

Late Report

ITEM 8.2.3

2013/2014 FINANCIAL STATEMENTS

Ordinary Meeting

Thursday, 11 December 2014

commencing at 9.00 am

Council Chambers, Corner Currie and Bury Streets, Nambour

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8 REPORTS DIRECT TO COUNCIL**8.2 CORPORATE SERVICES****8.2.3 2013/2014 FINANCIAL STATEMENTS**

File No:	ECM
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PURPOSE

The purpose of this report is to present to Council the audited Financial Statements for the financial year ended 30 June 2014 in accordance with the requirements of the *Local Government Act 2009*.

EXECUTIVE SUMMARY

The 2013/2014 Financial Statements have been audited by our external auditors, the Queensland Audit Office (QAO) to ensure accounting and legislative compliance.

Queensland Audit Office have issued an unqualified audit report as contained in their "Independent Auditor's Report and Certified Financial Sustainability Statements" attached (Attachment 1).

The general purpose financial statements are also attached for Council's reference (Attachment 2).

Council derived an operating surplus of \$25.813 million for the year.

Significant accounting adjustments during the year included the transfer of net assets to Noosa Council of \$1,038 million and a write down of Council's Land assets totaling \$228 million. The write down in land values was largely the result of the implementation of new accounting standards governing valuations.

OFFICER RECOMMENDATION

That Council receive and note the report titled "2013/2014 Financial Statements".

FINANCE AND RESOURCING

As per Section 176 and 183 of the *Local Government Regulation 2012*, it is required that the Financial Statements for the year ending must be audited by the Queensland Audit Office or their contracted representative, to ensure accounting and legislative compliance.

CORPORATE PLAN

Corporate Plan Goal:	<i>A public sector leader</i>
Outcome:	5.2 - A financially sustainable organisation
Operational Activity:	5.2.2 - Ensure council's finances are well managed and systems are in place to analyse performance, generate revenue and reduce costs and manage contracts and contract performance

CONSULTATION

Internal Consultation

Internal consultation involved the following branches and controlled entities:

- Legal Services
- Audit and Assurance
- Finance
- Infrastructure Services
- Human Resources
- Corporate Governance
- Sunshine Coast Events Centre Pty Ltd

External Consultation

External auditors, Queensland Audit Office have audited the draft 2013/2014 Financial Statements.

Community Engagement

No community engagement was required for this report.

PROPOSAL

The statutory financial statements for the year ended 30 June 2014, along with comparative figures for 2013, are attached (Attachment 2).

As per the Statement of Comprehensive Income, Council's results for 2014 are included in Table 1 below.

Table 1

	2013/2014 (\$'000)	2012/2013 (\$'000)
Operating (Recurrent) Revenue	\$376,224	\$357,831
Operating (Recurrent) Expenditure	\$350,411	\$334,551
Operating Surplus	\$25,813	\$23,280
Net Result (deficiency)	\$78,054*	\$60,761

*After adjustment for the write down of Council's Land asset values of \$228 million during the year.

Council's Statement of Financial Position (or Balance Sheet) shows total community equity of \$4,144 million. This is after accounting for the assets transferred to the new Noosa Council of \$1,038 million at 31 December 2013.

Legal

Section 182 of the *Local Government Regulation 2012*, states that the Financial Statements must be presented to council within one month of receiving the signed Auditor's report.

Policy

No relevant policies

Risk

Council has a statutory obligation to prepare annual general purpose financial statements that are subject to audit by the Auditor-General or their contracted representative.

Previous Council Resolution

There are no previous council resolutions that relate to this report.

Related Documentation

There is no related documentation for this report.

Critical Dates

The 2013/14 Financial Statements must be presented to council within one month of receiving the certificate of audit from the external auditors.

Implementation

There are no implementation details to include in this report.