

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Toowoomba Regional Council

Statements of Comprehensive Income  
For the year ended 30 June 2024

|   | Notes  | Consolidated   |                | Council        |                |
|---|--------|----------------|----------------|----------------|----------------|
|   |        | 2024           | 2023           | 2024           | 2023           |
|   |        | \$'000         | \$'000         | \$'000         | \$'000         |
| <b>INCOME</b>   |        |                |                |                |                |
| <b>Revenue</b>  |        |                |                |                |                |
| <b>Recurrent Revenue</b>                                  |        |                |                |                |                |
| Rates, Levies and Charges                                 | 3a     | 308,574        | 291,077        | 308,574        | 291,077        |
| Fees and Charges  | 3b     | 47,997         | 46,067         | 42,086         | 39,810         |
| Sales Revenue   | 3c     | 6,975          | 11,629         | 6,975          | 11,629         |
| Grants, Subsidies, Contributions and Donations            | 3d(i)  | 144,984        | 46,689         | 142,691        | 43,558         |
| <b>Total Recurrent Revenue</b>                            |        | <b>508,530</b> | <b>395,462</b> | <b>500,326</b> | <b>386,074</b> |
| <b>Capital Revenue</b>                                    |        |                |                |                |                |
| Grants, Subsidies, Contributions and Donations            | 3d(ii) | 95,302         | 78,253         | 95,302         | 78,253         |
| <b>Total Capital Revenue</b>                              |        | <b>95,302</b>  | <b>78,253</b>  | <b>95,302</b>  | <b>78,253</b>  |
| Other Income  |        | 2,743          | 2,814          | 2,705          | 2,801          |
| Interest Income   | 4      | 11,520         | 5,908          | 11,356         | 5,801          |
| <b>Total Income</b>                                       |        | <b>618,095</b> | <b>482,437</b> | <b>609,689</b> | <b>472,929</b> |
| <b>EXPENSES</b>   |        |                |                |                |                |
| <b>Recurrent Expenses</b>                                 |        |                |                |                |                |
| Employee Benefits   | 5      | 136,337        | 136,218        | 130,174        | 130,270        |
| Materials and Services                                    | 6      | 259,651        | 138,931        | 257,079        | 136,233        |
| Depreciation and Amortisation                             |        |                |                |                |                |
| Property, Plant and Equipment                             | 12     | 124,165        | 110,951        | 124,122        | 110,918        |
| Intangible Assets   | 14     | 496            | 500            | 496            | 500            |
| Right of Use Assets                                       | 15     | 1,257          | 1,249          | 1,132          | 1,134          |
| Finance Costs   | 7      | 13,551         | 11,338         | 13,512         | 11,292         |
| <b>Total Recurrent Expenses</b>                           |        | <b>535,457</b> | <b>399,187</b> | <b>526,515</b> | <b>390,347</b> |
| Capital Income and Expenses                               | 8      | 28,134         | 12,077         | 28,134         | 12,077         |
| <b>Total Expenses</b>                                     |        | <b>563,591</b> | <b>411,264</b> | <b>554,649</b> | <b>402,424</b> |
| <b>Net Result</b>   |        | <b>54,504</b>  | <b>71,173</b>  | <b>55,040</b>  | <b>70,505</b>  |
| <b>OTHER COMPREHENSIVE INCOME</b>                         |        |                |                |                |                |
| <b>Items which will not be reclassified to Net Result</b> |        |                |                |                |                |
| Increase in Asset Revaluation Surplus                     | 21     | 388,173        | 541,304        | 388,173        | 541,304        |
| <b>Total Other Comprehensive Income</b>                   |        | <b>388,173</b> | <b>541,304</b> | <b>388,173</b> | <b>541,304</b> |
| <b>Total Comprehensive Income</b>                         |        | <b>442,676</b> | <b>612,477</b> | <b>443,213</b> | <b>611,809</b> |

The above statements should be read in conjunction with the accompanying Notes and material accounting policy information.

Toowoomba Regional Council

Statements of Financial Position  
As at 30 June 2024

|   | Notes | Consolidated     |                  | Council          |                  |
|---|-------|------------------|------------------|------------------|------------------|
|   |       | 2024             | 2023             | 2024             | 2023             |
|   |       | \$'000           | \$'000           | \$'000           | \$'000           |
| <b>ASSETS</b>                                 |       |                  |                  |                  |                  |
| <b>Current Assets</b>                         |       |                  |                  |                  |                  |
| Cash and Cash Equivalents                     | 9     | 128,407          | 109,842          | 126,781          | 106,912          |
| Investments                                   | 10    | 93,570           | 68,445           | 90,500           | 65,425           |
| Receivables                                   | 11    | 42,535           | 38,439           | 42,060           | 37,977           |
| Non-Current Asset Classified as Held for Sale |       | 734              | -                | 652              | -                |
| Inventories                                   |       | 8,293            | 9,386            | 8,274            | 9,362            |
| <b>Total Current Assets</b>                   |       | <b>273,539</b>   | <b>226,112</b>   | <b>268,267</b>   | <b>219,676</b>   |
| <b>Non-Current Assets</b>                     |       |                  |                  |                  |                  |
| Property, Plant and Equipment                 | 12    | 6,668,426        | 6,227,559        | 6,668,322        | 6,227,419        |
| Intangible Assets                             | 14    | 5,225            | 4,573            | 5,225            | 4,573            |
| Other Financial Assets                        |       | 20               | 20               | 20               | 20               |
| Right of Use Assets                           | 15    | 4,161            | 4,086            | 3,869            | 3,673            |
| Investment Property                           |       | 3,540            | 3,220            | 3,540            | 3,220            |
| <b>Total Non-Current Assets</b>               |       | <b>6,681,372</b> | <b>6,239,458</b> | <b>6,680,976</b> | <b>6,238,905</b> |
| <b>Total Assets</b>                           |       | <b>6,954,911</b> | <b>6,465,570</b> | <b>6,949,243</b> | <b>6,458,581</b> |
| <b>LIABILITIES</b>                            |       |                  |                  |                  |                  |
| <b>Current Liabilities</b>                    |       |                  |                  |                  |                  |
| Payables                                      | 16    | 69,936           | 36,033           | 69,176           | 35,056           |
| Borrowings                                    | 17    | 18,054           | 16,401           | 18,021           | 16,371           |
| Provisions                                    | 18    | 15,892           | 14,676           | 15,298           | 14,281           |
| Lease Liabilities                             | 15    | 1,411            | 1,352            | 1,290            | 1,221            |
| Contract Liabilities                          | 19    | 11,025           | 12,786           | 11,025           | 12,786           |
| Other Liabilities                             | 20    | 8,322            | 7,579            | 6,447            | 5,925            |
| <b>Total Current Liabilities</b>              |       | <b>124,640</b>   | <b>88,827</b>    | <b>121,257</b>   | <b>85,640</b>    |
| <b>Non-Current Liabilities</b>                |       |                  |                  |                  |                  |
| Borrowings                                    | 17    | 199,554          | 186,266          | 199,475          | 186,154          |
| Lease Liabilities                             | 15    | 3,128            | 3,164            | 2,945            | 2,878            |
| Contract Liabilities                          | 19    | 2,888            | 2,805            | 2,888            | 2,805            |
| Provisions                                    | 18    | 108,876          | 105,162          | 108,788          | 105,057          |
| Other Liabilities                             | 20    | 9,330            | 14,700           | 9,330            | 14,700           |
| <b>Total Non-Current Liabilities</b>          |       | <b>323,776</b>   | <b>312,097</b>   | <b>323,426</b>   | <b>311,594</b>   |
| <b>Total Liabilities</b>                      |       | <b>448,416</b>   | <b>400,924</b>   | <b>444,683</b>   | <b>397,234</b>   |
| <b>Net Community Assets</b>                   |       | <b>6,506,495</b> | <b>6,064,646</b> | <b>6,504,560</b> | <b>6,061,347</b> |
| <b>COMMUNITY EQUITY</b>                       |       |                  |                  |                  |                  |
| Asset Revaluation Surplus                     | 21    | 3,627,218        | 3,239,045        | 3,627,218        | 3,239,045        |
| Retained Surplus/(Deficiency)                 |       | 2,879,277        | 2,825,601        | 2,877,342        | 2,822,302        |
| <b>Total Community Equity</b>                 |       | <b>6,506,495</b> | <b>6,064,646</b> | <b>6,504,560</b> | <b>6,061,347</b> |



Toowoomba Regional Council

Statements of Changes in Equity  
For the year ended 30 June 2024

| Consolidated  |       | Asset Revaluation Surplus | Retained Surplus | Total Equity |
|---|-------|---------------------------|------------------|--------------|
|   | Notes | \$'000                    | \$'000           | \$'000       |
|   |       |                           |                  |              |
| 2024  |       |                           |                  |              |
| OPENING BALANCE   |       | 3,239,045                 | 2,824,773*       | 6,063,818    |
| Balance as at 1 July 2023   |       | 3,239,045                 | 2,824,773*       | 6,063,818    |
| Net Result  |       | -                         | 54,504           | 54,504       |
| Increase in Asset Revaluation Surplus   | 21    | 388,173                   | -                | 388,173      |
| Total Comprehensive Income for the Year   |       | 388,173                   | 54,504           | 442,677      |
|   |       |                           |                  |              |
| BALANCE AS AT 30 JUNE 2024  |       | 3,627,218                 | 2,879,277        | 6,506,495    |
| *Opening balance variance due to non-consolidation of Empire Theatres Foundation Ltd in the 2023/24 financial year. |       |                           |                  |              |
|   |       |                           |                  |              |
| 2023  |       |                           |                  |              |
| OPENING BALANCE   |       | 2,697,741                 | 2,754,410        | 5,452,151    |
| Balance as at 1 July 2022   |       | 2,697,741                 | 2,754,410        | 5,452,151    |
| Net Result  |       | -                         | 71,173           | 71,173       |
| Increase Asset Revaluation Surplus  | 21    | 541,304                   | -                | 541,304      |
| Total Comprehensive Income for the Year   |       | 541,304                   | 71,173           | 612,477      |
| Increase in Consolidated Equity*  |       | -                         | 18               | 18           |
|   |       |                           |                  |              |
| BALANCE AS AT 30 JUNE 2023  |       | 3,239,045                 | 2,825,601        | 6,064,646    |

\*Transfer of Empire Theatres Foundation to Council.

Toowoomba Regional Council

Statements of Changes in Equity (Continued)  
For the year ended 30 June 2024

| Council                                 |    | Asset Revaluation Surplus | Retained Surplus | Total Equity |
|---|----|---------------------------|------------------|--------------|
|   |    | \$'000                    | \$'000           | \$'000       |
| 2024                                    |    |                           |                  |              |
| OPENING BALANCE                         |    | 3,239,045                 | 2,822,302        | 6,061,347    |
| Balance as at 1 July 2023               |    | 3,239,045                 | 2,822,302        | 6,061,347    |
| Net Result                              |    | -                         | 55,040           | 55,040       |
| Increase Asset Revaluation Surplus      | 21 | 388,173                   | -                | 388,173      |
| Total Comprehensive Income for the Year |    | 388,173                   | 55,040           | 443,213      |
| BALANCE AS AT 30 JUNE 2024              |    | 3,627,218                 | 2,877,342        | 6,504,560    |
| 2023                                    |    |                           |                  |              |
| OPENING BALANCE                         |    | 2,697,741                 | 2,751,797        | 5,449,538    |
| Balance as at 1 July 2022               |    | 2,697,741                 | 2,751,797        | 5,449,538    |
| Net Result                              |    | -                         | 70,505           | 70,505       |
| Increase in Asset Revaluation Surplus   | 21 | 541,304                   | -                | 541,304      |
| Total Comprehensive Income for the Year |    | 541,304                   | 70,505           | 611,809      |
| BALANCE AS AT 30 JUNE 2023              |    | 3,239,045                 | 2,822,302        | 6,061,347    |



Toowoomba Regional Council

Statements of Cash Flows  
For the year ended 30 June 2024

|  | Notes | Consolidated |           | Council   |           |
|--|-------|--------------|-----------|-----------|-----------|
|  |       | 2024         | 2023      | 2024      | 2023      |
|  |       | \$'000       | \$'000    | \$'000    | \$'000    |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                            |       |              |           |           |           |
| Receipts from Customers  |       | 397,469      | 391,514   | 387,944   | 381,776   |
| Payments to Suppliers and Employees                                    |       | (402,683)    | (330,618) | (392,874) | (321,305) |
|  |       | (5,214)      | 60,896    | (4,930)   | 60,471    |
| Interest and Investment Revenue Received                               |       | 10,775       | 5,636     | 10,611    | 5,543     |
| Recurrent Grants, Subsidies, Contributions and Donations               |       | 149,800      | 44,763    | 149,898   | 44,855    |
| Borrowing Costs  |       | (8,291)      | (7,345)   | (8,291)   | (7,345)   |
| Net Cash Inflow (Outflow) from Operating Activities                    | 25    | 147,070      | 103,950   | 147,289   | 103,524   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                            |       |              |           |           |           |
| Proceeds from Sale of Property, Plant and Equipment                    | 8     | 5,707        | 4,596     | 5,707     | 4,596     |
| Commonwealth Government Subsidies and Grants                           |       | 34,953       | 39,205    | 34,953    | 39,205    |
| Contributions  |       | 1,616        | 605       | 1,616     | 605       |
| Infrastructure Charges   |       | 18,681       | 17,224    | 18,681    | 17,224    |
| Net Movement in Cash Investments                                       |       | (25,125)     | (7,073)   | (25,075)  | (5,000)   |
| Payments for Property, Plant and Equipment                             |       | (175,784)    | (168,194) | (175,777) | (168,065) |
| Payments for Intangible Assets   | 14    | (1,148)      | (613)     | (1,148)   | (613)     |
| Net Cash Inflow (Outflow) from Investing Activities                    |       | (141,100)    | (114,250) | (141,042) | (112,048) |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                            |       |              |           |           |           |
| Proceeds from Borrowings   | 26    | 31,000       | 35,103    | 31,000    | 35,000    |
| Repayment of Borrowings  | 26    | (16,015)     | (13,808)  | (15,976)  | (13,808)  |
| Repayments made on Leases (Principal only)                             |       | (1,531)      | (1,382)   | (1,401)   | (1,258)   |
| Net Cash Inflow/(Outflow) from Financing Activities                    |       | 13,454       | 19,913    | 13,623    | 19,934    |
| Net Increase/(Decrease) in Cash and Cash Equivalents Held              |       | 19,424       | 9,613     | 19,869    | 11,410    |
| Plus: Cash and Cash Equivalents at the Beginning of the Financial Year |       | 108,983      | 100,229   | 106,912   | 95,502    |
| Cash and Cash Equivalents at the End of Financial Year                 | 9     | 128,407      | 109,842   | 126,781   | 106,912   |

Toowoomba Regional Council

Notes to the Financial Statements  
For the year ended 30 June 2024

Note 1. Information about these Financial Statements

(a) Basis of Preparation

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

These general purpose financial statements are for the period 1 July 2023 to 30 June 2024. They are prepared in accordance with the *Local Government Act 2009* and the Local Government Regulation 2012.

Council is a not-for-profit entity for financial reporting purposes and these financial statements comply with Australian Accounting Standards and Interpretations as applicable to not-for-profit entities.

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

(b) Basis of Consolidation

Council and its controlled entities together form the consolidated entity. The financial statements of controlled entities are included in the consolidated financial statements where material by size or nature, from the date when control commences until the date when control ceases.

Transactions between Council and entities controlled by Council have been eliminated when preparing consolidated accounts. In addition, the accounting policies of controlled entities have been adjusted on consolidation where necessary, to ensure the financial statements of the consolidated entity are prepared using accounting policies that are consistent with those of the Council.

The following entities have been consolidated:

- Empire Theatres Pty Ltd
- Empire Theatres Foundation
- Toowoomba and Surat Basin Enterprise Pty Ltd

Empire Theatres Pty Ltd

Empire Theatres Pty Ltd is a wholly owned subsidiary of Council, enabling Council the right to direct the company's activities. Council uses these rights to provide cultural services to the community through the heritage listed, purpose built performing arts theatre. It stages a wide variety of theatre, music and entertainment performances and is also a venue for hire.

Empire Theatres Foundation

Empire Theatres Foundation was a wholly owned subsidiary of Empire Theatres Pty Ltd. Through Council's ownership of Empire Theatres Pty Ltd, Council also directed the activities of Empire Theatres Foundation. This entity was established to provide performing arts opportunities to young people in the Toowoomba region, to promote the performing arts for the benefit of the local community and preserve the cultural heritage associated with the Empire Theatre.

On the 15 January 2023, Empire Theatres Foundation formalised the process to update their Trustee, and appointed Empire Theatres Foundation Ltd as Trustee company. Empire Theatres Foundation Ltd is now a controlled entity of Toowoomba Regional Council and no longer a controlled entity of Empire Theatres Pty Ltd.

Toowoomba and Surat Basin Enterprise Pty Ltd

Toowoomba and Surat Basin Enterprise Pty Ltd (TSBE) is wholly owned by Council, enabling Council the right to direct the company's activities. Council uses this power to support TSBE in carrying out its objectives to focus on growing investment and business activity in the region.

Information on controlled entities that have not been consolidated because they are not considered material is included in Note 29.

(c) Adoption of New and Revised Accounting Standards

Council adopted all standards which became mandatorily effective for annual reporting period beginning on 1 July 2023. None of the standards had a material impact on Council's reported financial position, financial performance and cash flows.

(d) Standards Issued by the AASB not yet Effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2024. These standards have not been adopted by Council and will be included in the financial statements on their effective date. Council does not consider these to have a material impact.



Note 1. Information about these Financial Statements (continued)

(e) Estimates and Judgements

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

- Revenue Recognition – Note 3
- Receivables impairment/credit losses – Note 11
- Valuation and depreciation of Property, Plant and Equipment – Notes 12 and 13
- Amortisation of Intangible Assets – Note 14
- Provisions – Note 18
- Contingent Assets and Liabilities – Note 23
- Financial Instruments and Financial Liabilities – Note 27
- Valuation of Investment Property

(f) Rounding and Comparatives

The financial statements are in Australian dollars that have been rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless otherwise stated.

Comparative information is generally restated for reclassifications, errors, and changes in accounting policies, unless permitted otherwise by transition rules in a new Accounting Standard.

(g) Volunteer Services

Council utilises volunteer services to assist in carrying out various activities. Council has not recognised these services as they would not be purchased if not donated.

(h) Taxation

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

Note 2. Analysis of Results by Function

(a) Components of Council Functions

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

Corporate Governance

The objective of Corporate Governance is to be a well governed, responsive Council, providing effective leadership and management, and respecting community values. This function includes strategic planning, risk management, legal and administrative support. The Mayor, Councillors and Chief Executive Officer are included in Corporate Governance.

Finance and Business Strategy

Finance and Business Strategy provides quality and dependable corporate and financial services across Council. This function includes customer service, human resources, information technology, stakeholder engagement and communication and finance. Its goals are to provide service delivery in line with customer and community expectations, attract and retain a skilled workforce, implement reliable and contemporary information, knowledge and management systems, engage in continuous improvement and implement sustainable financial management and effective procurement practices.

Environment and Community Services

The goal of Environment and Community Services is to provide a safe, healthy and equitable community that celebrates diversity and enjoys a quality lifestyle. This function provides community, cultural and sporting facilities, as well as ensuring the effective delivery of health and environmental standards, community safety and disaster management capability.

Planning and Development

The goal of Planning and Development is to ensure regional growth and change is well managed, integrated and connected which respects community, environmental and heritage values as well as ensuring the region's environmental assets (including natural areas and resources, open space and agricultural land) are conserved and enhanced for future generations. This function includes strategic planning and economic development, regional planning scheme, priority infrastructure plan, development applications and certification and compliance for building, plumbing, drainage and development.

Infrastructure Services

Infrastructure Services is responsible for the integrated and timely provision and management of sustainable infrastructure for the region that facilitates the development of the region and maximises the utilisation of existing assets. Its goals include ensuring infrastructure meets the needs and priorities of Council, the community and industry; provide a safe, sustainable and efficient road network; plan and deliver stormwater management and flood resilience plans and implement urban improvement works that enhance local character and conserve and improve the region's streetscapes and parkland.

Waste Management

Waste Management incorporates the operation and management of Council's waste transfer and disposal facilities together with the management of Council's waste collection and recycling contracts. Its objective is to provide efficient and sustainable waste management infrastructure and services, as well as to minimise the impacts of waste generation and landfill emissions.

Water Services

Water Services delivers and manages efficient and sustainable, high quality, water supply systems throughout the region. It is responsible for the planning, co-ordination and maintenance of the water network, water treatment and dams as well as the provision of drinking water.

Wastewater Services

Wastewater Services is responsible for the planning, co-ordination and maintenance of the wastewater trunk, reticulation networks, related fixed plant and equipment and SCADA systems for wastewater infrastructure. Its aim is to deliver and manage a high quality sewerage network and treatment facilities and effective and efficient use of recycled water.



Note 2. Analysis of Results by Function (continued)

(b) Income and Expenses defined between Recurring and Capital are attributed to the following:

| Functions                               | Gross Program Income |       |         |         |        |        | Total Income | Gross Program Expenses |          |           | Total Expenses | Net Result from Recurring Operations | Net Result | Total Assets |
|---|----------------------|-------|---------|---------|--------|--------|--------------|------------------------|----------|-----------|----------------|--------------------------------------|------------|--------------|
|   | Recurring            |       |         | Capital |        |        |              | Gross Program Expenses |          |           |                |                                      |            |              |
|   | Grants               | Other | \$'000  | Grants  | Other  | \$'000 |              | Recurring              |          | Capital   |                |                                      |            |              |
| 2024                                    |                      |       |         |         |        |        |              |                        |          |           |                |                                      |            |              |
| Corporate Governance                    | -                    |       | 579     | -       | -      | -      | 579          | (15,724)               | -        | (15,724)  | (15,145)       | (15,145)                             | -          | -            |
| Finance and Business Strategy           | 744                  |       | 163,073 | -       | 30,006 | -      | 193,823      | (69,196)               | (18,420) | (87,616)  | 94,621         | 106,207                              | 283,005    | 283,005      |
| Environment and Community Services      | 2,415                |       | 14,255  |         | 717    |        | 18,615       | (87,158)               | -        | (87,158)  | (70,488)       | (68,543)                             | 1,091,806  | 1,091,806    |
| Planning and Development                | -                    |       | 8,283   | -       | 17,667 | -      | 25,950       | (11,295)               | -        | (11,296)  | (3,012)        | 14,655                               | -          | -            |
| Infrastructure Services                 | 138,795              |       | 9,441   |         | 35,328 | 1,151  | 184,716      | (217,795)              | 1,753    | (216,042) | (69,559)       | (31,327)                             | 3,459,355  | 3,459,355    |
| Waste Management                        | 737                  |       | 33,405  |         | 99     | -      | 34,242       | (29,519)               | (2,018)  | (31,537)  | 4,623          | 2,705                                | 101,017    | 101,017      |
| Water Services                          | -                    |       | 87,368  |         | 287    | 3,871  | 91,526       | (67,785)               | (6,797)  | (74,581)  | 19,583         | 16,945                               | 1,324,717  | 1,324,717    |
| Wastewater Services                     | -                    |       | 55,290  |         | 400    | 4,548  | 60,238       | (28,043)               | (2,652)  | (30,695)  | 27,247         | 29,543                               | 689,343    | 689,343      |
| Total Council                           | 142,691              |       | 371,695 |         | 37,342 | 57,960 | 609,689      | (526,515)              | (28,134) | (554,649) | (12,130)       | 55,040                               | 6,949,243  | 6,949,243    |
| Consolidated Entity Net of Eliminations | 2,293                |       | 6,112   |         | -      | -      | 8,406        | (8,942)                | -        | (8,942)   | (536)          | (536)                                | 5,668      | 5,668        |
| Total Consolidated                      | 144,984              |       | 377,807 |         | 37,342 | 57,960 | 618,095      | (535,457)              | (28,134) | (563,591) | (12,665)       | 54,504                               | 6,954,911  | 6,954,911    |
| Functions                               | Gross Program Income |       |         |         |        |        | Total Income | Gross Program Expenses |          |           | Total Expenses | Net Result from Recurring Operations | Net Result | Total Assets |
| 2023                                    | Recurring            |       |         | Capital |        |        |              | Gross Program Expenses |          |           |                |                                      |            |              |
|   | Grants               | Other | \$'000  | Grants  | Other  | \$'000 |              | Recurring              |          | Capital   |                |                                      |            |              |
| Corporate Governance                    | -                    |       | 503     | -       | -      | -      | 503          | (11,886)               | -        | (11,886)  | (11,383)       | (11,383)                             | -          | -            |
| Finance and Business Strategy           | 7,279                |       | 149,712 | -       | 17,554 | -      | 174,545      | (56,159)               | (17,647) | (73,806)  | 100,832        | 100,740                              | 228,920    | 228,920      |
| Environment and Community Services      | 1,971                |       | 14,115  |         | 5,330  | 1,032  | 22,448       | (87,029)               | 864      | (86,165)  | (70,943)       | (63,717)                             | 1,054,789  | 1,054,789    |
| Planning and Development                | -                    |       | 6,955   | -       | 15,837 | -      | 22,792       | (11,906)               | -        | (11,906)  | (4,951)        | 10,886                               | -          | -            |
| Infrastructure Services                 | 33,660               |       | 14,907  |         | 26,900 | 605    | 76,072       | (109,420)              | 1,753    | (107,667) | (60,853)       | (31,595)                             | 3,224,754  | 3,224,754    |
| Waste Management                        | 544                  |       | 31,592  |         | 1,000  | -      | 33,136       | (26,763)               | 7,107    | (19,656)  | 5,373          | 13,480                               | 97,632     | 97,632       |
| Water Services                          | 88                   |       | 79,415  |         | 1,855  | 2,950  | 84,308       | (59,859)               | (1,377)  | (61,235)  | 19,645         | 23,073                               | 1,116,852  | 1,116,852    |
| Wastewater Services                     | 14                   |       | 53,921  |         | 1,600  | 3,590  | 59,125       | (27,326)               | (2,777)  | (30,103)  | 26,609         | 29,021                               | 735,634    | 735,634      |
| Total Council                           | 43,556               |       | 351,120 |         | 36,685 | 41,568 | 472,929      | (390,347)              | (12,077) | (402,424) | 4,329          | 70,505                               | 6,458,581  | 6,458,581    |
| Consolidated Entity Net of Eliminations | 3,132                |       | 6,376   |         | -      | -      | 9,508        | (8,840)                | -        | (8,840)   | 668            | 668                                  | 6,989      | 6,989        |
| Total Consolidated                      | 46,688               |       | 357,496 |         | 36,685 | 41,568 | 482,437      | (399,187)              | (12,077) | (411,264) | 4,997          | 71,173                               | 6,465,570  | 6,465,570    |

Consolidated figures are not split into functions because program results only apply to Council.

Toowoomba Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2024

Note 3. Revenue

|  | Consolidated |          | Council  |          |
|--|--------------|----------|----------|----------|
|  | 2024         | 2023     | 2024     | 2023     |
| Notes  | \$'000       | \$'000   | \$'000   | \$'000   |
| (a) Rates, Levies and Charges  |              |          |          |          |
| Rates, levies and charges are recognised as revenue at the beginning of the rating period to which they relate. Prepaid rates are recognised as unearned revenue until the beginning of the rating period. |              |          |          |          |
| General Rates  | 166,227      | 157,810  | 166,227  | 157,810  |
| Separate Rates   | 8,811        | 8,360    | 8,811    | 8,360    |
| Water  | 50,982       | 50,589   | 50,982   | 50,589   |
| Water Consumption, Rental and Sundries   | 43,388       | 35,839   | 43,388   | 35,839   |
| Sewerage   | 44,106       | 42,587   | 44,106   | 42,587   |
| Sewerage Trade Waste   | 1,783        | 1,929    | 1,783    | 1,929    |
| Garbage Charges  | 23,765       | 22,502   | 23,765   | 22,502   |
| Total Rates and Utility Charge Revenue   | 339,062      | 319,616  | 339,062  | 319,616  |
| Less: Rate Discounts   | (27,386)     | (25,822) | (27,386) | (25,822) |
| Less: Rate Concessions   | (3,102)      | (2,717)  | (3,102)  | (2,717)  |
| Total Rates, Levies and Charges  | 308,574      | 291,077  | 308,574  | 291,077  |



Toowoomba Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2024

Note 3. Revenue (continued)

(b) Fees and Charges

Revenue arising from fees and charges are recognised at the point in time when the performance obligation is completed and the customer receives the benefit of the services being provided.

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases, the customer is required to pay on arrival, for example swimming pools. There is no material obligation for Council in relation to refunds or returns.

Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time the licence is granted rather than the term of the licence.

Revenue from infringements is recognised on issue of the infringement notice after applying the expected credit loss model relating to the impairment of receivables for initial recognition of statutory receivables.

|   | Consolidated |        | Council |        |
|---|--------------|--------|---------|--------|
|   | 2024         | 2023   | 2024    | 2023   |
| Notes                                       | \$'000       | \$'000 | \$'000  | \$'000 |
| Aquatic, Fitness and Leisure Fees           | 449          | 1,816  | 449     | 1,816  |
| Hire/Rental Income                          | 8,650        | 8,489  | 4,215   | 3,866  |
| Fines and Penalties                         | 703          | 624    | 703     | 624    |
| Cemetery and Memorialisation Fees           | 1,014        | 980    | 1,014   | 980    |
| Dog Registrations                           | 1,317        | 1,153  | 1,317   | 1,153  |
| Licences, Inspections and Applications Fees | 3,135        | 3,134  | 3,135   | 3,134  |
| Parking Fees and Penalties                  | 3,501        | 2,728  | 3,501   | 2,728  |
| Planning and Development Fees               | 6,500        | 5,169  | 6,500   | 5,169  |
| Property Search Fees                        | 2,288        | 2,321  | 2,288   | 2,321  |
| Sale of Bulk Recycled Water                 | 12,162       | 11,587 | 12,162  | 11,587 |
| Waste Management Fees                       | 2,453        | 2,017  | 2,453   | 2,017  |
| Water Connection and Sales                  | 1,355        | 1,006  | 1,355   | 1,006  |
| Other Fees and Charges                      | 4,470        | 5,043  | 2,994   | 3,409  |
| Total Fees and Charges                      | 47,997       | 46,067 | 42,086  | 39,810 |

(c) Sales Revenue

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

Revenue from contracts and recoverable works generally comprises a recoupment of material costs together with an hourly charge for use of equipment and employees. This revenue and the associated costs are recognised by reference to the stage of completion of the contract activity based on costs incurred at the reporting date. Where consideration is received for the service in advance, it is included in other liabilities and is recognised as revenue in the period when the service is performed. There are no contracts in progress at the year end. The contract work carried out is not subject to retentions.

|  |       |        |       |        |
|--|-------|--------|-------|--------|
| Other Contract and Recoverable Works   | 99    | 210    | 99    | 210    |
| Department of Transport and Main Roads | 5,298 | 9,762  | 5,298 | 9,762  |
| Private Works provided to the Public   | 1,578 | 1,657  | 1,578 | 1,657  |
| Total Sales Revenue                    | 6,975 | 11,629 | 6,975 | 11,629 |

Toowoomba Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2024

Note 3. Revenue (continued)

(d) Grants, Subsidies, Contributions and Donations

Grant Income under AASB 15

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligation is satisfied. Performance obligations vary in each agreement but include when the associated works detailed in the agreement has been completed. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others. Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements, there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract. Where control is transferred over time, revenue is recognised using either cost or time incurred.

Grant Income under AASB 1058

Where Council receives an asset for significantly below fair value, the asset is recognised at fair value, and the related liability (or equity item) is recorded. Income is then recognised for any remaining asset value at the time that the asset is received.

Capital Grants

Where Council receives funding under an enforceable contract to acquire or construct a specified item of property, plant and equipment which will be under Council's control on completion, revenue is recognised as and when the obligation to construct or purchase is completed. For construction projects, this is generally as the construction progresses in accordance with costs incurred.

Donations and Contributions

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

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

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

(i) Recurrent (Operating)

|  | Consolidated |        | Council |        |
|--|--------------|--------|---------|--------|
|  | 2024         | 2023   | 2024    | 2023   |
| Notes  | \$'000       | \$'000 | \$'000  | \$'000 |
| General Purpose Grants                       | 2,642        | 12,365 | 538     | 9,425  |
| State Government Subsidies and Grants        | 139,607      | 32,445 | 139,607 | 32,445 |
| Commonwealth Government Subsidies and Grants | 1,612        | 1,165  | 1,612   | 1,165  |
| Donations                                    | 290          | 218    | 100     | 27     |
| Contributions                                | 834          | 496    | 834     | 496    |
|  | 144,984      | 46,689 | 142,691 | 43,558 |



Toowoomba Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2024

Note 3. Revenue (continued)

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

(ii) Capital

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

|  | Consolidated |        | Council |        |
|--|--------------|--------|---------|--------|
|  | 2024         | 2023   | 2024    | 2023   |
|  | \$'000       | \$'000 | \$'000  | \$'000 |
| Notes  |              |        |         |        |
| State Government Subsidies and Grants                        | 7,412        | 21,722 | 7,412   | 21,722 |
| Commonwealth Government Subsidies and Grants                 | 29,929       | 14,963 | 29,929  | 14,963 |
| Contributions  | 1,630        | 655    | 1,630   | 655    |
| Infrastructure Charges                                       | 17,667       | 15,837 | 17,667  | 15,837 |
| <b>Non-Monetary Revenue Received is Analysed as Follows:</b> |              |        |         |        |
| Donations from Third Parties at Fair Value                   | 38,664       | 25,076 | 38,664  | 25,076 |
| Total Capital Grants, Subsidies, Contributions and Donations | 95,302       | 78,253 | 95,302  | 78,253 |

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

Revenue Recognised at a Point in Time

|                        |         |        |         |        |
|------------------------|---------|--------|---------|--------|
| Grants and Subsidies   | 145,135 | 47,059 | 141,758 | 43,034 |
| Contributions          | -       | -      | -       | -      |
| Donations              | 38,954  | 25,216 | 38,764  | 25,103 |
| Infrastructure Charges | 17,667  | 15,837 | 17,667  | 15,837 |
|                        | 201,756 | 88,112 | 198,189 | 83,974 |

Revenue Recognised Over Time

|                      |        |        |        |        |
|----------------------|--------|--------|--------|--------|
| Grants and Subsidies | 37,793 | 37,105 | 37,342 | 36,685 |
| Contributions        | 2,463  | 1,230  | 2,463  | 1,152  |
|                      | 40,256 | 38,335 | 39,805 | 37,837 |

Toowoomba Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2024

Note 4. Interest

|   | Consolidated |        | Council |        |
|---|--------------|--------|---------|--------|
|   | 2024         | 2023   | 2024    | 2023   |
|   | \$'000       | \$'000 | \$'000  | \$'000 |
| Notes   |              |        |         |        |
| Interest Received from Investments              | 11,147       | 5,497  | 10,983  | 5,390  |
| Interest from Overdue Rates and Utility Charges | 373          | 411    | 373     | 411    |
|   | 11,520       | 5,908  | 11,356  | 5,801  |

Note 5. Employee Benefits

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

|  | Consolidated |          | Council  |          |
|--|--------------|----------|----------|----------|
|  | 2024         | 2023     | 2024     | 2023     |
|  | \$'000       | \$'000   | \$'000   | \$'000   |
| Notes  |              |          |          |          |
| Wages and Salaries                               | 111,683      | 110,934  | 106,847  | 105,947  |
| Annual, Sick and Long Service Leave Entitlements | 20,443       | 19,560   | 20,171   | 19,220   |
| Superannuation                                   | 15,184       | 15,177   | 14,531   | 14,729   |
| Councillor's Remuneration                        | 1,485        | 1,462    | 1,485    | 1,462    |
|  | 148,795      | 147,133  | 143,034  | 141,358  |
| Other Employee Related Expenses                  | 2,633        | 2,288    | 2,231    | 2,115    |
|  | 151,428      | 149,421  | 145,265  | 143,473  |
| Less: Capitalised Employee Expenses              | (15,091)     | (13,203) | (15,091) | (13,203) |
| <b>Total Employee Benefits</b>                   | 136,337      | 136,218  | 130,174  | 130,270  |
|  | 2024         | 2023     | 2024     | 2023     |
| Total Employees at year end:                     |              |          |          |          |
| Administration Staff                             | 930          | 938      | 883      | 886      |
| Depot and Outdoors Staff                         | 558          | 565      | 558      | 565      |
| <b>TOTAL FULL TIME EQUIVALENT EMPLOYEES</b>      | 1,488        | 1,503    | 1,441    | 1,451    |
|  |              |          |          |          |
| <b>TOTAL ELECTED MEMBERS</b>                     | 11           | 11       | 11       | 11       |



Toowoomba Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2024

Note 6. Materials and Services

Total audit fees quoted by Queensland Audit Office relating to the 2023/24 Financial Statements are \$271,425 (2022/2023: \$258,500) for Council and \$311,125(2022/23: \$301,500) for the group.

|   | Consolidated |         | Council |         |
|---|--------------|---------|---------|---------|
|   | 2024         | 2023    | 2024    | 2023    |
| Notes   | \$'000       | \$'000  | \$'000  | \$'000  |
| Advertising   | 944          | 925     | 484     | 600     |
| Administration Supplies and Consumables                                   | 1,900        | 2,270   | 1,267   | 1,680   |
| Audit of Annual Financial Statements by the Auditor-General of Queensland | 311          | 305     | 271     | 258     |
| Bulk Road and Other Materials   | 11,256       | 6,128   | 11,256  | 6,128   |
| Communications and IT   | 8,851        | 8,229   | 8,755   | 8,055   |
| Conferences and Seminars  | 616          | 836     | 616     | 836     |
| Consultants   | 24,343       | 15,618  | 24,343  | 15,618  |
| Contractors   | 108,980      | 19,439  | 108,980 | 19,439  |
| Councillor's Expenses (incl. Mayor) - Other                               | 11           | -       | 11      | -       |
| Donations Paid  | 2,207        | 2,207   | 4,024   | 3,776   |
| Electricity   | 11,852       | 11,420  | 11,852  | 11,420  |
| Equipment Hire  | 11,406       | 10,615  | 10,229  | 9,508   |
| Fuel and Chemicals  | 8,852        | 9,216   | 8,827   | 9,187   |
| Garbage Collection Services   | 17,066       | 16,485  | 17,066  | 16,485  |
| Minor Equipment and Other Materials                                       | 3,281        | 2,418   | 3,115   | 2,418   |
| Professional Services   | 13,961       | 11,546  | 13,601  | 11,097  |
| Repairs and Maintenance   | 4,682        | 4,777   | 4,359   | 4,467   |
| Operating Leases - Rentals  | 91           | 500     | 91      | 500     |
| Other Utilities   | 7,239        | 6,275   | 7,191   | 6,248   |
| Other Materials and Services  | 21,802       | 9,722   | 20,741  | 8,513   |
| Total Materials and Services  | 259,651      | 138,931 | 257,079 | 136,233 |

Local government elections were held during the 2023/24 financial year. Election expenses totaling \$935K are included in Professional Services.

Note 7. Finance Costs

|   | Consolidated |        | Council |        |
|---|--------------|--------|---------|--------|
|   | 2024         | 2023   | 2024    | 2023   |
| Notes   | \$'000       | \$'000 | \$'000  | \$'000 |
| Finance Costs - Queensland Treasury Corporation | 8,240        | 7,416  | 8,240   | 7,416  |
| Bank Charges                                    | 763          | 781    | 736     | 749    |
| Impairment of Receivables                       | 73           | (22)   | 73      | (26)   |
| Interest on Leases                              | 222          | 178    | 210     | 168    |
| Unwinding of Discount on Provisions             | 4,253        | 2,985  | 4,253   | 2,985  |
| Total Finance Costs                             | 13,551       | 11,338 | 13,512  | 11,292 |

Toowoomba Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2024

Note 8. Capital Income and Expenses

|  |       | Consolidated   |                | Council        |                |
|--|-------|----------------|----------------|----------------|----------------|
|  |       | 2024           | 2023           | 2024           | 2023           |
|  | Notes | \$'000         | \$'000         | \$'000         | \$'000         |
| <b>(a) (Profit)/Loss on Disposal of Non-Current Assets</b>   |       |                |                |                |                |
| Proceeds from Disposal of Property, Plant and Equipment  |       | (5,707)        | (4,596)        | (5,707)        | (4,596)        |
| Less: Book Value of Property, Plant and Equipment Disposed   | 12,14 | 4,260          | 2,553          | 4,260          | 2,553          |
| <b>(Profit)/Loss on Disposal of Non-Current Assets</b>   |       | <b>(1,447)</b> | <b>(2,043)</b> | <b>(1,447)</b> | <b>(2,043)</b> |
| <b>(b) Provision for Restoration of Land</b>   |       |                |                |                |                |
| Discount Rate Adjustment - Refuse Restoration  |       | 718            | (7,809)        | 718            | (7,809)        |
| Discount Rate Adjustment - Quarry Rehabilitation   |       | 134            | (911)          | 134            | (911)          |
| Escalation Rate Expenditure - Refuse Restoration   |       | 1,257          | 702            | 1,257          | 702            |
| Escalation Rate Expenditure - Quarry Restoration   |       | 214            | -              | 214            | -              |
| Increase in Rehabilitation Provision - Refuse Restoration  |       | (661)          | 2,763          | (661)          | 2,763          |
| Increase in Rehabilitation Provision - Quarry Rehabilitation   |       | 431            | 301            | 431            | 301            |
|  | 18    | 2,093          | (4,954)        | 2,093          | (4,954)        |
| The discount rate, escalation expense, and increase in rehabilitation provision adjustment to the quarry rehabilitation liability is recorded in expenses for sites that are not classified as Council Owned Assets. |       |                |                |                |                |
| <b>(c) Revaluation Adjustment</b>  |       |                |                |                |                |
| Downwards / (Upwards) Revaluation of Investment Property   |       | (319)          | (500)          | (319)          | (500)          |
|  |       | (319)          | (500)          | (319)          | (500)          |
| <b>(d) Other Capital Expenses</b>  |       |                |                |                |                |
| <b>Loss on Write-off of Assets</b>   |       |                |                |                |                |
| Land   | 12    | -              | -              | -              | -              |
| Buildings  | 12    | 786            | 3,000          | 786            | 3,000          |
| Plant and Equipment  | 12    | 117            | 1,721          | 117            | 1,721          |
| Road and Bridge Network  | 12    | 16,912         | 8,413          | 16,912         | 8,413          |
| Water Infrastructure   | 12    | 6,797          | 1,377          | 6,797          | 1,377          |
| Wastewater Infrastructure  | 12    | 2,652          | 2,777          | 2,652          | 2,777          |
| Drainage   | 12    | 153            | 122            | 153            | 122            |
| Site Improvements  | 12    | 218            | 2,164          | 218            | 2,164          |
| Aerodromes Infrastructure  | 12    | 172            | -              | 172            | -              |
|  |       | 27,807         | 19,574         | 27,807         | 19,574         |
| <b>Total Capital Expenses</b>  |       | <b>28,134</b>  | <b>12,077</b>  | <b>28,134</b>  | <b>12,077</b>  |



Toowoomba Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2024

Note 9. Cash and Cash Equivalents

Cash at bank is held in normal business accounts at the Commonwealth Bank of Australia. Deposits at call are held at the Commonwealth Bank of Australia and Queensland Treasury Corporation.

Council is exposed to credit risk through its investments in the QTC Cash Fund. The QTC Cash Fund is an asset management portfolio investing in a wide range of high credit rated counterparties. Deposits with the QTC Cash Fund are capital guaranteed. Other investments are held with financial institutions, which are rated A1+ and have long-term ratings of BBB+ based on Standard and Poor's ratings, and whilst not capital guaranteed, the likelihood of a credit failure is assessed as low.

|   |       | Consolidated |          | Council  |          |
|---|-------|--------------|----------|----------|----------|
|   |       | 2024         | 2023     | 2024     | 2023     |
|   | Notes | \$'000       | \$'000   | \$'000   | \$'000   |
|   |       |              |          |          |          |
| Cash and Cash Equivalents                     |       |              |          |          |          |
|   |       |              |          |          |          |
| Cash at Bank and on Hand                      |       | 3,928        | 10,157   | 2,302    | 7,227    |
| Deposits on Call                              |       | 124,479      | 99,685   | 124,479  | 99,685   |
| Total Cash and Cash Equivalents               |       | 128,407      | 109,842  | 126,781  | 106,912  |
|   |       |              |          |          |          |
| Cash and Cash Equivalents                     |       | 128,407      | 109,842  | 126,781  | 106,912  |
| Less: Externally Imposed Restrictions on Cash | (i)   | (25,091)     | (32,969) | (25,091) | (32,969) |
| Unrestricted Cash                             |       | 103,316      | 76,873   | 101,690  | 73,943   |

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

(i) Externally Imposed Expenditure Restrictions at the Reporting Date:

|   |               |               |               |               |
|---|---------------|---------------|---------------|---------------|
| Unspent Loan Monies   | 1,896         | 1,905         | 1,896         | 1,905         |
| State Waste Levy  | 14,700        | 20,179        | 14,700        | 20,179        |
| Unspent Government Grants and Subsidies                     | 8,495         | 10,885        | 8,495         | 10,885        |
| <b>Total Externally Imposed Restrictions on Cash Assets</b> | <b>25,091</b> | <b>32,969</b> | <b>25,091</b> | <b>32,969</b> |

Internal Allocations of Cash at the Reporting Date:

|   |        |        |        |        |
|---|--------|--------|--------|--------|
| Funds set aside by Council and held for future projects | 51,789 | 49,310 | 51,789 | 49,310 |
|---|--------|--------|--------|--------|

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

Trust Funds Held for Outside Parties

|   |               |               |               |               |
|---|---------------|---------------|---------------|---------------|
| Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities | 7,421         | 7,993         | 7,421         | 7,993         |
| Security Deposits   | 35,955        | 16,545        | 35,955        | 16,545        |
| <b>Total Trust Funds Held for Outside Parties</b>   | <b>43,376</b> | <b>24,538</b> | <b>43,376</b> | <b>24,538</b> |

In accordance with the Local Government Regulation 2012, a separate trust bank account and separate accounting records are maintained for funds held on behalf of outside parties. Funds held in the trust accounts include, but not limited to, security deposits to guarantee performance, application deposits and bond payments for community hall hire. The Council performs only a custodian role in respect of these monies and because the monies cannot be held for Council purposes, they are not considered revenue nor brought to account in the financial statements since Council has no control over the assets.

Toowoomba Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2024

Note 10. Investments

Investments are term deposits invested by Council and are held at National Australia Bank, Commonwealth Bank of Australia, Bendigo Bank Limited, Suncorp Bank, Bank of Queensland and Heritage and People's Choice Ltd, with original maturity periods of greater than 3 months. These financial institutions have short term credit ratings that range from A-1+ to A-2 and long-term credit ratings that range from of AA- to BBB+.

|                   | Consolidated |        | Council |        |        |
|-------------------|--------------|--------|---------|--------|--------|
|                   | 2024         | 2023   | 2024    | 2023   |        |
|                   | Notes        | \$'000 | \$'000  | \$'000 | \$'000 |
|                   |              |        |         |        |        |
| Investments       |              |        |         |        |        |
| Term Deposits     |              | 93,570 | 68,445  | 90,500 | 65,425 |
| Total Investments |              | 93,570 | 68,445  | 90,500 | 65,425 |

Note 11. Receivables

Settlement of receivables is required within 30 days from statement date.

|  | Notes | Consolidated |        | Council |        |
|--|-------|--------------|--------|---------|--------|
|  |       | 2024         | 2023   | 2024    | 2023   |
|  |       | \$'000       | \$'000 | \$'000  | \$'000 |
|  |       |              |        |         |        |
| Current                                    |       |              |        |         |        |
| Rateable Revenue and Utility Charges       |       | 11,484       | 11,514 | 11,484  | 11,514 |
| Other Debtors                              |       | 8,079        | 5,816  | 8,014   | 5,816  |
| Accrued Revenues - Interest on Investments |       | 1,187        | 352    | 1,187   | 352    |
| Fees and Charges                           |       | 16,858       | 15,714 | 16,451  | 15,293 |
| Prepayments                                |       | 5,013        | 5,099  | 5,010   | 5,058  |
| Total                                      |       | 42,621       | 38,495 | 42,146  | 38,033 |
|  |       |              |        |         |        |
| Less: Loss Allowance                       |       | (86)         | (56)   | (86)    | (56)   |
|  |       |              |        |         |        |
| Total Current Receivables                  |       | 42,535       | 38,439 | 42,060  | 37,977 |

The fair value of receivables is assumed to approximate the value of the original transaction, less any loss allowance.

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

Council does not require collateral in respect of trade and other receivables.

Interest is charged on outstanding rates and charges at the rate of 8.5% per annum (2022/23: 8.15%). No interest is charged on other debtors.

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



Note 11. Receivables (continued)

Council has identified four distinctive groupings of its receivables and relevant judgements in relation to expected credit loss has been made for each group:

- 1. Rates and Charges
- 2. Infrastructure Charges
- 3. Lease Receivables
- 4. Other Debtors

Rates and Charges

Council has the power under the provisions of the *Local Government Act 2009* to sell land to recover overdue rates and charges issued on a rate notice, and therefore the expected credit loss is immaterial. Impairment of rates and charges will occur only if arrears are deemed to be greater than the proceeds Council would receive from the sale of the respective properties. In the case of infrastructure charge receivables, Council registers a charge over the subject land once the receivable is considered overdue (generally over 90 days). This protects Council against credit risk in the case of defaults.

Infrastructure Charges

Council is empowered under the provisions of the *Local Government Act 2009* to register a charge over the land where there is an outstanding Infrastructure Charge and therefore the expected credit loss is immaterial. Impairment of infrastructure charges will occur only if arrears are deemed to be greater than the proceeds Council would receive upon the sale of the respective properties.

Lease Receivables

Council has elected to use the simplified approach for Lease Receivables. Internal historical data shows that over the last 7 financial years, Council has written off 0.10% of lease receivables due to impairment. Council has deemed the risk of impairment of lease receivables to be immaterial and accordingly has not calculated an expected credit loss.

Other Debtors

Council identifies other debtors as receivables which are not rates and charges, infrastructure charges or lease receivables.

The exposure to credit risk for receivables by type of counterparty was as follows:

|                        | 2024   | 2023   |
|------------------------|--------|--------|
| Notes                  | \$'000 | \$'000 |
| Rates and Charges      | 11,484 | 11,514 |
| GST Recoverable        | 2,372  | 2,596  |
| Infrastructure Charges | 3,446  | 4,460  |
| Other                  | 24,758 | 19,407 |
|                        | 42,060 | 37,977 |

Council's accumulated impairment losses are immaterial and therefore not disclosed.

Expected Credit Loss Assessment

Council has power to sell land to cover rates arrears and some infrastructure charges debtors, therefore these debts are not expected to become 'impaired'. For all other accounts receivable, Council's current provision is not expected to be materially affected.

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

Loss rates are based on actual credit loss experience over the last four years. Council believes these rates to be an accurate depiction of the write off rates for future years due to the stable economy of the region.

After reviewing the macro-economic conditions, Council reached the conclusion that forward looking conditions indicated no foreseeable expected deviations from historically calculated ratios, thus no forward-looking adjustments were made.

Refer to Note 27 for further information about credit risk.

Note 12. Property, Plant and Equipment

(a) Recognition

The asset capitalisation threshold for Council is:

|                       |          |
|-----------------------|----------|
| Land                  | \$10,000 |
| Plant and equipment   | \$ 5,000 |
| Infrastructure assets | \$10,000 |
| Heritage assets       | \$10,000 |

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

Land under Roads

Land under roads and reserve land under the *Land Act 1994* or *Land Title Act 1994* is controlled by the Queensland State Government and not recognised in the Council financial statements.

(b) Measurement

Property, plant and equipment assets are initially recorded at cost. Subsequently, each class of property, plant and equipment is stated at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment loss.

(c) Depreciation

Land, Work in Progress (WIP), certain cultural and heritage assets with heritage listing, road formations and formation work associated with the construction of dams, levee banks and reservoirs are not depreciated as they have unlimited useful lives or they are not ready for use (e.g WIP). Depreciation, where applicable, is calculated on a straight-line basis. Management believe that the straight-line basis appropriately reflects the pattern of consumption of Council assets.

Depreciation methods estimated useful lives and residual values 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 valuation process for assets measured at written down current replacement cost are used to estimate the useful lives of these assets at each reporting date.

(d) Impairment

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

(e) Valuation

Non-current physical assets measured at fair value are re-valued, 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 non-current assets at least once every three years. This process includes a comprehensive assessment of the condition of the assets being valued, including physical inspections (where possible), analysis of existing condition data maintained by Council and making use of data relating to installation dates to determine the age and useful life of the various assets.

In the alternate years, Council uses internal engineers and asset custodians to assess the condition and cost assumptions associated with the asset classes not undergoing comprehensive valuations. These results determine whether the asset class undergoes a desktop valuation or indexation calculation. A desktop valuation involves management providing updated information to an independent, professionally qualified valuer regarding additions, disposals and changes in assumptions such as useful life, residual value and condition rating, where a suitable index is applied devoid of physical inspections. An indexation calculation involves communication with a valuer who advises an appropriate index that accurately reflects variations in the fair value of an asset class to be applied through Council's asset register.

Council assesses the appropriateness of the indices used to ensure that there is not a significant variance in valuation from a value determined by comprehensive valuation.

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

Further details in relation to valuers, the methods of valuation and the key assumptions used are disclosed in Note 13.



Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2024

Note 12. Property, Plant and Equipment (continued)

| Consolidated<br>30 June 2024                                       |   | Land       | Site Improvements | Buildings  | Plant and Equipment | Road and Bridge Network | Water Infrastructure | Wastewater Infrastructure | Drainage   | Aerodrome Infrastructure | Heritage Assets | Capital Work in Progress |           | Total |
|--|---|------------|-------------------|------------|---------------------|-------------------------|----------------------|---------------------------|------------|--------------------------|-----------------|--------------------------|-----------|-------|
|  |   |            |                   |            |                     |                         |                      |                           |            |                          |                 | \$'000                   | \$'000    |       |
| Measurement Basis  |   | Fair Value | Fair Value        | Fair Value | Cost                | Fair Value              | Fair Value           | Fair Value                | Fair Value | Fair Value               | Cost            | Cost                     | \$'000    |       |
| Measurement Basis  | Note  | -          | -                 | -          | 143,385             | -                       | -                    | -                         | -          | -                        | 14,596          | 221,741                  | 379,721   |       |
|  | Opening Gross Balance - at Cost                     | -          | -                 | -          | -                   | -                       | -                    | -                         | -          | -                        | -               | -                        | -         |       |
|  | Opening Gross Balance - at Fair Value               | 556,535    | 364,644           | 586,726    | -                   | 3,237,151               | 1,664,291            | 895,344                   | 548,373    | 23,456                   | -               | -                        | 7,876,520 |       |
|  | Opening Gross Balance                               | 556,535    | 364,644           | 586,726    | 143,385             | 3,237,151               | 1,664,291            | 895,344                   | 548,373    | 23,456                   | 14,596          | 221,741                  | 8,256,242 |       |
|  | Additions   | -          | -                 | -          | 7                   | -                       | -                    | -                         | -          | -                        | -               | -                        | 175,784   |       |
|  | Contributed Assets                                  | 2,585      | -                 | -          | 239                 | 16,368                  | 3,871                | 4,548                     | 11,053     | -                        | -               | -                        | 38,664    |       |
|  | Disposals   | (330)      | (1,355)           | (3,073)    | (14,047)            | (23,857)                | (18,012)             | (5,375)                   | (231)      | (391)                    | -               | -                        | (66,671)  |       |
|  | Revaluation Increments/(Decrements) to Equity (ARS) | 20,658     | 16,356            | 31,813     | -                   | (1,828)                 | 133,913              | 75,637                    | 259,099    | 1,613                    | -               | -                        | 537,263   |       |
|  | Work in Progress Transfers                          | 245        | 16,350            | 5,889      | 19,497              | 51,053                  | 80,094               | 25,861                    | 2,467      | 882                      | 20              | (202,368)                | -         |       |
|  | Adjustments and Other Transfers                     | -          | -                 | -          | -                   | -                       | -                    | -                         | -          | -                        | -               | -                        | -         |       |
|  | Internal Transfers between Asset Classes            | (652)      | (147)             | 51         | 154                 | 164                     | (78)                 | (76)                      | (69)       | -                        | -               | -                        | (652)     |       |
|  | Transfers to Investment Property                    | -          | -                 | -          | -                   | -                       | -                    | -                         | -          | -                        | -               | -                        | -         |       |
|  | Expensed Capital Works - Prior Financial Years      | -          | -                 | -          | -                   | -                       | -                    | -                         | -          | -                        | -               | -                        | -         |       |
|  | Revaluation Adjustment to Capital Loss              | -          | -                 | -          | -                   | -                       | -                    | -                         | -          | -                        | -               | -                        | (6,690)   |       |
| Total Gross Value of Property, Plant and Equipment - at Cost       |   | -          | -                 | -          | 149,235             | -                       | -                    | -                         | -          | -                        | 14,616          | 188,460                  | 352,312   |       |
| Total Gross Value of Property, Plant and Equipment - at Fair Value |   | 579,041    | 395,648           | 621,416    | -                   | 3,279,051               | 1,864,079            | 995,939                   | 820,762    | 25,492                   | -               | -                        | 8,581,628 |       |
| Total Gross Value of Property, Plant and Equipment                 |   | 579,041    | 395,648           | 621,416    | 149,235             | 3,279,051               | 1,864,079            | 995,939                   | 820,762    | 25,492                   | 14,616          | 188,460                  | 8,933,940 |       |

|   |         |   |         |         |         |          |         |          |         |         |       |   |   |   |   |   |   |   |   |   |   |   |           |           |
|---|---------|---|---------|---------|---------|----------|---------|----------|---------|---------|-------|---|---|---|---|---|---|---|---|---|---|---|-----------|-----------|
| Measurement Basis   | 8<br>21 | Opening Accumulated Depreciation                    | -       | 149,421 | 187,125 | 68,772   | 596,889 | 563,505  | 286,120 | 167,764 | 9,087 | - | - | - | - | - | - | - | - | - | - | - | -         | 2,028,683 |
|   |         | Depreciation Expense                                | -       | 11,543  | 11,496  | 10,890   | 45,151  | 21,512   | 14,938  | 8,514   | 421   | - | - | - | - | - | - | - | - | - | - | - | -         | 124,165   |
|   |         | Disposals   | -       | (1,137) | (2,287) | (10,000) | (6,945) | (11,216) | (2,724) | (79)    | (219) | - | - | - | - | - | - | - | - | - | - | - | -         | (34,606)  |
|   |         | Revaluation Increments/(Decrements) to Equity (ARS) | -       | 5,517   | 10,645  | -        | 20,833  | 46,726   | 25,711  | 38,665  | (826) | - | - | - | - | - | - | - | - | - | - | - | -         | 147,271   |
|   |         | Internal Transfers between Asset Classes            | -       | (77)    | -       | -        | -       | 77       | -       | -       | -     | - | - | - | - | - | - | - | - | - | - | - | -         | -         |
|   |         | Transfers to Investment Property                    | -       | -       | -       | -        | -       | -        | -       | -       | -     | - | - | - | - | - | - | - | - | - | - | - | -         | -         |
|   |         | Revaluation Adjustment to Capital Loss              | -       | -       | -       | -        | -       | -        | -       | -       | -     | - | - | - | - | - | - | - | - | - | - | - | -         | -         |
| Total Accumulated Depreciation of Property, Plant and Equipment |         | -   | 165,267 | 206,979 | 69,662  | 656,005  | 620,527 | 323,745  | 214,864 | 8,463   | -     | - | - | - | - | - | - | - | - | - | - | - | 2,265,513 |           |

|   |  |                 |          |          |        |                |                |                |                |          |                |         |           |
|---|--|-----------------|----------|----------|--------|----------------|----------------|----------------|----------------|----------|----------------|---------|-----------|
| Total Net Book Value of Property, Plant and Equipment |  | 579,041         | 230,581  | 414,437  | 79,574 | 2,623,046      | 1,243,552      | 672,194        | 605,897        | 17,028   | 14,616         | 188,460 | 6,688,426 |
| Other Information                                     |  |                 |          |          |        |                |                |                |                |          |                |         |           |
| Range of Estimated Useful Life (years)                |  | Not depreciated | 10 - 200 | 15 - 200 | 2 - 15 | 12 - unlimited | 10 - unlimited | 10 - unlimited | 10 - unlimited | 12 - 150 | 10 - unlimited | -       | -         |

|                          |  |       |        |       |        |        |        |        |       |    |   |   |   |   |   |   |   |   |   |   |   |   |   |         |
|--------------------------|--|-------|--------|-------|--------|--------|--------|--------|-------|----|---|---|---|---|---|---|---|---|---|---|---|---|---|---------|
| Asset Additions Comprise |  |       |        |       |        |        |        |        |       |    |   |   |   |   |   |   |   |   |   |   |   |   |   |         |
| Asset Renewals           |  | -     | 4,216  | 4,331 | 14,353 | 32,022 | 13,719 | 6,192  | 1,088 | 8  | - | - | - | - | - | - | - | - | - | - | - | - | - | 75,918  |
| Other Additions          |  | 2,287 | 7,963  | 646   | 252    | 37,030 | 44,580 | 5,543  | 1,474 | 83 | - | - | - | - | - | - | - | - | - | - | - | - | - | 99,589  |
| Total Additions          |  | 2,287 | 12,179 | 4,977 | 14,605 | 69,051 | 58,298 | 11,725 | 2,563 | 91 | - | - | - | - | - | - | - | - | - | - | - | - | - | 175,777 |

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2024

Note 12. Property, Plant and Equipment (continued)

| Consolidated<br>30 June 2023 |                   |            |                     |                         |                           |            |                          |                 |                          |           |  |  |  |  |  |  |  |  |  |  |  |
|------------------------------|-------------------|------------|---------------------|-------------------------|---------------------------|------------|--------------------------|-----------------|--------------------------|-----------|--|--|--|--|--|--|--|--|--|--|--|
| Land                         | Site Improvements | Buildings  | Plant and Equipment | Road and Bridge Network | Wastewater Infrastructure | Drainage   | Aerodrome Infrastructure | Heritage Assets | Capital Work in Progress | Total     |  |  |  |  |  |  |  |  |  |  |  |
| \$'000                       | \$'000            | \$'000     | \$'000              | \$'000                  | \$'000                    | \$'000     | \$'000                   | \$'000          | \$'000                   | \$'000    |  |  |  |  |  |  |  |  |  |  |  |
| Fair Value                   | Fair Value        | Fair Value | Cost                | Fair Value              | Fair Value                | Fair Value | Fair Value               | Cost            | Cost                     |           |  |  |  |  |  |  |  |  |  |  |  |
| -                            | -                 | -          | 138,290             | -                       | -                         | -          | -                        | 14,596          | 201,215                  | 354,101   |  |  |  |  |  |  |  |  |  |  |  |
| 497,563                      | 323,012           | 453,211    | -                   | 2,931,115               | 789,722                   | 513,202    | 21,524                   | -               | -                        | 7,054,434 |  |  |  |  |  |  |  |  |  |  |  |
| 497,563                      | 323,012           | 453,211    | 138,290             | 2,931,115               | 789,722                   | 513,202    | 21,524                   | 14,596          | 201,215                  | 7,408,535 |  |  |  |  |  |  |  |  |  |  |  |
| -                            | -                 | -          | 129                 | -                       | -                         | -          | -                        | -               | 168,065                  | 168,194   |  |  |  |  |  |  |  |  |  |  |  |
| 700                          | 26                | 956        | -                   | 11,155                  | 3,590                     | 5,699      | -                        | -               | -                        | 25,076    |  |  |  |  |  |  |  |  |  |  |  |
| -                            | (4,057)           | (8,368)    | (15,263)            | (20,100)                | (4,606)                   | (193)      | (137)                    | -               | -                        | (55,368)  |  |  |  |  |  |  |  |  |  |  |  |
| 53,229                       | 17,396            | 117,161    | -                   | 259,505                 | 100,542                   | 24,667     | 2,069                    | -               | -                        | 705,910   |  |  |  |  |  |  |  |  |  |  |  |
| -                            | -                 | -          | -                   | 6,118                   | -                         | -          | -                        | -               | -                        | 6,118     |  |  |  |  |  |  |  |  |  |  |  |
| 5,043                        | 23,259            | 23,683     | 18,471              | 56,225                  | 6,096                     | 4,998      | -                        | -               | (145,333)                | 1         |  |  |  |  |  |  |  |  |  |  |  |
| -                            | 5,008             | 83         | 1,777               | (6,868)                 | -                         | -          | -                        | -               | -                        | -         |  |  |  |  |  |  |  |  |  |  |  |
| -                            | -                 | -          | -                   | -                       | -                         | -          | -                        | -               | -                        | -         |  |  |  |  |  |  |  |  |  |  |  |
| -                            | -                 | -          | -                   | -                       | -                         | -          | -                        | -               | (2,206)                  | (2,206)   |  |  |  |  |  |  |  |  |  |  |  |
| -                            | -                 | -          | -                   | -                       | -                         | -          | -                        | -               | -                        | -         |  |  |  |  |  |  |  |  |  |  |  |
| -                            | -                 | -          | 143,404             | -                       | -                         | -          | -                        | 14,596          | 221,741                  | 379,741   |  |  |  |  |  |  |  |  |  |  |  |
| 556,535                      | 364,644           | 586,726    | -                   | 3,237,151               | 895,344                   | 548,373    | 23,456                   | -               | -                        | 7,676,520 |  |  |  |  |  |  |  |  |  |  |  |
| 556,535                      | 364,644           | 586,726    | 143,404             | 3,237,151               | 895,344                   | 548,373    | 23,456                   | 14,596          | 221,741                  | 8,256,261 |  |  |  |  |  |  |  |  |  |  |  |

|   |         |   |         |         |         |          |         |         |         |       |   |   |   |   |   |   |   |   |   |   |   |   |           |           |
|---|---------|---|---------|---------|---------|----------|---------|---------|---------|-------|---|---|---|---|---|---|---|---|---|---|---|---|-----------|-----------|
| Opening Accumulated Depreciation                                | 8<br>21 | Depreciation Expense                                | -       | 137,148 | 152,956 | 67,676   | 514,888 | 242,997 | 153,688 | 7,981 | - | - | - | - | - | - | - | - | - | - | - | - | -         | 1,778,694 |
|   |         | Deposals  | -       | 10,140  | 9,999   | 11,948   | 40,735  | 12,564  | 6,541   | 373   | - | - | - | - | - | - | - | - | - | - | - | - | -         | 110,951   |
|   |         | Revaluation Increments/(Decrements) to Equity (ARR) | -       | (1,893) | (5,367) | (11,062) | (8,450) | (1,267) | (71)    | (64)  | - | - | - | - | - | - | - | - | - | - | - | - | -         | (30,002)  |
|   |         | Adjustments and Other Transfers                     | -       | 3,197   | 29,536  | -        | 47,894  | 32,387  | 7,606   | 797   | - | - | - | - | - | - | - | - | - | - | - | - | -         | 166,177   |
|   |         | Internal Transfers between Asset Classes            | -       | -       | -       | -        | 2,881   | -       | -       | -     | - | - | - | - | - | - | - | - | - | - | - | - | -         | 2,881     |
|   |         | Revaluation Adjustment to Capital Loss              | -       | 829     | 1       | -        | 229     | (1,059) | -       | -     | - | - | - | - | - | - | - | - | - | - | - | - | -         | -         |
| Total Accumulated Depreciation of Property, Plant and Equipment |         | -   | 149,421 | 187,125 | 68,791  | 596,889  | 286,120 | 167,764 | 9,087   | -     | - | - | - | - | - | - | - | - | - | - | - | - | 2,028,701 |           |



Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2024

Note 12. Property, Plant and Equipment (continued)

| Council<br>30 June 2024  |      | Land       | Site Improvements | Buildings  | Plant and Equipment | Road and Bridge Network | Water Infrastructure | Wastewater Infrastructure | Drainage   | Aerodrome Infrastructure | Heritage Assets | Capital Work in Progress | Total     |
|--|------|------------|-------------------|------------|---------------------|-------------------------|----------------------|---------------------------|------------|--------------------------|-----------------|--------------------------|-----------|
| Measurement Basis  | Note | \$'000     | \$'000            | \$'000     | \$'000              | \$'000                  | \$'000               | \$'000                    | \$'000     | \$'000                   | \$'000          | \$'000                   | \$'000    |
|  |      | Fair Value | Fair Value        | Fair Value | Cost                | Fair Value              | Fair Value           | Fair Value                | Fair Value | Fair Value               | Cost            | Cost                     |           |
| Opening Gross Balance - at Cost                                    |      | 556,535    | -                 | -          | 143,106             | -                       | -                    | -                         | -          | -                        | -               | -                        | 379,442   |
| Opening Gross Balance - at Fair Value                              |      | 556,535    | 364,644           | 586,726    | -                   | 3,237,151               | 1,664,291            | 895,344                   | 548,373    | 23,456                   | 14,596          | 221,741                  | 7,876,520 |
| Opening Gross Balance  |      |            | 364,644           | 586,726    | 143,106             | 3,237,151               | 1,664,291            | 895,344                   | 548,373    | 23,456                   | 14,596          | 221,741                  | 8,255,963 |
| Additions  |      | -          | -                 | -          | -                   | -                       | -                    | -                         | -          | -                        | -               | -                        | 175,777   |
| Contributed Assets   |      | 2,585      | -                 | -          | 239                 | 16,368                  | 3,871                | 4,548                     | 11,053     | -                        | -               | -                        | 38,664    |
| Disposals  | 8    | (330)      | (1,355)           | (3,073)    | (14,047)            | (23,857)                | (18,012)             | (5,375)                   | (231)      | (391)                    | -               | -                        | (66,671)  |
| Revaluation Increments/(Decrements) to Equity (ARS)                | 21   | 20,658     | 16,356            | 31,813     | -                   | (1,828)                 | 133,913              | 75,637                    | 259,099    | 1,613                    | -               | -                        | 537,263   |
| Work in Progress Transfers   |      | 245        | 16,350            | 5,889      | 19,497              | 51,053                  | 80,094               | 25,881                    | 2,467      | 882                      | 20              | (202,368)                | -         |
| Adjustments and Other Transfers                                    |      | -          | -                 | -          | -                   | -                       | -                    | -                         | -          | -                        | -               | -                        | -         |
| Internal Transfers between Asset Classes                           |      | (652)      | (147)             | 51         | 154                 | 164                     | (78)                 | (76)                      | -          | (69)                     | -               | -                        | (652)     |
| Transfers to Investment Property                                   |      | -          | -                 | -          | -                   | -                       | -                    | -                         | -          | -                        | -               | -                        | -         |
| Expensed Capital Works - Prior Financial Years                     |      | -          | -                 | -          | -                   | -                       | -                    | -                         | -          | -                        | -               | (6,690)                  | -         |
| Revaluation Adjustment to Capital Loss                             |      | -          | -                 | -          | -                   | -                       | -                    | -                         | -          | -                        | -               | -                        | -         |
| Total Gross Value of Property, Plant and Equipment - at Cost       |      | 579,041    | 395,648           | 621,416    | -                   | 3,279,051               | 1,864,079            | 995,939                   | 820,762    | 25,492                   | 14,616          | 188,460                  | 352,026   |
| Total Gross Value of Property, Plant and Equipment - at Fair Value |      | 579,041    | 395,648           | 621,416    | -                   | 3,279,051               | 1,864,079            | 995,939                   | 820,762    | 25,492                   | 14,616          | 188,460                  | 8,581,628 |
| Total Gross Value of Property, Plant and Equipment                 |      | 579,041    | 395,648           | 621,416    | 148,949             | 3,279,051               | 1,864,079            | 995,939                   | 820,762    | 25,492                   | 14,616          | 188,460                  | 8,933,654 |

|   |    |         |         |         |          |           |           |         |         |        |        |         |           |
|---|----|---------|---------|---------|----------|-----------|-----------|---------|---------|--------|--------|---------|-----------|
| Opening Accumulated Depreciation                                |    | -       | 149,421 | 187,125 | 68,633   | 596,889   | 563,505   | 286,120 | 167,764 | 9,087  | -      | -       | 2,028,544 |
| Depreciation Expense  |    | -       | 11,543  | 11,496  | 10,847   | 45,151    | 21,512    | 14,638  | 8,514   | 421    | -      | -       | 124,122   |
| Disposals   | 8  | -       | (1,137) | (2,287) | (10,000) | (6,945)   | (11,216)  | (2,724) | (79)    | (219)  | -      | -       | (34,606)  |
| Revaluation Increments/(Decrements) to Equity (ARS)             | 21 | -       | 5,517   | 10,645  | -        | 20,833    | 46,726    | 25,711  | 38,665  | (626)  | -      | -       | 147,271   |
| Internal Transfers between Asset Classes                        |    | -       | (77)    | -       | -        | 77        | -         | -       | -       | -      | -      | -       | -         |
| Transfers to Investment Property                                |    | -       | -       | -       | -        | -         | -         | -       | -       | -      | -      | -       | -         |
| Revaluation Adjustment to Capital Loss                          |    | -       | -       | -       | -        | -         | -         | -       | -       | -      | -      | -       | -         |
| Total Accumulated Depreciation of Property, Plant and Equipment |    | -       | 165,267 | 206,979 | 69,460   | 656,005   | 620,527   | 325,745 | 214,864 | 8,463  | -      | -       | 2,285,331 |
| Total Net Book Value of Property, Plant and Equipment           |    | 579,041 | 230,381 | 414,437 | 79,470   | 2,623,046 | 1,243,552 | 672,194 | 605,897 | 17,028 | 14,616 | 188,460 | 6,688,322 |

|  |  |                 |          |          |        |                |                |                |                |          |                |  |  |
|--|--|-----------------|----------|----------|--------|----------------|----------------|----------------|----------------|----------|----------------|--|--|
| Other Information                      |  |                 |          |          |        |                |                |                |                |          |                |  |  |
| Range of Estimated Useful Life (years) |  | Not depreciated | 10 - 200 | 15 - 200 | 2 - 15 | 12 - unlimited | 10 - unlimited | 10 - unlimited | 10 - unlimited | 12 - 150 | 10 - unlimited |  |  |

|                          |  |       |        |       |        |        |        |        |       |   |    |   |         |
|--------------------------|--|-------|--------|-------|--------|--------|--------|--------|-------|---|----|---|---------|
| Asset Additions Comprise |  |       |        |       |        |        |        |        |       |   |    |   |         |
| Asset Renewals           |  | -     | 4,216  | 4,331 | 14,353 | 32,022 | 13,719 | 6,182  | 1,088 | - | 8  | - | 75,918  |
| Other Additions          |  | 2,287 | 7,963  | 646   | 252    | 37,030 | 44,580 | 5,543  | 1,474 | - | 83 | - | 99,889  |
| Total Additions          |  | 2,287 | 12,179 | 4,977 | 14,605 | 69,051 | 58,298 | 11,725 | 2,563 | - | 91 | - | 175,777 |

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Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2024

Note 12. Property, Plant and Equipment (continued)

| Council<br>30 June 2023  |      | Land       | Site Improvements | Buildings  | Plant and Equipment | Road and Bridge Network | Water Infrastructure | Wastewater Infrastructure | Drainage   | Aerodrome Infrastructure | Heritage Assets | Capital Work in Progress | Total     |
|--|------|------------|-------------------|------------|---------------------|-------------------------|----------------------|---------------------------|------------|--------------------------|-----------------|--------------------------|-----------|
| Measurement Basis  | Note | \$'000     | \$'000            | \$'000     | \$'000              | \$'000                  | \$'000               | \$'000                    | \$'000     | \$'000                   | \$'000          | \$'000                   | \$'000    |
|  |      | Fair Value | Fair Value        | Fair Value | Cost                | Fair Value              | Fair Value           | Fair Value                | Fair Value | Fair Value               | Cost            | Cost                     |           |
| Opening Gross Balance - at Cost                                    |      | 497,563    | -                 | -          | 138,121             | -                       | -                    | -                         | -          | -                        | -               | -                        | 353,932   |
| Opening Gross Balance - at Fair Value                              |      | 497,563    | 323,012           | 453,211    | -                   | 2,931,115               | 1,525,085            | 789,722                   | 513,202    | 21,524                   | 14,596          | 201,215                  | 7,054,434 |
| Opening Gross Balance  |      |            | 323,012           | 453,211    | 138,121             | 2,931,115               | 1,525,085            | 789,722                   | 513,202    | 21,524                   | 14,596          | 201,215                  | 7,408,366 |
| Additions  |      | -          | -                 | -          | -                   | -                       | -                    | -                         | -          | -                        | -               | -                        | 168,065   |
| Contributed Assets   |      | 700        | 26                | 956        | -                   | 11,155                  | 2,950                | 3,590                     | 5,699      | -                        | -               | -                        | 25,076    |
| Disposals  | 8    | -          | (4,057)           | (8,368)    | (15,263)            | (20,100)                | (2,644)              | (4,606)                   | (193)      | (137)                    | -               | -                        | (55,368)  |
| Revaluation Increments/(Decrements) to Equity (ARS)                | 21   | 53,229     | 17,396            | 117,161    | -                   | 259,505                 | 131,341              | 100,542                   | 24,667     | 2,069                    | -               | -                        | 705,910   |
| Work in Progress Transfers   |      | 5,043      | 23,259            | 23,693     | 18,471              | 56,225                  | 7,559                | 6,096                     | 4,998      | -                        | -               | (145,333)                | 1         |
| Adjustments and Other Transfers                                    |      | -          | -                 | -          | -                   | 6,118                   | -                    | -                         | -          | -                        | -               | -                        | 6,118     |
| Internal Transfers between Asset Classes                           |      | -          | 5,008             | 83         | 1,777               | (6,868)                 | -                    | -                         | -          | -                        | -               | -                        | -         |
| Transfers to Investment Property                                   |      | -          | -                 | -          | -                   | -                       | -                    | -                         | -          | -                        | -               | -                        | -         |
| Expensed Capital Works - Prior Financial Years                     |      | -          | -                 | -          | -                   | -                       | -                    | -                         | -          | -                        | -               | -                        | -         |
| Revaluation Adjustment to Capital Loss                             |      | -          | -                 | -          | -                   | -                       | -                    | -                         | -          | -                        | -               | (2,206)                  | -         |
| Total Gross Value of Property, Plant and Equipment - at Cost       |      | -          | -                 | -          | -                   | -                       | -                    | -                         | -          | -                        | -               | -                        | -         |
| Total Gross Value of Property, Plant and Equipment - at Fair Value |      | 556,535    | 364,644           | 586,726    | -                   | 3,237,151               | 1,664,291            | 895,344                   | 548,373    | 23,456                   | 14,596          | 221,741                  | 379,443   |
| Total Gross Value of Property, Plant and Equipment                 |      | 556,535    | 364,644           | 586,726    | 143,106             | 3,237,151               | 1,664,291            | 895,344                   | 548,373    | 23,456                   | 14,596          | 221,741                  | 8,255,963 |

|   |    |         |         |         |          |           |           |         |         |        |        |         |           |
|---|----|---------|---------|---------|----------|-----------|-----------|---------|---------|--------|--------|---------|-----------|
| Opening Accumulated Depreciation                                |    | -       | 137,148 | 152,956 | 67,551   | 514,888   | 501,360   | 242,997 | 153,688 | 7,981  | -      | -       | 1,778,669 |
| Depreciation Expense  |    | -       | 10,140  | 9,999   | 11,915   | 40,735    | 18,651    | 12,564  | 6,541   | 373    | -      | -       | 110,918   |
| Disposals   | 8  | -       | (1,893) | (5,367) | (11,062) | (8,450)   | (1,287)   | (1,828) | (71)    | (64)   | -      | -       | (30,002)  |
| Revaluation Increments/(Decrements) to Equity (ARS)             | 21 | -       | 3,197   | 29,536  | -        | 47,894    | 44,760    | 32,387  | 7,606   | 797    | -      | -       | 166,177   |
| Internal Transfers between Asset Classes                        |    | -       | -       | -       | -        | 2,881     | -         | -       | -       | -      | -      | -       | 2,881     |
| Transfers to Investment Property                                |    | -       | 829     | 1       | 229      | (1,059)   | -         | -       | -       | -      | -      | -       | -         |
| Total Accumulated Depreciation of Property, Plant and Equipment |    | -       | 149,421 | 187,125 | 68,633   | 596,889   | 563,505   | 286,120 | 167,764 | 9,087  | -      | -       | 2,028,544 |
| Total Net Book Value of Property, Plant and Equipment           |    | 556,535 | 215,223 | 399,601 | 74,473   | 2,640,261 | 1,100,787 | 605,224 | 380,609 | 14,989 | 14,596 | 221,741 | 6,227,419 |

|  |  |                 |          |          |        |                |                |                |                |          |                |  |  |
|--|--|-----------------|----------|----------|--------|----------------|----------------|----------------|----------------|----------|----------------|--|--|
| Other Information                      |  |                 |          |          |        |                |                |                |                |          |                |  |  |
| Range of Estimated Useful Life (years) |  | Not Depreciated | 10 - 200 | 15 - 200 | 2 - 15 | 12 - unlimited | 10 - unlimited | 10 - unlimited | 10 - unlimited | 12 - 150 | 10 - unlimited |  |  |

|                          |  |        |        |        |        |        |        |        |     |   |     |   |         |
|--------------------------|--|--------|--------|--------|--------|--------|--------|--------|-----|---|-----|---|---------|
| Asset Additions Comprise |  |        |        |        |        |        |        |        |     |   |     |   |         |
| Asset Renewals           |  | 15     | 2,145  | 8,398  | 15,208 | 35,752 | 6,689  | 1,964  | 273 | - | 586 | - | 71,011  |
| Other Additions          |  | 14,721 | 10,488 | 3,342  | 839    | 16,942 | 40,465 | 9,525  | 712 | - | 20  | - | 97,054  |
| Total Additions          |  | 14,736 | 12,633 | 11,740 | 16,046 | 52,694 | 47,154 | 11,489 | 985 | - | 606 | - | 168,065 |

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Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2024

Note 13. Fair Value Measurements

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

- Shares
- Land
- Buildings
- Site Improvements
- Road and Bridge Network
- Drainage
- Aerodrome Infrastructure
- Water and Wastewater Infrastructure
- Investment Property

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

- Level 1 – fair value based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – fair value based on inputs that are directly or indirectly observable, such as prices for similar assets, for assets or liabilities
- Level 3 – fair value based on unobservable inputs for assets and liabilities

There were no transfers between levels during the year.

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

Valuation Techniques used to derive Fair Values

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

When applying Level 2 inputs, the fair value is derived by reference to Level 2 market-based evidence including observable historical sales data for assets of a similar nature and specification within the Toowoomba Regional Council and surrounding areas. The most significant input into this valuation approach is price per square metre.

When applying Level 3 inputs, the fair value is determined using the Cost approach. This method is based on determining the asset's Replacement Cost of the modern equivalent (or cost of reproduction where relevant) and then adjusting for the level of consumed future economic benefit and impairment.

Shares

South Burnett Community Enterprises Limited (formerly known as Yarraman Financial Services) - fair value was derived by reference to Level 2 market-based evidence. These shares are not actively traded.

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Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2024

Note 13. Fair Value Measurements (continued)

The below table summarises the valuation techniques used to derive fair values for Toowoomba Regional Council's asset classes.

| Asset class and fair value hierarchy                           | Valuation Approach        | Last comprehensive valuation date | Valuer engaged                                 | Key assumptions and estimates (related data sources)   | Index applied (change in index recognised in the 2023/24 year) | Other interim revaluation adjustment  |
|--|---------------------------|-----------------------------------|--|--|--|---|
| Land (Level 2)   | Market value approach     | 31/12/2022                        | APV Valuers and Asset Management               | <ul style="list-style-type: none"><li>▪ Indexed for indicators of significant change to fair value of asset class</li><li>▪ Current zoning</li><li>▪ Sales price per square metre (database of recent sales of comparable properties, adjusted for differences in key attributes such as property size, topography and configuration)</li></ul>  | 3.71%  | Indexation applied at 30/06/2024  |
| Site Improvements (Level 3)                                    | Replacement cost approach | 31/12/2022                        | APV Valuers and Asset Management               | <ul style="list-style-type: none"><li>▪ Indexed for subsequent changes in construction costs</li><li>▪ Unit rates for construction as at the comprehensive revaluation date (Industry standard cost guides, project costs from recently completed works)</li><li>▪ Fair value derived from asset consumption score and installation date</li><li>▪ Grouped assets are portfolios of homogenous-type assets that individually fall below the recognition threshold but when considered in combination are material in value</li></ul> | 4.75%  | Indexation applied at 30/06/2024  |
| Site Improvements - Rehabilitation Provision Offsets (Level 3) | Fair value                | 31/03/2024                        | Internal – using the AEC Rehabilitation Models | <ul style="list-style-type: none"><li>▪ Revalued annually as at 31 March</li><li>▪ Values align to liability provision values calculated in the AEC Rehabilitation Models.</li><li>▪ Details of assumptions are contained in Note 18 Provisions</li></ul>  | Comprehensive valuation applied in the current year.           | Not Applicable  |
| Buildings - Residential (Level 2)                              | Market value approach     | 31/12/2022                        | APV Valuers and Asset Management               | <ul style="list-style-type: none"><li>▪ Indexed for subsequent changes in construction costs</li><li>▪ Fair value derived from asset consumption score, installation date, supported by observable evidence obtained via inspection and market evidence</li></ul>  | 5.39%  | Indexation applied at 30/06/2024  |
| Buildings - Specialised (Level 3)                              | Replacement cost approach | 31/12/2022                        | APV Valuers and Asset Management               | <ul style="list-style-type: none"><li>▪ Indexed for subsequent changes in construction costs</li><li>▪ Unit rates for construction as at the comprehensive revaluation date (Industry standard cost guides, project costs from recently completed buildings)</li><li>▪ Fair value derived from asset consumption score and installation date</li></ul>   | 5.39%  | Indexation applied at 30/06/2024  |
| Road and Bridge Network (Level 3)                              | Replacement cost approach | 31/12/2023                        | APV Valuers and Asset Management               | <ul style="list-style-type: none"><li>▪ Uses unit rates derived from Council projects constructed in the past 24 months which are then Compared to Valuers data bases being a collection of data from other Council valuations and industry cost modelling to ensure unit rates developed and applied are reasonable.</li><li>▪ Fair Value is derived by asset consumption score and installation date.</li></ul>  | 2.24%  | Comprehensive valuation applied in current year to 31/12/2023<br>Indexation applied at 30/06/2024 |



Note 13. Fair Value Measurements (continued)

|   |                                 |            |                                     |   |       |   |
|---|---------------------------------|------------|-------------------------------------|---|-------|---|
| Water Infrastructure<br>(Level 3)         | Replacement<br>cost<br>approach | 31/12/2021 | APV Valuers and Asset<br>Management | <div>▪ Uses unit rates derived from Council projects constructed in the past 12 months which are then compared to Valuers databases being a collection of data from other Council valuations and industry cost modelling to ensure unit rates developed and applied are reasonable.<br/>Asset condition information, based on installation date, is then applied to determine fair value.</div> | 7.61% | Indexation applied at<br>30/06/2024   |
| Wastewater<br>Infrastructure<br>(Level 3) | Replacement<br>cost<br>approach | 31/12/2021 | APV Valuers and Asset<br>Management | <div>▪ Uses unit rates derived from Council projects constructed in the past 12 months which are then compared to Valuers databases being a collection of data from other Council valuations and industry cost modelling to ensure unit rates developed and applied are reasonable.<br/>Asset condition information, based on installation date, is then applied to determine fair value.</div> | 8.08% | Indexation applied at<br>30/06/2024   |
| Drainage (Level 3)                        | Replacement<br>Cost<br>Approach | 31/12/2023 | APV Valuers and Asset<br>Management | <div>▪ Uses unit rates derived from Council projects constructed in the past 24 months which are then compared to Valuers databases being a collection of data from other Council valuations and industry cost modelling to ensure unit rates developed and applied are reasonable.<br/>Fair Value is derived by asset consumption score and installation date.</div>                           | 1.93% | Comprehensive<br>valuation applied in<br>current year to<br>31/12/2023<br><br>Indexation applied at<br>30/06/2024 |
| Aerodrome<br>Infrastructure<br>(Level 3)  | Replacement<br>Cost<br>Approach | 31/12/2023 | APV Valuers and Asset<br>Management | <div>▪ Uses unit rates derived from Council projects constructed in the past 24 months which are then compared to Valuers databases being a collection of data from other Council valuations and industry cost modelling to ensure unit rates developed and applied are reasonable.<br/>Fair Value is derived by asset consumption score and installation date.</div>                           | 3.84% | Comprehensive<br>valuation applied in<br>current year to<br>31/12/2023<br><br>Indexation applied at<br>30/06/2024 |

Toowoomba Regional Council  
Notes to the Financial Statements  
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Note 14. Intangible Assets

Intangible assets represent identifiable, non-monetary assets without physical substance. Intangible assets with a cost or other value exceeding \$5,000 are recognised as intangible assets in the financial statements, items with a lesser value are being expensed.

|  | Consolidated   |                | Council        |                |
|--|----------------|----------------|----------------|----------------|
|  | 2024           | 2023           | 2024           | 2023           |
| Notes  | \$'000         | \$'000         | \$'000         | \$'000         |
| <b>Intangible Assets</b>                               |                |                |                |                |
| Opening Gross Carrying Value                           | 7,997          | 7,723          | 7,997          | 7,723          |
| Additions  | 239            | 988            | 239            | 988            |
| Transfers from other Asset Classes                     | -              | -              | -              | -              |
| Disposals  | (52)           | (713)          | (52)           | (713)          |
| <b>Closing Gross Carrying Value</b>                    | <b>8,184</b>   | <b>7,998</b>   | <b>8,184</b>   | <b>7,998</b>   |
| <b>Intangibles Work in Progress</b>                    |                |                |                |                |
| Opening Accumulated Amortisation and Impairment        | (3,623)        | (3,836)        | (3,623)        | (3,836)        |
| Amortisation Charges                                   | (496)          | (500)          | (496)          | (500)          |
| Transfers  | -              | -              | -              | -              |
| Disposals  | 52             | 713            | 52             | 713            |
| <b>Closing Accumulated Amortisation and Impairment</b> | <b>(4,067)</b> | <b>(3,623)</b> | <b>(4,067)</b> | <b>(3,623)</b> |
| <b>Total Intangible Assets - Net Book Value</b>        |                |                |                |                |
|  | <b>5,225</b>   | <b>4,573</b>   | <b>5,225</b>   | <b>4,573</b>   |

The majority of Council's intangible assets are software assets which have a finite useful life estimated at 10 years.

Straight line amortisation, with no residual value, has been used for these assets.

The remaining intangible assets are land easements which have indefinite useful lives. For that reason, these assets are not amortised.



Toowoomba Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2024

Note 15. Leases

Council as a Lessee

Council has leases in place over buildings and vehicles.

Council does not separate lease and non-lease components for any class of assets and has accounted for lease payments as a single component.

The right-of-use asset is measured using the cost model and is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

Exceptions to Lease Accounting

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

Leases as Significantly Below Market Value/Concessionary Leases

Council has elected to measure the right of use asset arising from the concessionary leases at cost, which is based on the associated lease liability at initial recognition.

Terms and Conditions of Leases

Buildings and Land

Council has 13 leases over 10 buildings which are used for various operational reasons including offices and storage. In addition to leases over buildings, Council has 14 leases over land for purposes such as refuse sites and radio towers and 12 leases over land for the purpose of beautification, heritage trails and bus stops. The lease terms vary between 3 years and 99 years with 7 agreements containing an option for a further term. Upon expiry renewals are probable, however, renewals are determined by Council's continued requirement for the property and is assessed on a case-by-case basis.

The majority of the Council leases are indexed annually either by CPI or by an agreed percentage, however, some are on a fixed amount for the duration of the term or have a low nominal amount that is only payable if demanded.

Vehicles

Council leases a vehicle in return for advertising as part of commercial arrangement with suppliers. The short-term lease exemption has been applied to this agreement as the maximum term of the agreement is 12 months.

Toowoomba Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2024

Note 15. Leases (continued)

Right-of-Use Assets

Consolidated and Council

|   | Notes | Buildings and Land<br>\$'000 | Total<br>\$'000 |
|---|-------|------------------------------|-----------------|
| <b>Consolidated</b>   |       |                              |                 |
| Balance as at 1 July 2023   |       | 4,086                        | 4,086           |
| Additions to right-of-use assets  |       | 10                           | 10              |
| Adjustments to right-of-use assets due to re-measurement of lease liability |       | 1,324                        | 1,324           |
| Less: Depreciation Charge   |       | (1,257)                      | (1,257)         |
| Impairment of right-of-use assets   |       | (2)                          | (2)             |
| <b>Balance at 30 June 2024</b>  |       | <b>4,161</b>                 | <b>4,161</b>    |
| <b>Council</b>  |       |                              |                 |
| Balance as at 1 July 2023   |       | 3,673                        | 3,673           |
| Additions to right-of-use assets  |       | -                            | -               |
| Adjustments to right-of-use assets due to re-measurement of lease liability |       | 1,330                        | 1,330           |
| Less: Depreciation Charge   |       | (1,132)                      | (1,132)         |
| Impairment of right-of-use assets   |       | (2)                          | (2)             |
| <b>Balance at 30 June 2024</b>  |       | <b>3,869</b>                 | <b>3,869</b>    |
| <b>Consolidated</b>   |       |                              |                 |
| Balance as at 1 July 2022   |       | 5,409                        | 5,409           |
| Additions to right-of-use assets  |       | 691                          | 691             |
| Adjustments to right-of-use assets due to re-measurement of lease liability |       | (570)                        | (570)           |
| Less: Depreciation Charge   |       | (1,249)                      | (1,249)         |
| Impairment of right-of-use assets   |       | (195)                        | (195)           |
| <b>Balance at 30 June 2023</b>  |       | <b>4,086</b>                 | <b>4,086</b>    |
| <b>Council</b>  |       |                              |                 |
| Balance as at 1 July 2022   |       | 5,318                        | 5,318           |
| Additions to right-of-use assets  |       | 254                          | 254             |
| Adjustments to right-of-use assets due to re-measurement of lease liability |       | (570)                        | (570)           |
| Less: Depreciation Charge   |       | (1,134)                      | (1,134)         |
| Impairment of right-of-use assets   |       | (195)                        | (195)           |
| <b>Balance at 30 June 2023</b>  |       | <b>3,673</b>                 | <b>3,673</b>    |



Toowoomba Regional Council  
Notes to the Financial Statements  
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Note 15. Leases (continued)

Lease Liabilities

The table below shows the maturity analysis of the lease liabilities based on contractual cashflows and therefore the amounts will not be the same as the recognised lease liability in the Statement of Financial Position.

Consolidated and Council

|                     |       | <1 year | 1-5 years | >5 years | Total  | Total per<br>Statement of<br>Financial<br>Position |
|---------------------|-------|---------|-----------|----------|--------|--|
|                     | Notes | \$'000  | \$'000    | \$'000   | \$'000 | \$'000   |
| <b>Consolidated</b> |       |         |           |          |        |  |
| 2024                |       | 1,405   | 3,548     | 23       | 4,976  | 4,539  |
| 2023                |       | 1,352   | 3,752     | 23       | 5,127  | 4,516  |
| <b>Council</b>      |       |         |           |          |        |  |
| 2024                |       | 1,290   | 3,359     | 23       | 4,672  | 4,235  |
| 2023                |       | 1,221   | 3,441     | 23       | 4,685  | 4,099  |

Liabilities not Recognised – Extension Options

For Building Leases, Council includes extension options which can be exercised at Council's discretion. At each reporting date, Council assesses whether it is reasonably certain that the extension options will be exercised based on current operations and Council strategy.

There are \$85,354.89 in potential future lease payments, which are not included in the lease liability, as the exercise of the option has been assessed as not reasonably certain.

Amounts Included in the Statement of Comprehensive Income Related to Leases

The following amounts have been recognised in the Statement of Comprehensive Income for leases where Council is the lessee.

| Consolidated and Council               | Notes | Consolidated |              | Council      |              |
|--|-------|--------------|--------------|--------------|--------------|
|  |       | 2024         | 2023         | 2024         | 2023         |
|  |       | \$'000       | \$'000       | \$'000       | \$'000       |
| Interest on Lease Liabilities          |       | 222          | 179          | 210          | 168          |
| Depreciation of Right-of-Use Assets    |       | 1,257        | 1,249        | 1,132        | 1,134        |
| Expenses Relating to Short Term Leases |       | 46           | 83           | 46           | 83           |
| Expenses Relating to Low-Value Assets  |       | 2            | 1            | 2            | 1            |
|  |       | <u>1,527</u> | <u>1,512</u> | <u>1,390</u> | <u>1,386</u> |
| <b>Total Cash Outflows for Leases</b>  |       | <u>1,531</u> | <u>1,382</u> | <u>1,401</u> | <u>1,258</u> |

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Note 15. Leases (continued)

Leases at Significantly Below Market Value – Concessionary/Peppercorn Leases

Council has a number of leases at significantly below market for land and buildings which are used for:

- Heritage Trails
- Digital Radio & Relay
- Water Towers

The leases are generally between 3 and 99 years and require payments between \$1 and \$25,000 per annum. The use of the right-of-use assets is restricted by the lessors to specified community services which Council must provide. These services are detailed in the leases.

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

Council as a Lessor

Council has not identified any finance leases.

Operating Leases

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

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

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

Council has entered into commercial property leases on its investment properties.

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



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Note 16. Payables

Creditors are recognised when goods or services are received, at the amount owed. Amounts owing are unsecured and are generally settled on 30-day terms, except for local suppliers which have 14 day terms.

Liabilities are recognised for employee benefits, such as wages and salaries and annual leave, in respect of services provided by the employees up to the reporting date. The liability is calculated using the present value of remuneration rates that will be paid when the liability is expected to be settled and includes related on-costs.

As Council does not have an unconditional right to defer settlement of annual leave beyond twelve months after the reporting date, annual leave is classified as a current liability.

|                                     | Consolidated |               | Council       |               |
|-------------------------------------|--------------|---------------|---------------|---------------|
|                                     | 2024         | 2023          | 2024          | 2023          |
|                                     | Notes        | \$'000        | \$'000        | \$'000        |
| <b>Current</b>                      |              |               |               |               |
| Creditors                           |              | 40,948        | 7,998         | 40,188        |
| Annual Leave and Other Entitlements |              | 12,381        | 11,992        | 12,381        |
| Prepaid Rates                       |              | 11,300        | 10,761        | 11,300        |
| Accrued Wages and Salaries          |              | 5,307         | 5,282         | 5,282         |
| <b>Total Current Payables</b>       |              | <b>69,936</b> | <b>36,033</b> | <b>69,176</b> |

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Note 17. Borrowings

Interest is expensed as accrued, no interest has been capitalised during the current or comparative reporting period. Expected final repayment dates vary from 5 August 2025 to 15 June 2044.

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 (QTC) borrowing guidelines and ensure that sustainability indicators remain within acceptable levels at all times.

|   | Consolidated |                | Council        |                |
|---|--------------|----------------|----------------|----------------|
|   | 2024         | 2023           | 2024           | 2023           |
|   | Notes        | \$'000         | \$'000         | \$'000         |
| <b>Current</b>                          |              |                |                |                |
| Loans - Queensland Treasury Corporation |              | 18,021         | 16,371         | 18,021         |
| Loans - Other                           |              | 33             | 30             | -              |
| <b>Total Current Borrowings</b>         |              | <b>18,054</b>  | <b>16,401</b>  | <b>18,021</b>  |
| <b>Non-Current</b>                      |              |                |                |                |
| Loans - Queensland Treasury Corporation |              | 199,475        | 186,154        | 199,475        |
| Loans - Other                           |              | 79             | 112            | -              |
| <b>Total Non-Current Borrowings</b>     |              | <b>199,554</b> | <b>186,266</b> | <b>199,475</b> |
| <b>Total Borrowings</b>                 |              | <b>217,608</b> | <b>202,667</b> | <b>217,496</b> |

The Queensland Treasury Corporation (QTC) loan market value at the reporting date was \$204.1 million (2023: \$191.1 million). 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, however, all loans are guaranteed by the Queensland Government. There have been no defaults or breaches of the loan agreement during the 2023 or 2024 financial years.



Note 18. Provisions

(a) Long Service Leave

The provision for long service leave represents the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The liability is calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. The estimates are adjusted for the probability of the employee remaining in Council's employment or other associated employment which would result in 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 provision is discounted using the Commonwealth Bond yield rates published on the Yield Report website.

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

(b) Restoration Provisions

A provision is made for the cost of restoring refuse dumps and quarries where it is probable the Council will have an obligation to rehabilitate the site when the use of the facilities is complete. The provision is measured at the expected cost of the work required, discounted to present day values using the interest rates attached to Commonwealth Government guaranteed securities with a maturity date corresponding to the anticipated date of the restoration.

Within each restoration provision there may be many site locations, some of which can be on Council controlled land and some which are not. The following accounting treatments apply depending on the site location:

Restoration on Land not Controlled by Council

Where the restoration site is on land which Council does not control, the provision for restoration is treated as an expense in the year the provision is first recognised.

Restoration on Land Controlled by Council

Restoration sites that are situated on Council controlled land are classified as land and improvement assets. The provision for restoration is, therefore, included in the cost of the site improvements and amortised over the expected useful life.

Council has the following restoration provisions:

Quarry Sites

Quarry rehabilitation provision represents the present value of the anticipated future costs associated with the closure of the quarries, refilling the basin, and reclamation and rehabilitation of these sites.

The calculation of the provision uses assumptions including application of environmental legislation, site closure dates, available technologies, and engineering cost estimates. Because of the long-term nature of the liability, these uncertainties may result in future actual expenditure differing from amounts currently provided. The provision is reviewed at least annually and updated based on the facts and circumstances available at the time.

Refuse Sites

Refuse restoration provision represents the present value of the anticipated future costs associated with the closure of the dump sites, decontamination and monitoring of historical residues and leaching on these sites.

The calculation of the provision uses assumptions including application of environmental legislation, site closure dates, available technologies, and engineering cost estimates. Because of the long-term nature of the liability, these uncertainties may result in future actual expenditure differing from amounts currently provided. The provision is reviewed at least annually and updated based on the facts and circumstances available at the time.

Note 18. Provisions (continued)

|                                     | Consolidated   |                | Council        |                |
|-------------------------------------|----------------|----------------|----------------|----------------|
|                                     | 2024           | 2023           | 2024           | 2023           |
| Notes                               | \$'000         | \$'000         | \$'000         | \$'000         |
| <b>Current</b>                      |                |                |                |                |
| Long Service Leave                  | 14,691         | 13,466         | 14,097         | 13,071         |
| Quarry Rehabilitation               | 68             | 140            | 68             | 140            |
| Refuse Rehabilitation               | 1,133          | 1,070          | 1,133          | 1,070          |
| <b>Total Current Provisions</b>     | <b>15,892</b>  | <b>14,676</b>  | <b>15,298</b>  | <b>14,281</b>  |
| <b>Non-Current</b>                  |                |                |                |                |
| Long Service Leave                  | 1,019          | 2,001          | 931            | 1,896          |
| Quarry Rehabilitation               | 10,180         | 8,049          | 10,180         | 8,049          |
| Refuse Rehabilitation               | 97,677         | 95,112         | 97,677         | 95,112         |
| <b>Total Non-Current Provisions</b> | <b>108,876</b> | <b>105,162</b> | <b>108,788</b> | <b>105,057</b> |

Details of Movements in Provisions

**Quarry Rehabilitation**

|   |               |              |               |              |
|---|---------------|--------------|---------------|--------------|
| Balance at Beginning of Financial Year                        | 8,189         | 8,809        | 8,189         | 8,809        |
| Increase/(decrease) due to Change in Escalation Rate          | 252           | -            | 252           | -            |
| Increase/(decrease) due to Change of Discount Rate            | 142           | (997)        | 142           | (997)        |
| Increase due to Unwinding of Discount                         | 343           | 248          | 343           | 248          |
| Increase/(decrease) due to Change in Forecast Capital Expense | 1,573         | 301          | 1,573         | 301          |
| Amount Used   | (251)         | (172)        | (251)         | (172)        |
| <b>Balance at End of Financial Year</b>                       | <b>10,248</b> | <b>8,189</b> | <b>10,248</b> | <b>8,189</b> |

This is the present value of the estimated cost of restoring Council's quarry sites to a useable state at the end of the useful life. These costs are expected to be incurred from 2024 until as late as 2112.

**Refuse Rehabilitation**

|   |               |               |               |               |
|---|---------------|---------------|---------------|---------------|
| Balance at Beginning of Financial Year                        | 96,182        | 99,275        | 96,182        | 99,275        |
| Increase/(decrease) due to Change in Escalation Rate          | 1,783         | 702           | 1,783         | 702           |
| Increase/(decrease) due to Change of Discount Rate            | 913           | (9,296)       | 913           | (9,296)       |
| Increase due to Unwinding of Discount                         | 3,910         | 2,738         | 3,910         | 2,738         |
| Increase/(decrease) due to Change in Forecast Capital Expense | (749)         | 2,763         | (749)         | 2,763         |
| Amount Used   | (3,229)       | -             | (3,229)       | -             |
| <b>Balance at End of Financial Year</b>                       | <b>98,810</b> | <b>96,182</b> | <b>98,810</b> | <b>96,182</b> |

This is the present value of the estimated cost of restoring Council's refuse disposal sites to a useable state at the end of their useful life, which are expected to be incurred from 2024 until as late as 2039 and allowing a period of settlement.

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Note 19. Contract Liabilities

Where Council has invoiced the customer or the grantor amounts in excess of what it has incurred in relation to a contract, or in constructing an asset, or when performance obligations are not yet satisfied, this gives rise to a contract liability.

Satisfaction of contract liabilities:

The contract liabilities in relation to capital grants relate to funding received prior to the work being performed since revenue is recognised as Council constructs the assets. Council expects to recognise the contract liability as income in the next 3 years.

|  | Consolidated |        | Council |        |
|--|--------------|--------|---------|--------|
|  | 2024         | 2023   | 2024    | 2023   |
| Notes  | \$'000       | \$'000 | \$'000  | \$'000 |
| <b>Contract Liabilities</b>  |              |        |         |        |
| <b>Current Contract Liabilities</b>  |              |        |         |        |
| Funds Received Upfront to Construct Council Controlled Assets  | 8,496        | 10,885 | 8,496   | 10,885 |
| Non-Capital Performance Obligations not yet Satisfied  | 2,529        | 1,901  | 2,529   | 1,901  |
|  | 11,025       | 12,786 | 11,025  | 12,786 |
| <b>Non-Current Contract Liabilities</b>  |              |        |         |        |
| Non-Capital Performance Obligations not yet Satisfied  | 2,888        | 2,805  | 2,888   | 2,805  |
|  | 2,888        | 2,805  | 2,888   | 2,805  |
| <b>Total Contract Liabilities</b>  |              |        |         |        |
|  | 13,913       | 15,591 | 13,913  | 15,591 |
| <b>Revenue Recognised that was Included in the Contract Liability Balance at the Beginning of the Year</b> |              |        |         |        |
| Funds to construct Council controlled Assets   | 10,444       | 8,247  | 10,444  | 8,247  |
| Non-Capital Performance Obligations (including deposits received in advance)                               | 414          | 932    | 414     | 932    |
|  | 10,858       | 9,179  | 10,858  | 9,179  |

Note 20. Other Liabilities

Unearned revenue includes an advanced payment of \$14.7 million (2023: \$20.2 million) for the State Government’s waste levy. The 4-year payment covering the years 2023/24 to 2026/27, was made in advance providing Council with a level of certainty for budget planning.

|                                      | Consolidated |        | Council |        |
|--------------------------------------|--------------|--------|---------|--------|
|                                      | 2024         | 2023   | 2024    | 2023   |
| Notes                                | \$'000       | \$'000 | \$'000  | \$'000 |
| <b>Other Liabilities</b>             |              |        |         |        |
| <b>Current Other Liabilities</b>     |              |        |         |        |
| Unearned Revenue - State Waste Levy  | 5,370        | 5,480  | 5,370   | 5,480  |
| Other                                | 2,952        | 2,099  | 1,077   | 445    |
|                                      | 8,322        | 7,579  | 6,447   | 5,925  |
| <b>Non-Current Other Liabilities</b> |              |        |         |        |
| Unearned Revenue - State Waste Levy  | 9,330        | 14,700 | 9,330   | 14,700 |
|                                      | 9,330        | 14,700 | 9,330   | 14,700 |
| <b>Total Other Liabilities</b>       |              |        |         |        |
|                                      | 17,653       | 22,279 | 15,777  | 20,625 |

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Note 21. Asset Revaluation Surplus

The Asset Revaluation Surplus comprises revaluation movements on property, plant and equipment.

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 and disclosed accordingly.

|  | Consolidated |           | Council   |           |
|--|--------------|-----------|-----------|-----------|
|  | 2024         | 2023      | 2024      | 2023      |
| Notes  | \$'000       | \$'000    | \$'000    | \$'000    |
| <b>Movements in the Asset Revaluation Surplus</b>  |              |           |           |           |
| <b>Balance at Beginning of Financial Year</b>  | 3,239,045    | 2,697,741 | 3,239,045 | 2,697,741 |
| <b><u>Net adjustment to non-current assets at end of period to reflect a change in current fair value:</u></b> |              |           |           |           |
| Land   | 20,658       | 53,229    | 20,658    | 53,229    |
| Site Improvements  | 10,839       | 14,199    | 10,839    | 14,199    |
| Buildings  | 21,149       | 87,624    | 21,149    | 87,624    |
| Road and Bridge Network  | (22,661)     | 211,611   | (22,661)  | 211,611   |
| Water Infrastructure   | 87,188       | 86,581    | 87,188    | 86,581    |
| Wastewater Infrastructure  | 49,926       | 68,155    | 49,926    | 68,155    |
| Drainage   | 220,434      | 17,061    | 220,434   | 17,061    |
| Aerodrome Infrastructure   | 2,459        | 1,272     | 2,459     | 1,272     |
|  | 389,992      | 539,732   | 389,992   | 539,732   |
| Adjustment to Rehabilitation Provision   | (1,819)      | 1,572     | (1,819)   | 1,572     |
| <b>Balance at End of Financial Year</b>  | 3,627,218    | 3,239,045 | 3,627,218 | 3,239,045 |

Asset Revaluation Surplus Analysis

**The closing balance of the Asset Revaluation Surplus comprises the following asset categories:**

|   |           |           |           |           |
|---|-----------|-----------|-----------|-----------|
| Land                                    | 373,347   | 352,689   | 373,347   | 352,689   |
| Site Improvements                       | 80,107    | 71,087    | 80,107    | 71,087    |
| Buildings                               | 198,222   | 177,074   | 198,222   | 177,074   |
| Road and Bridge Network                 | 1,382,482 | 1,405,143 | 1,382,482 | 1,405,143 |
| Water Infrastructure                    | 791,746   | 704,558   | 791,746   | 704,558   |
| Wastewater Infrastructure               | 401,100   | 351,174   | 401,100   | 351,174   |
| Drainage                                | 395,055   | 174,620   | 395,055   | 174,620   |
| Aerodrome Infrastructure                | 5,159     | 2,700     | 5,159     | 2,700     |
| <b>Balance at End of Financial Year</b> | 3,627,218 | 3,239,045 | 3,627,218 | 3,239,045 |



Note 22. Commitments for Expenditure

| Notes | Consolidated |        | Council |        |
|-------|--------------|--------|---------|--------|
|       | 2024         | 2023   | 2024    | 2023   |
|       | \$'000       | \$'000 | \$'000  | \$'000 |

Capital Commitments

Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

Property, Plant and Equipment

|                   |         |       |         |       |
|-------------------|---------|-------|---------|-------|
| Infrastructure    | 140,155 | 3,401 | 140,155 | 3,401 |
| Other             | -       | 67    | -       | 67    |
| Total Commitments | 140,155 | 3,468 | 140,155 | 3,468 |

These Expenditures are Payable as Follows:

|  |         |       |         |       |
|--|---------|-------|---------|-------|
| Within the Next Year                         | 53,039  | 3,025 | 53,039  | 3,025 |
| Later than 1 Year and Not Later than 5 Years | 87,116  | 443   | 87,116  | 443   |
| Total Payable                                | 140,155 | 3,468 | 140,155 | 3,468 |

Note 23. Contingent Asset and Liabilities

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

Local Government Mutual

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

As at 30 June 2024 the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

Local Government Workcare

The Council is a member of the Queensland Local Government worker's compensation self-insurance scheme, Local Government Workcare. Under this scheme the Council has provided an indemnity towards a bank guarantee to cover bad debts which may remain should the self-insurance licence be cancelled and there was insufficient funds available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise. The Council's maximum exposure to the bank guarantee is \$2,581,542.

Other Contingent Assets and Liabilities

Infrastructure charges are contractual commitments under infrastructure agreements that are contingent on a number of actions occurring outside of Council's direct control and relate to exercising development approvals and completing associated infrastructure works. Where Council has no infrastructure agreements in place, Council is not able to provide a reliable estimate of the infrastructure refund and are therefore not disclosed as a contingent liability.

| Notes | Consolidated |        | Council |        |
|-------|--------------|--------|---------|--------|
|       | 2024         | 2023   | 2024    | 2023   |
|       | \$'000       | \$'000 | \$'000  | \$'000 |

Contingent Liabilities

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

|   |     |     |     |     |
|---|-----|-----|-----|-----|
| Developer delivery of Council infrastructure as per Infrastructure Agreement  | 190 | 539 | 190 | 539 |
| Various claims are pending against Council. In the opinion of the Council's solicitors, the potential loss on all claims should not exceed: | 604 | 457 | 604 | 457 |
| Total Contingent Liabilities  | 794 | 996 | 794 | 996 |

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Note 24. Superannuation

Council contributes to the LGIAsuper Regional Defined Benefits Fund (the scheme), at the rate of 12% for each permanent employee who is a defined benefit member. This rate is set in accordance with the LGIAsuper trust deed and may be varied on the advice of an actuary. The Regional Defined Benefits Fund is a complying superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation and is also governed by the *Local Government Act 2009*. The scheme is managed by the LGIAsuper trustee as trustee for LGIAsuper trading as Brighter Super.

The scheme is a pooled defined benefit plan and is not in accordance with the deed to allocate obligations, plan assets and costs at the Council level. Any amount by which the scheme is over or under funded may affect future contribution rate obligations but has not been recognised as an asset or liability of Council.

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

The last completed actuarial assessment of the scheme as required under Superannuation Prudential Standard 160 was undertaken as at 1 July 2021. The actuary indicated that "At the valuation date of 1 July 2021, the net assets of the scheme exceeded the vested benefits and the Regional DBF was in a satisfactory financial position". The measure of vested benefits represents the value of benefit entitlements should all participating employees voluntarily exit the scheme. Council is not aware of anything that has happened since that time that indicates the assets of the scheme are not sufficient to meet the vested benefits, as at the reporting date.

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

The next triennial actuarial review is due on 1 July 2024.

The most significant risks that may result in LGIAsuper increasing the contribution rate, on the advice of the actuary, are:

- Investment risk - The risk that the scheme's investment returns will be lower than assumed and additional contributions are needed to fund the shortfall.
- Salary growth risk - The risk that wages or salaries will rise more rapidly than assumed, increasing vested benefits to be funded.

|   | Consolidated |        | Council |        |
|---|--------------|--------|---------|--------|
|   | 2024         | 2023   | 2024    | 2023   |
| Notes   | \$'000       | \$'000 | \$'000  | \$'000 |
| Superannuation Contributions made to the Regional Defined Benefits Fund (RDBF)                              | 417          | 520    | 417     | 520    |
| Other Superannuation Contributions for Employees  | 14,918       | 14,819 | 14,265  | 14,371 |
| The amount of Superannuation Contributions paid by Council in this period for the benefit of employees was: | 15,335       | 15,339 | 14,682  | 14,891 |

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Note 25. Reconciliation of Net Result for the Year to Net Cash Inflow/(Outflow) from Operating Activities

|  | Notes    | Consolidated |          | Council  |          |
|--|----------|--------------|----------|----------|----------|
|  |          | 2024         | 2023     | 2024     | 2023     |
|  |          | \$'000       | \$'000   | \$'000   | \$'000   |
| Net Result from Income Statement   |          | 54,504       | 71,173   | 55,040   | 70,505   |
| <b>Non-Cash Items</b>  |          |              |          |          |          |
| Depreciation and Amortisation  | 12,14,15 | 125,939      | 112,700  | 125,750  | 112,552  |
| Accrued Interest and Bad Debt Expense                                    |          | 230          | 214      | 230      | 214      |
| Prior Year Capital Expenditure Expensed in Current Year                  | 12       | 6,690        | 2,206    | 6,690    | 2,206    |
| Unwinding of Discount on Provisions                                      |          | 4,253        | 2,985    | 4,253    | 2,985    |
| Revaluation Adjustments  |          | (319)        | (500)    | (319)    | (500)    |
| Non-Cash Capital Contributions   | 3d(ii)   | (38,664)     | (25,076) | (38,664) | (25,076) |
| Loss on Early Termination of Lease                                       |          | (1)          | 61       | (1)      | 61       |
| Rehabilitation Expenses for Sites not Classified as Council Owned Assets | 12       | 2,093        | (4,954)  | 2,093    | (4,954)  |
|  |          | 100,221      | 87,636   | 100,032  | 87,488   |
| <b>Investing and Development Activities</b>                              |          |              |          |          |          |
| Net Losses/(Gains) on Disposal of Assets                                 | 8        | (1,447)      | (2,043)  | (1,447)  | (2,043)  |
| Loss on Write-off of Assets  | 8        | 27,807       | 19,574   | 27,807   | 19,574   |
| Capital Grants and Contributions   |          | (56,642)     | (53,177) | (56,642) | (53,177) |
|  |          | (30,282)     | (35,646) | (30,282) | (35,646) |
| <b>Changes in Operating Assets and Liabilities</b>                       |          |              |          |          |          |
| (Increase)/Decrease in Receivables                                       |          | (4,109)      | 6,976    | (4,113)  | 7,086    |
| Increase/(Decrease) in Loss Allowance                                    |          | 30           | (39)     | 30       | (39)     |
| (Increase)/Decrease in Inventories and Other Assets                      |          | 1,076        | (4,239)  | 1,088    | (4,258)  |
| Increase/(Decrease) in Payables and Accruals                             |          | 30,034       | (19,150) | 29,966   | (19,375) |
| Increase/(Decrease) in Employee Leave Entitlements                       |          | (26)         | (1,010)  | 60       | (1,102)  |
| Increase/(Decrease) in Other Liabilities                                 |          | (4,694)      | (1,984)  | (4,848)  | (1,368)  |
| Increase/(Decrease) in Other Provisions                                  |          | -            | (172)    | -        | (172)    |
| Increase/(Decrease) in Contract Liabilities                              |          | 316          | 405      | 316      | 405      |
|  |          | 22,627       | (19,213) | 22,499   | (18,823) |
| Net Cash inflow from operating activities                                |          | 147,070      | 103,950  | 147,289  | 103,524  |



# Toowoomba Regional Council

## Notes to the Financial Statements

For the year ended 30 June 2024

## Note 27. Financial Instruments and Financial Liabilities

|                 |    | 2023 - Consolidation | As at 30 June<br>2022 | Cash flows    | Non-Cash<br>Changes | As at 30 June<br>2023 |
|-----------------|----|----------------------|-----------------------|---------------|---------------------|-----------------------|
|                 |    | Notes                | \$'000                | \$'000        | \$'000              | \$'000                |
| Borrowings      | 17 |                      | 181,301               | 21,295        | 71                  | 202,667               |
| Lease Liability | 15 |                      | 5,743                 | (1,382)       | (155)               | 4,516                 |
|                 |    |                      | <u>187,044</u>        | <u>19,913</u> | <u>(84)</u>         | <u>207,183</u>        |

|                 | 2024 - Council | As at 30 June 2023 | Cash flows | Non-Cash Changes | As at 30 June 2024 |
|-----------------|----------------|--------------------|------------|------------------|--------------------|
|                 | Notes          | \$'000             | \$'000     | \$'000           | \$'000             |
| Borrowings      | 17             | 202,525            | 15,024     | (52)             | 217,496            |
| Lease Liability | 15             | 4,099              | (1,401)    | 1,537            | 4,235              |
|                 |                | 206,624            | 13,623     | 1,485            | 221,731            |

|                 | 2023 - Council | As at 30 June 2022 | Cash flows | Non-Cash Changes | As at 30 June 2023 |
|-----------------|----------------|--------------------|------------|------------------|--------------------|
|                 | Notes          | \$'000             | \$'000     | \$'000           | \$'000             |
| Borrowings      | 17             | 181,261            | 21,192     | 71               | 202,525            |
| Lease Liability | 15             | 5,643              | (1,258)    | (286)            | 4,099              |
|                 |                | 186,904            | 19,934     | (215)            | 206,624            |

- Credit risk
- Liquidity risk
- Market risk
- Interest rate risk

Council is responsible for the establishment and oversight of the risk management framework, together with developing and monitoring risk management policies. Council's management approves policies for overall risk management, as well as specifically for managing credit, liquidity and market risk. Council's risk management policies are established to identify and analyse the risks faced, to set appropriate limits and controls and to monitor these risks and adherence against limits. Council aims to manage volatility to minimise potential adverse effects on the financial performance of the Council.

Council's Audit Committee oversees how management monitors compliance with the Council's risk management policies and procedures and reviews the adequacy of the risk management's framework in relation to the risks faced by the Council. Council's Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee. Council does not enter into derivatives.

Credit risk is the risk of financial loss if a counterparty to a financial instrument fails to meet its contractual obligations. These obligations arise principally from Council's investments and receivables. Exposure to credit risk is managed through regular analysis of counterparty ability to meet payment obligations.

Investments in financial instruments are required to be made with Queensland Treasury Corporation (QTC) or financial institutions in Australia, in line with the requirements for the *Statutory Bodies Financial Arrangements Act 1982* and Council's Investment Policy. No collateral is held as security relating to the financial assets held by Council.

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

Liquidity risk is the risk that Council will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Council's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, both under normal and stressed conditions, without incurring unacceptable losses or risking damage to Council's reputation.

Council is exposed to liquidity risk through its normal course of business and through its borrowings with QTC. Council manages its exposure to liquidity risk by maintaining sufficient cash deposits, both short and long term, to cater for unexpected volatility in cash flows. These facilities are disclosed in Notes 9 and 10.

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

Toowoomba Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2024

Note 27. Financial Instruments and Financial Liabilities (continued)

| Consolidated  |       | 0 - 1 Year    | 1 - 5 Years   | Over 5 Years   | Total Contractual Cash Flows | Carrying Amount |
|---------------|-------|---------------|---------------|----------------|------------------------------|-----------------|
|               | Notes | \$'000        | \$'000        | \$'000         | \$'000                       | \$'000          |
| 2024          |       |               |               |                |                              |                 |
| Payables      | 16    | 69,936        | -             | -              | 69,936                       | 69,936          |
| Loans - QTC   | 17    | 26,714        | 97,617        | 159,815        | 284,146                      | 217,496         |
| Loans - Other |       | 33            | 79            | -              | 112                          | 112             |
|               |       | <u>96,683</u> | <u>97,696</u> | <u>159,815</u> | <u>354,194</u>               | <u>287,544</u>  |
| 2023          |       |               |               |                |                              |                 |
| Payables      | 16    | 36,033        | -             | -              | 36,033                       | 36,033          |
| Loans - QTC   | 17    | 24,268        | 91,877        | 141,612        | 257,757                      | 202,525         |
| Loans - Other |       | 42            | 115           | -              | 157                          | 142             |
|               |       | <u>60,343</u> | <u>91,992</u> | <u>141,612</u> | <u>293,947</u>               | <u>238,700</u>  |

| Council     |       | 0 - 1 Year    | 1 - 5 Years   | Over 5 Years   | Total Contractual Cash Flows | Carrying Amount |
|-------------|-------|---------------|---------------|----------------|------------------------------|-----------------|
|             | Notes | \$'000        | \$'000        | \$'000         | \$'000                       | \$'000          |
| 2024        |       |               |               |                |                              |                 |
| Payables    | 16    | 69,176        | -             | -              | 69,176                       | 69,176          |
| Loans - QTC | 17    | 26,714        | 97,617        | 159,815        | 284,146                      | 217,496         |
|             |       | <u>95,890</u> | <u>97,617</u> | <u>159,815</u> | <u>353,322</u>               | <u>286,672</u>  |
| 2023        |       |               |               |                |                              |                 |
| Payables    | 16    | 35,056        | -             | -              | 35,056                       | 35,056          |
| Loans - QTC | 17    | 24,268        | 91,877        | 141,612        | 257,757                      | 202,525         |
|             |       | <u>59,324</u> | <u>91,877</u> | <u>141,612</u> | <u>292,813</u>               | <u>237,581</u>  |

QTC Fixed Rate Loan – financial instruments with fixed interest rates which are carried at amortised cost are not subject to interest rate sensitivity.

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

**Market Risk**

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

**Interest Rate Risk**

Council is exposed to interest rate risk through investments and borrowings with QTC and other financial institutions. Council has access to a mix of variable and fixed rate funding options through QTC so that interest rate risk exposure can be minimised.

**Sensitivity**

Sensitivity to interest rate movements is shown for variable financial assets and liabilities based on the carrying amount at reporting date. Council does not account for any fixed-rate financial assets or financial liabilities at fair value through the statement of comprehensive income, therefore a change in interest rates at the reporting date would not affect profit or loss.

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

Toowoomba Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2024

Note 27. Financial Instruments and Financial Liabilities (continued)

| Consolidated  |       |                               |                      |             |                  |             |
|---------------|-------|-------------------------------|----------------------|-------------|------------------|-------------|
|               | Notes | Net Carrying Amount<br>\$'000 | Effect on Net Result |             | Effect on Equity |             |
|               |       |                               | 1% Increase          | 1% Decrease | 1% Increase      | 1% Decrease |
|               |       |                               | \$'000               | \$'000      | \$'000           | \$'000      |
| 2024          |       |                               |                      |             |                  |             |
| At Call Funds | 9     | 124,479                       | 1,245                | (1,245)     | 1,245            | (1,245)     |
|               |       |                               | 1,245                | (1,245)     | 1,245            | (1,245)     |
| 2023          |       |                               |                      |             |                  |             |
| At Call Funds | 9     | 99,685                        | 997                  | (997)       | 997              | (997)       |
|               |       |                               | 997                  | (997)       | 997              | (997)       |
| Council       |       |                               |                      |             |                  |             |
|               | Notes | Net Carrying Amount<br>\$'000 | Effect on Net Result |             | Effect on Equity |             |
|               |       |                               | 1% Increase          | 1% Decrease | 1% Increase      | 1% Decrease |
|               |       |                               | \$'000               | \$'000      | \$'000           | \$'000      |
| 2024          |       |                               |                      |             |                  |             |
| At Call Funds | 9     | 124,479                       | 1,245                | (1,245)     | 1,245            | (1,245)     |
|               |       |                               | 1,245                | (1,245)     | 1,245            | (1,245)     |
| 2023          |       |                               |                      |             |                  |             |
| At Call Funds | 9     | 99,685                        | 997                  | (997)       | 997              | (997)       |
|               |       |                               | 997                  | (997)       | 997              | (997)       |



Note 28. National Competition Policy

Business Activities to which the Code of Competitive Conduct is Applied

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

|                      |                            |                            |                |
|----------------------|----------------------------|----------------------------|----------------|
| Water and Wastewater | Fleet and Plant Services   | Laboratory Services        | Waste Services |
| Other Roads          | Building Certification     | Cemetery Operations        | Aerodromes     |
| Private Works        | Aquatics and Indoor Sports | Highfields Cultural Centre |                |

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

The following Activity Statements are for Activities Subject to the Competitive Code of Conduct:

|   | Water and Wastewater | Other Roads | Cemeteries | Fleet and Logistics Services |
|---|----------------------|-------------|------------|------------------------------|
|   | \$'000               | \$'000      | \$'000     | \$'000                       |
| Revenue for Services Provided to the Council      | 1,216                | 49,842      | -          | 40,010                       |
| Revenue for Services Provided to External Clients | 141,835              | 3,103       | 1,014      | 892                          |
| Community Service Obligations                     | 1,902                | -           | 547        | -                            |
|   | 144,953              | 52,945      | 1,561      | 40,902                       |
| Less: Expenditure                                 | (102,955)            | (50,440)    | (1,564)    | (34,177)                     |
| Surplus/(Deficit)                                 | 41,998               | 2,505       | (3)        | 6,725                        |

|   | Building Certification | Laboratory Services | Private Works | Highfields Cultural Centre |
|---|------------------------|---------------------|---------------|----------------------------|
|   | \$'000                 | \$'000              | \$'000        | \$'000                     |
| Revenue for Services Provided to the Council      | 8                      | 1,619               | -             | 174                        |
| Revenue for Services Provided to External Clients | 851                    | 622                 | 5,374         | 365                        |
| Community Service Obligations                     | -                      | -                   | -             | 454                        |
|   | 859                    | 2,241               | 5,374         | 993                        |
| Less: Expenditure                                 | (813)                  | (2,455)             | (4,375)       | (795)                      |
| Surplus/(Deficit)                                 | 46                     | (214)               | 999           | 198                        |

|   | Waste Services | Aerodromes |
|---|----------------|------------|
|   | \$'000         | \$'000     |
| Revenue for Services Provided to the Council      | 10,540         | -          |
| Revenue for Services Provided to External Clients | 34,096         | 898        |
| Community Service Obligations                     | 3,060          | 3,055      |
|   | 47,696         | 3,953      |
| Less: Expenditure                                 | (42,488)       | (2,040)    |
| Less: Other FCP Allowances                        | (1,106)        | -          |
| Surplus/(Deficit)                                 | 4,102          | 1,913      |

Note 28. National Competition Policy (continued)

| Activities                 | CSO Description  | Actual<br>\$'000 |
|----------------------------|--|------------------|
| Water and Wastewater       | To provide pensioner rebates on water and wastewater activities.                               | 1,902            |
| Waste Services             | To provide public dumping facilities.  | 3,060            |
| Highfields Cultural Centre | Provide recreational facilities to as wide as possible cross section of the community.         | 454              |
| Cemetery Operations        | To maintain historical headstone sections and to provide cemetery facilities to rural areas.   | 547              |
| Aerodromes                 | To provide an economic benefit to the region and to provide airport facilities to rural areas. | 3,054            |

Note 29. Controlled Entities that have not been Consolidated

Controlled Entities - Financial Results:

|   | Interest in Ownership |     |
|---|-----------------------|-----|
|   | Details               | %   |
| <u>2024</u>   |                       |     |
| Toowoomba and Surat Basin Enterprise Development Fund Limited | 1                     | 100 |
| Empire Theatres Foundation Ltd                                | 2                     | 100 |

|   | Interest in Ownership |     |
|---|-----------------------|-----|
|   | Details               | %   |
| <u>2023</u>   |                       |     |
| Toowoomba and Surat Basin Enterprise Development Fund Limited | 1                     | 100 |
| Empire Theatres Foundation Ltd                                | 2                     | 100 |

1. Toowoomba and Surat Basin Enterprise Development Fund Limited (ACN 636 675 173) was established in 2019 to facilitate the education, mentoring and leadership of local people in the Toowoomba and Surat Basin regions to help them gain the necessary skills to have career opportunities in their local communities, for the benefit of the greater community, with an emphasis on people who are disadvantaged or vulnerable. This entity has no revenue, expenses, assets or liabilities.

2. On the 15 January 2023, Empire Theatres Foundation formalised the process to update their Trustee, and appointed Empire Theatres Foundation Ltd as Trustee company. Empire Theatres Foundation Ltd is now a controlled entity of Toowoomba Regional Council and no longer a controlled entity of Empire Theatres Pty Ltd.

Note 30. Transactions with Related Parties

(a) Transactions with Controlled Entities

The group consists of Toowoomba Regional Council and two controlled entities. From the 2024 year, Council consolidates all but two of the controlled entities. The details of these entities can be found in Note 29.

The following transactions occurred with subsidiaries:

| Subsidiary                           | Operating Grants and Sponsorship provided by Council (Note 1) |                | Goods and Services provided by Council, on normal terms and conditions (Note 2) |                | Goods and Services provided to Council, on normal terms and conditions (Note 3) |                |
|--------------------------------------|---|----------------|---|----------------|---|----------------|
|                                      | 2024<br>\$'000  | 2023<br>\$'000 | 2024<br>\$'000  | 2023<br>\$'000 | 2024<br>\$'000  | 2023<br>\$'000 |
| Empire Theatres Pty Ltd              | 970   | 937            | 41  | 29             | 39  | 18             |
| Toowoomba and Surat Basin Enterprise | 754   | 567            | 25  | 8              | 2   | 9              |
| Total                                | 1,724   | 1,504          | 66  | 37             | 41  | 27             |

Note 1 - Operating Grants and Sponsorship paid by Council to the controlled entity (GST exclusive)

Note 2 - Rental of Buildings, Plant and Equipment provided by Council to the controlled entity (GST exclusive)

Note 3 - Goods and Services provided by the controlled entity to Council (GST exclusive)

(b) Transactions with Associates

The Spring Bluff Railway Station Trust (Spring Bluff) is composed of representatives from Queensland Rail, Toowoomba Regional Council and Lockyer Valley Regional Council. Council provides annual monetary support to Spring Bluff in the form of a contribution which has been disclosed below.

| Associate  | 2024<br>\$'000 | 2023<br>\$'000 |
|--|----------------|----------------|
| Spring Bluff Railway Station Trust (Contribution from Council) | 90             | 90             |
| Spring Bluff (Payment to Council)                              | 69             | 92             |

(c) Transactions with Key Management Personnel (KMP)

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of Council, directly or indirectly. Key management personnel include the Mayor, Councillors, Council's Chief Executive and General Managers.

The compensation paid to key management personnel comprises:

| Compensation Paid to Key Management Personnel | 2024<br>\$'000 | 2023<br>\$'000 |
|---|----------------|----------------|
| Short-Term Employee Benefits                  | 3,164          | 3,005          |
| Post-Employment Benefits                      | 354            | 342            |
| Long-Term Benefits                            | 40             | 42             |
| Termination Benefits                          | 3              | -              |
| Total   | 3,561          | 3,389          |

2023 Short-term employee benefits have been increased by \$71k to account for non-monetary benefits.

Note 30. Transactions with Related Parties (continued)

(d) Outstanding Balances

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

| Receivables (owing from Controlled Entity or Related Party to Council) | 2024<br>\$'000 | 2023<br>\$'000 |
|--|----------------|----------------|
| Current (within 30 days)   | 34             | 3              |
| Total  | 34             | 3              |

All amounts owing from or owing to controlled entities and related parties are within normal terms and conditions.

(e) Transactions with Other Related Parties

Other related parties include the close family members of KMP or their close family members. Close family members include a spouse, child or dependent of a KMP or their spouse.

Details of transactions between Council and other related parties are disclosed below:

| Details of Transactions   | Additional Information | 2024<br>\$'000 | 2023<br>\$'000 |
|---|------------------------|----------------|----------------|
| Purchase of materials and services from entities controlled by key management personnel | Note 1                 | 495            | 235            |
| Employee expenses for close family members of key management personnel                  | Note 2                 | 41             | 26             |
| Fees and charges charged to entities controlled by key management personnel             | Note 3                 | 4              | -              |
| Total   |                        | 540            | 261            |

Note 1 - Toowoomba Regional Council purchased materials and services from other related parties. All purchases were at arm's length and on normal terms and conditions in the normal course of Council operations.

Note 2 - All close family members of key management personnel were employed through an arm's length process. They are paid in accordance with the Award for the job they perform.

Note 3 – The fees and charges charged to entities controlled by key management personnel were on an arm's length basis in accordance with the schedule of fees and charges adopted by Council.

(f) Loans to/from Related Parties

Council does not make loans to or receive loans from related parties.

(g) Transactions with Related Parties that have not been disclosed

Most of the entities and people that are related parties of Council live and operate within the Toowoomba Region. Therefore, on a regular basis ordinary citizen transactions occur between Council and its related parties. Examples include:

- Payment of rates and utility charges
- Fees and charges included in Council's Register of Fees and Charges
- Fines and penalties included in Council's Register of Local Laws and Subordinate Local Laws
- Attendance at Council functions which are open to the general public
- Visiting Council facilities which are open to the general public
- Transactions whose total dollar value is deemed immaterial

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



Toowoomba Regional Council

Notes to the Financial Statements  
for the year ended 30 June 2024

Note 31. Events After the Reporting Period

There were no material adjusting events after the balance date.

Toowoomba Regional Council

Management Certificate  
For the year ended 30 June 2024

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.

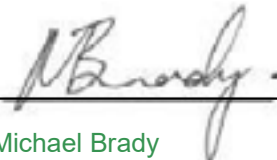
In accordance with Section 212(5) of the Regulation, we certify that:

- (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 51, present a true and fair view, in accordance with Australian Accounting Standards, of Council's and the consolidated entity's transactions for the financial year and financial position at the end of the year.



Cr Geoff McDonald  
MAYOR

26/09/2024



Michael Brady  
ACTING CHIEF EXECUTIVE OFFICER

26/09/2024

## INDEPENDENT AUDITOR'S REPORT

To the councillors of Toowoomba Regional Council

### Report on the audit of the financial report

#### Opinion

I have audited the accompanying financial report of Toowoomba Regional Council (the council) and its controlled entities (the group).

The financial report comprises the statements of financial position as at 30 June 2024, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, notes to the financial statements including material accounting policy information and the certificate given by the Mayor and Acting Chief Executive Officer.

In my opinion, the financial report:

- a) gives a true and fair view of the council's and group's financial position as at 30 June 2024, and of their financial performance for the year then ended; and
- b) complies with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards.

#### Basis for opinion

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

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

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

#### Other information

The councillors are responsible for the other information.

The other information comprises the information included in the entity's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

At the date of this auditor's report, the available other information in Toowoomba Regional Council's annual report for the year ended 30 June 2024 was the current year financial sustainability statement, current year financial sustainability statement - contextual ratios and unaudited 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 formed a separate opinion on the current year financial sustainability statement.

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

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

### Responsibilities of the councillors for the financial report

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

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

### 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

[https://www.auasb.gov.au/auditors\\_responsibilities/ar3.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar3.pdf)

This description forms part of my auditor's report.

### Report on other legal and regulatory requirements

#### Statement

In accordance with s. 40 of the *Auditor-General Act 2009*, for the year ended 30 June 2024:

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



Prescribed requirements scope

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

M. Claydon

Michael Claydon  
as delegate of the Auditor-General

27 September 2024

Queensland Audit Office  
Brisbane

Financial Statements 2024

Toowoomba Regional Council

Current Year Financial Sustainability Statement  
For the year ended 30 June 2024

| Type                    | Measure                               | Target (Tier 2)       | Actual Current Year | 5-Year Average | Actual Current Year | 5-Year Average | Council Narrative  |
|-------------------------|---------------------------------------|-----------------------|---------------------|----------------|---------------------|----------------|--|
| Audited Ratios          |                                       |                       |                     |                |                     |                |  |
| Liquidity               | Unrestricted Cash Expense Cover Ratio | Greater than 2 months | 6.05                | N/A            | 5.86                | N/A            | The negative ratio is due to the Financial Assistance Grant not being paid until FY2025.<br>The positive ratio continues to indicate that Council is able to fund its core operations.<br>A lower ratio for the year has resulted from upgrade expenditure incurred for the Mt Kynoch Water Treatment Plant project and the Cressbrook Dam Safety improvements.<br>Ratio indicates that, over time, Council is meeting its asset needs.<br>The ratio is above the target range and when considered with the higher than target Unrestricted Cash Expense Cover Ratio indicates Council is currently able to fund capital expenditure through working capital and / or borrowings without increasing sustainability and service delivery risks.<br>NB the Asset Sustainability Ratio is lower than target and may indicate that sustained spending on upgrade and new capital expenditure may lead to increased sustainability pressures. |
|                         | Operating Surplus Ratio               | Greater than 0%       | (2.42%)             | 0.05%          | (2.36%)             | 0.15%          |  |
|                         | Operating Cash Ratio                  | Greater than 0%       | 24.01%              | 30.04%         | 23.47%              | 29.98%         |  |
| Asset Management        | Asset Sustainability Ratio            | Greater than 60%      | 54.34%              | 67.66%         | 54.34%              | 67.66%         | Ratio indicates that, over time, Council is meeting its asset needs.<br>The ratio is above the target range and when considered with the higher than target Unrestricted Cash Expense Cover Ratio indicates Council is currently able to fund capital expenditure through working capital and / or borrowings without increasing sustainability and service delivery risks.<br>NB the Asset Sustainability Ratio is lower than target and may indicate that sustained spending on upgrade and new capital expenditure may lead to increased sustainability pressures.  |
|                         | Asset Consumption Ratio               | Greater than 60%      | 72.6%               | 73.2%          | 72.6%               | 73.2%          |  |
| Debt Servicing Capacity | Leverage Ratio                        | 0 to 4 times          | 1.73                | 1.61           | 1.80                | 1.64           |  |

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 2024. The amounts used to calculate the 9 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 2024.

Current Year Financial Sustainability Statement – Contextual Ratios

For the year ended 30 June 2024

| Type                          | Measure                      | Target (Tier 2) | Actual Current Year | 5-Year Average | Actual Current Year | 5-Year Average | Council Narrative  |
|-------------------------------|------------------------------|-----------------|---------------------|----------------|---------------------|----------------|--|
| Contextual ratios (unaudited) |                              |                 |                     |                |                     |                |  |
| Financial Capacity            | Council-Controlled Revenue*  | N/A             | 68.21%              | 82.53%         | 68.17%              | 82.92%         | This ratio indicates that Council's ability to control and generate own revenue is lower than the five-year average.                   |
|                               | Population Growth*           | N/A             | 1.9%                | 1.36%          | 1.9%                | 1.36%          | The current year result is higher than the five-year average indicating increased pressure on future community needs.                  |
| Asset Management              | Asset Renewal Funding Ratio* | N/A             | 91.59%              | N/A            | 91.59%              | N/A            | This ratio indicates a potential underfunded capital program which could lead to increasing infrastructure backlog and asset failures. |

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 2024. The amounts used to calculate the 9 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 2024.

The current-year financial sustainability statements that are given to the auditor-general must be accompanied by a signed certificate in the form below:

Toowoomba Regional Council

Certificate of Accuracy – Current Year Financial Sustainability Statement  
For the year ended 30 June 2024

This Current Year Financial Sustainability Statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the Regulation).

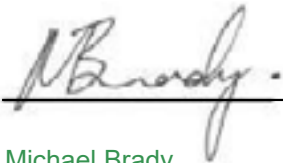
In accordance with Section 212(5) of the Regulation we certify that this Current Year Financial Sustainability Statement has been accurately calculated.



Cr Geoff McDonald

MAYOR

26/09/2024



Michael Brady

ACTING CHIEF EXECUTIVE OFFICER

26/09/2024



## INDEPENDENT AUDITOR'S REPORT

To the councillors of Toowoomba Regional Council

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

#### Opinion

I have audited the accompanying current year financial sustainability statement of the Toowoomba Regional Council for the year ended 30 June 2024, comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Acting Chief Executive Officer.

In accordance with s.212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current year financial sustainability statement of Toowoomba Regional Council for the year ended 30 June 2024 has been accurately calculated.

#### Basis of opinion

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

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

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

#### Emphasis of matter – basis of accounting

I draw attention to the note to the current year sustainability statement which describes the basis of accounting. The current year financial sustainability statement has been prepared in accordance with the Financial Management (Sustainability) Guideline 2024 for the purpose of fulfilling the council's reporting responsibilities under the Local Government Regulation 2012. As a result, the statement may not be suitable for another purpose. My opinion is not modified in respect of this matter.

#### Other information

The councillors are responsible for the other information.

The other information comprises the information included in the entity's annual report for the year ended 30 June 2024, but does not include the financial sustainability statement and our auditor's report thereon.

At the date of this auditor's report, the available other information in council's annual report for the year ended 30 June 2024 was the general-purpose financial report, current-year financial sustainability statement - contextual ratios, and the unaudited long-term financial sustainability statement.

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

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

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

#### Responsibilities of the councillors for the current year financial sustainability statement

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

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

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

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

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

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

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.



Michael Claydon  
as delegate of the Auditor-General

27 September 2024

Queensland Audit Office  
Brisbane

Financial Statements 2024

## Toowoomba Regional Council

### Unaudited Long-Term Financial Sustainability Statement

Prepared as at 30 June 2024

#### Consolidated

| Consolidated            |  | Type                                  | Measure               | Target<br>(Tier 2) | Actuals<br>as at<br>30 June<br>2024        | 30 June<br>2025 | 30 June<br>2026 | 30 June<br>2027 | 30 June<br>2028 | 30 June<br>2029 | 30 June<br>2030 | 30 June<br>2031 | 30 June<br>2032 | 30 June<br>2033 |
|-------------------------|--|---------------------------------------|-----------------------|--------------------|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Financial Capacity      |  | Council-Controlled Revenue            | N/A                   | N/A                | 68.2%                                      | 78.8%           | 90.6%           | 90.8%           | 91.0%           | 91.2%           | 91.4%           | 91.5%           | 91.6%           | 91.7%           |
|                         |  | Population Growth                     | N/A                   | N/A                | 1.9%                                       | 1.8%            | 1.8%            | 1.8%            | 1.8%            | 1.8%            | 1.8%            | 1.8%            | 1.8%            | 1.8%            |
| Asset Management        |  | Asset Renewal Funding Ratio           | N/A                   | N/A                | N/A for long-term sustainability statement |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Operating Performance   |  | Operating Surplus Ratio               | Greater than 0%       | (2.42%)            | (0.56%)                                    | 0.56%           | 1.06%           | 0.64%           | 0.73%           | 0.28%           | 0.24%           | 0.72%           | 0.73%           | 0.73%           |
|                         |  | Operating Cash Ratio                  | Greater than 0%       | 24%                | 31.1%                                      | 35.4%           | 35.8%           | 35.3%           | 35.9%           | 36.0%           | 36.2%           | 37.5%           | 37.6%           | 37.6%           |
| Liquidity               |  | Unrestricted Cash Expense Cover Ratio | Greater than 2 months | Greater than 0%    | N/A for long-term sustainability statement |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Asset Management        |  | Asset Sustainability                  | Greater than 60%      | 54.3%              | 38.0%                                      | 59.3%           | 62.8%           | 61.2%           | 58.7%           | 58.7%           | 59.4%           | 58.9%           | 59.6%           | 59.6%           |
|                         |  | Asset Consumption Ratio               | Greater than 60%      | 72.6%              | 73%  | 73%             | 73%             | 73%             | 73%             | 73%             | 73%             | 73%             | 73%             | 73%             |
| Debt Servicing Capacity |  | Leverage Ratio                        | 0 to 4 times          | 1.73 times         | 1.60 times                                 | 1.48 times      | 1.42 times      | 1.36 times      | 1.24 times      | 1.16 times      | 1.08 times      | 1.00 times      | 0.92 times      | 0.92 times      |



Toowoomba Regional Council

Unaudited Long-Term Financial Sustainability Statement (continued)

Prepared as at 30 June 2024

| Council                 | Type | Measure                               | Target<br>(Tier 2)    | Actuals<br>as at 30<br>June 2024           | 30 June<br>2024 | 30 June<br>2025 | 30 June<br>2026 | 30 June<br>2027 | 30 June<br>2028 | 30 June<br>2029 | 30 June<br>2030 | 30 June<br>2031 | 30 June<br>2032 | 30 June<br>2033 |
|-------------------------|------|---------------------------------------|-----------------------|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Financial Capacity      |      | Council-Controlled Revenue            | N/A                   | 68.2%                                      | 78.8%           | 90.6%           | 90.8%           | 91.0%           | 91.2%           | 91.4%           | 91.5%           | 91.6%           | 91.7%           |                 |
|                         |      | Population Growth                     | N/A                   | 1.9%                                       | 1.8%            | 1.8%            | 1.8%            | 1.8%            | 1.8%            | 1.8%            | 1.8%            | 1.8%            | 1.8%            |                 |
| Asset Management        |      | Asset Renewal Funding Ratio           | N/A                   | N/A for long-term sustainability statement |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Operating Performance   |      | Operating Surplus Ratio               | Greater than 0%       | (2.36%)                                    | (0.56%)         | 0.56%           | 1.06%           | 0.64%           | 0.73%           | 0.28%           | 0.24%           | 0.72%           | 0.73%           |                 |
|                         |      | Operating Cash Ratio                  | Greater than 0%       | 23.5%                                      | 31.1%           | 35.4%           | 35.8%           | 35.3%           | 35.9%           | 36.0%           | 36.2%           | 37.5%           | 37.6%           |                 |
| Liquidity               |      | Unrestricted Cash Expense Cover Ratio | Greater than 2 months | N/A for long-term sustainability statement |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Asset Management        |      | Asset Sustainability                  | Greater than 60%      | 54.3%                                      | 38.0%           | 59.3%           | 62.8%           | 61.2%           | 58.7%           | 59.4%           | 58.9%           | 59.6%           | 60.4%           |                 |
|                         |      | Asset Consumption Ratio               | Greater than 60%      | 72.6%                                      | 73%             | 73%             | 73%             | 73%             | 73%             | 73%             | 73%             | 73%             | 73%             |                 |
| Debt Servicing Capacity |      | Leverage Ratio                        | 0 to 4 times          | 1.80 times                                 | 1.60 times      | 1.48 times      | 1.42 times      | 1.36 times      | 1.24 times      | 1.16 times      | 1.08 times      | 1.00 times      | 0.92 times      |                 |

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

Toowoomba Regional Council

Certificate of Accuracy – Long Term Financial Sustainability Statement  
For the Long-Term Financial Sustainability Statement Prepared as at 30 June 2024

This Long-Term Financial Sustainability Statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the Regulation).

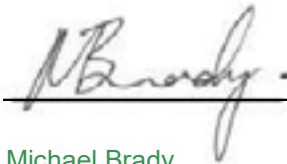
In accordance with Section 212(5) of the Regulation we certify that this Long-Term Financial Sustainability Statement has been accurately calculated.



Cr Geoff McDonald

MAYOR

26/09/2024



Michael Brady

ACTING CHIEF EXECUTIVE OFFICER

26/09/2024





**TOOWOOMBA  
REGION**

**Rich traditions. Bold ambitions.**





**TOOWOOMBA  
REGION**

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