



**Council of Mayors**

South East Queensland

# ANNUAL REPORT

2013/2014

*One Region  
One Voice*



### **Who we are**

The Council of Mayors (SEQ) is Australia's largest regional local government advocacy organisation, representing the South East Queensland (SEQ) region and the one in seven Australians that call SEQ home.

### **Our mission**

Consistently deliver better regional funding, policy and collaborative outcomes for the mayors, councils and communities of SEQ.

### **Our strategy**

**Advocate** for a better resourced SEQ region with world standard infrastructure to support economic development.

**Influence** the other levels of government to ensure that their policy and legislative positions support SEQ regional growth.

**Collaborate** in effective and innovative cooperative programs across the SEQ region.

The membership of the Council of Mayors (SEQ) consists of the mayors representing the local governments of SEQ: Brisbane, Ipswich, Lockyer Valley, Logan, Moreton Bay, Noosa, Redland, Scenic Rim, Somerset, Sunshine Coast and Toowoomba.





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# CHAIRMAN'S MESSAGE

It is my pleasure, as Chairman of the Council of Mayors (SEQ), to present this Annual Report for 2013/14. This was a year of significant achievement and change for the Council of Mayors (SEQ).

Our policy and advocacy work bore significant results this year with billion dollar commitments from the Federal and State Governments to deliver our key priorities. This was achieved in an environment of renewed focus, given reduced budgets and staffing within our organisation.

The Council of Mayors (SEQ) now has a sharper focus on our core tasks: infrastructure and planning, waterways and environment, and economic development. Our aim is to attract investment and jobs, and improve the quality of life for the one in seven Australians living in South East Queensland.

Whilst SEQ has a great variety of different communities with differing needs, our member Councils often face similar challenges. These challenges are best met with a unified approach that delivers benefits for the entire region. Therefore, it was a pleasure to welcome the reconstituted Noosa Council as a new member of the Council of Mayors (SEQ) from 31 March 2014.

## **Infrastructure**

We continued our Give A Beep campaign for infrastructure upgrades up to (and beyond) the September 2013 Federal Election. The message to all sides of politics was clear: here was a united region, speaking with one voice, with a logical and reasonable list of priorities to make SEQ's transport links safe and efficient, to boost local productivity and ultimately create more jobs in local communities.

The then opposition made a number of pre-election commitments to our priority projects such as the

Toowoomba Second Range Crossing, the Gateway Motorway North and the Bruce Highway.

In March 2014, the Mayors spent two days in Canberra, meeting with many Ministers and Shadow Ministers to fight for SEQ's fair share of Federal Government funding on behalf of the one in seven Australians living in SEQ, and to reinforce the need for the delivery of the commitments made by the new government whilst in opposition.

We welcomed confirmation of those commitments in the Coalition Government's first Budget in May 2014. The Queensland Government also confirmed funding for these projects in the State Budget in June 2014. These are big ticket, high impact projects which will deliver real and lasting benefits across the region.

## **Waterways**

An important example of our renewed focus on the core issues for our region has been the commitment to deliver a regional approach to management of our catchments. The capacity of SEQ to continue to grow our population, our economy and employment, is directly linked to the capacity of our waterways to support this growth and maintain the quality of life for which the region is renowned.

In early 2014, a High Level Agreement initiated by the Council of Mayors (SEQ) was established between the key local government and non-government groups with an interest in water and catchment management in South East Queensland. The signatory organisations are Council of Mayors (SEQ), Seqwater, Healthy Waterways Ltd, SEQ Catchments Ltd, Queensland Urban Utilities and Unitywater.

This project is a focused on a coordinated, long term works program that delivers tangible benefits to our waterways, economy and the region's water security and health and



*Image: Tourism Queensland*

wellbeing. The signatory organisations, Councils and state continue to work together to achieve this solution.

### **Investment Attraction**

We established a new baseline commitment for our organisation, and our region, during the 2013/14 financial year: to develop investment ready projects and convert relationships into investment, trade and jobs for the communities and people of South East Queensland. This year, the Council of Mayors (SEQ) began to deliver on that commitment, and it is the bedrock on which our collaborative efforts will be built in the coming years.

Our commitment to promoting SEQ's business and investment opportunities crystallised with one key event: the Asia Pacific Cities Summit in Kaohsiung, Taiwan in September 2013.

I was delighted that nine SEQ Councils were represented by Mayors and Deputy Mayors at one of the region's premier business and civic forums. The united presence of the Mayors was a great opportunity to present the fantastic business growth, trade, investment and economic development opportunities that exist across our region.

The Council of Mayors (SEQ) was a major part of the City Partners Exhibition and introduced our regional investment theme of South East Queensland: Location. Lifestyle. Opportunity. Our presence at the Asia Pacific Cities Summit was just the first stage of a significantly increased campaign to attract new offshore investment into the region.

### **A United Voice**

Together with my fellow Mayors, we conducted our annual strategic planning workshop in February 2014. The main outcomes of that workshop are covered elsewhere in this Annual Report, but of key importance was the decision to adopt this simple mission for the Council of Mayors (SEQ):

#### **One Region, One Voice**

Working together, we are able to showcase the opportunities that SEQ presents as Australia's most dynamic region. Together, we continue to show that there is strength in regional unity - Mayors and Councils working together for a strong economy and community, jobs growth and quality of life for current and future generations of South East Queenslanders.

I thank my friends and colleagues, the Mayors of South East Queensland, for their commitment, support and friendship in this important work on behalf of our communities.

**Cr Graham Quirk**  
Chairman





# EXECUTIVE DIRECTOR'S MESSAGE



It is a pleasure to present my second Annual Report as Executive Director of the Council of Mayors (SEQ).

In February 2014, the Mayors of our region gave up their Saturday for the Council of Mayors (SEQ) annual strategic planning workshop. This annual workshop, hosted this year by Ipswich City Council, is a key part of our governance framework.

It gives the Mayors, as the Directors of our company (and the representatives of our shareholding Councils) the chance to review what we have accomplished over the previous year, what has worked, what has failed, and to project into the future about our imminent challenges.

It's a full and intensive day of work designed to answer a few simple questions:

- What are the challenges coming up in the next year, or two or three?
- Which challenges should we address as a region rather than as individual Councils?
- What are the most valuable opportunities for regional collaboration?
- What do we do first?

The result is a focused agenda for the period 2014 to 2017, with very clear objectives for the coming year. It's a narrower agenda in some ways than in years past, but focused absolutely on big, important results for SEQ.

The Mayors unanimously agreed that our mission is, simply:

## **One Region, One Voice**

Our familiar strategies continue to guide the organisation:

- Advocate for a better resourced SEQ Region with world standard infrastructure to support economic development
- Influence the other levels of government to ensure that their policy and legislative positions support SEQ Regional growth
- Collaborate in effective and innovative cooperative programs across the SEQ Region.

Within these three strategies, our objectives for the coming year will be:

1. The agreed SEQ Waterways Action Plan is in place, including the appointment of a single lead agent
2. Our achievements are promoted internally and externally
3. We have successfully advocated Council of Mayors (SEQ) positions with State and Federal Governments
4. We have delivered a targeted lobbying program for infrastructure delivery

5. We have satisfactorily influenced the new SEQ Regional Plan
6. We have finalised and commenced implementation of our Regional Economic Development Plan
7. All member Councils have implemented the agreed DA reform targets, including the reporting process
8. We have reviewed and adjusted our Committee and Governance structures.

The Strategic Plan is backed by a Strategic Performance Reporting Document: a work plan highlighting programs and activities, with measureable performance targets reported at each Board meeting. The measures are simple – delivery of results and value for money. Both the Strategic Plan and Performance Reporting Document are public documents.

For the Council of Mayors (SEQ), this was a year of challenges and change and genuine results. Many of those outstanding results as shown in this Annual Report. It's an impressive list, and we are well positioned to achieve even greater results in coming years.

The Council of Mayors (SEQ) is a remarkable organisation, different to any other local government representative body in the nation. The flexibility of our operations and the unity of our purpose make us a formidable advocate and agent of positive change for our communities.

This does not happen by accident. Like any organisation, it is the people who make it or break it. Our Board, the Mayors of SEQ, are an amazing and diverse group. Each is an authentic representative of his or her own community, whilst also being absolutely committed to working together to ensure SEQ remains the best place to live, work and invest in Australia. I'd like to thank the Lord Mayor and each of the Mayors for their support, advice and fearless advocacy for their communities throughout 2013-14.

Similarly, the support and hard work of many Councillors and Council staff on our committees and taskforces, offering local wisdom, regional vision, and generous expertise, allows Council of Mayors (SEQ) to consistently punch above our weight. Each of them makes a real difference to our region and deserves our thanks.

The staff of Council of Mayors (SEQ) – a smaller group these days than it has been in the past – have again proved their worth as professionals and as people. The significant results this year are a testament to each member of my team and I thank them for their efforts.

**Peter Olah**  
Executive Director





# DIRECTORS

*During 2013/2014, 11 SEQ Councils were members of the Council of Mayors (SEQ). They were represented by their Mayors on the Board of Directors.*

## **BRISBANE CITY COUNCIL**

Cr Graham Quirk (Chairman)

## **SCENIC RIM REGIONAL COUNCIL**

Cr John Brent (Deputy Chairman)

## **REDLAND CITY COUNCIL**

Cr Karen Williams (Treasurer)

## **IPSWICH CITY COUNCIL**

Cr Paul Pisasale

## **LOCKYER VALLEY REGIONAL COUNCIL**

Cr Steve Jones

## **LOGAN CITY COUNCIL**

Cr Pam Parker

## **MORETON BAY REGIONAL COUNCIL**

Cr Allan Sutherland

## **SOMERSET REGIONAL COUNCIL**

Cr Graeme Lehmann

## **SUNSHINE COAST COUNCIL**

Cr Mark Jamieson

## **TOOWOOMBA REGIONAL COUNCIL**

Cr Paul Antonio

## **NOOSA COUNCIL**

Cr Noel Playford (member from 31 March 2014)

*From left: Cr Paul Antonio, Cr Graham Quirk, Cr Mark Jamieson, Cr Pam Parker, Cr John Brent, Cr Graeme Lehmann, Cr Karen Williams, Cr Steve Jones and Cr Allan Sutherland. (Crs Paul Pisasale and Noel Playford absent)*





## COMMITTEES

### **Regional Plan and Growth Management Committee**

*Chair – Cr John Brent*

The Regional Plan and Growth Management Committee (RPGMC) represents the interests of SEQ Councils in regional planning policy. The RPMGC held five meetings in 2013-2014 and oversaw the following:

- Advocacy regarding Infrastructure Charges
- SEQ Regional Plan Review
- New Planning and Development Act

### **Environment and Sustainability Committee**

*Chair – Cr Victor Attwood (Ipswich City Council Deputy Mayor)*

The Environment and Sustainability Committee advises the Council of Mayors (SEQ) on regional environment and

sustainability priorities, ensuring a strategic approach to addressing environmental and sustainability issues across SEQ. The Environment and Sustainability Committee held five meetings in 2013-2014 and oversaw the following:

- Regional waterways action coordination; and
- Regional environmental offsets policy coordination.

### **Infrastructure Committee**

*Chair – Cr Steve Jones*

The Infrastructure Committee aims to ensure a strategic, integrated and coordinated approach to regional planning issues. The Infrastructure Committee held 5 meetings in 2013-2014 and oversaw the following:

- Infrastructure Charges in conjunction with the Regional Plan and Growth Management Committee
- Economic Growth Partnerships Model development



# 2013/2014 YEAR IN REVIEW

## JULY – SEPTEMBER 2013

### **Economic Development**

- Mayoral delegation attended the Asia Pacific Cities Summit in Kaohsiung
- Created SEQ's first regional investment prospectus
- Employment and Economic Activity Forecasts commissioned

### **Governance**

- Commenced implementation of a rolling Strategic Plan

### **Infrastructure**

- Sought clarification from the Prime Minister The Hon Tony Abbott MP regarding the Federal Coalition's policy on the tolling of the existing Toowoomba Range Crossing, in the event that the Second Range Crossing is built

### **Planning**

- Accepted a position on the Department of State Development Infrastructure and Planning's Peer Review Panel for the new SEQ Regional Plan
- Commenced the Development Assessment (DA) Innovation Project taking improvements from SEQ Councils in DA to regional Queensland Councils in partnership with the Local Government Association of Queensland (LGAQ)
- Made a submission to the Department of State Development Infrastructure and Planning (DSDIP) in relation to the Infrastructure Charges Framework review

### **Waterways & Environment**

- Made a submission to the Department of Energy and Water Supply on the Terms of Reference 30 Year Water Strategy Catchments and Markets
- Received a briefing from the Director General of Department of Energy and Water Supply Jon Black at the Council of Mayors (SEQ) August Board Meeting on the State Government's draft 30 Year Water Strategy

### **General**

- Council of Mayors (SEQ) Executive Director presented at the Local Government Managers Australia Propeller Program: Local Government - The Political Context - 15 August

### **Trail bikes**

- Met with The Hon Steve Dickson MP, Minister for National Parks, Recreation, Sport and Racing, providing in-principle support for the development of an off road motorcycling facility north of Brisbane, pending the outcomes of a feasibility report on the Mooloolah Logging Area and the position of the Sunshine Coast Council

## OCTOBER – DECEMBER 2013

### **Governance**

- Published the 2012-2013 Council of Mayors (SEQ) Annual Report

### **Economic Development**

- Commenced the Major Economic Development Investment Attraction (MEDIA) Project with funding from the State Government, aimed at improving investment attraction for projects in SEQ
- Received a briefing from the Chief Executive Officer and Managing Director of the Brisbane Airport Corporation Julianne Alroe at the Council of Mayors (SEQ) December Board Meeting on the construction of the parallel runway

### **Infrastructure**

- Commissioned KPMG to undertake a review of alternative financing models for Infrastructure in partnership with the State Government and the Property Council of Australia Queensland branch

### **Planning**

- Received a briefing by the Deputy Director General of DSDIP Greg Chemello at the Council of Mayors (SEQ) October Board Meeting regarding the Infrastructure Charges Framework Review and the Government's reform agenda for planning
- Launched the Queensland Development and Planning Portal (QDAP) to provide an online collaboration and information space for councils, State Government and industry professionals on planning related matters

### **Waterways & Environment**

- Made a submission to the National Water Commission on Urban Water Futures Discussion Paper as part of the 2014 Triennial Assessment



- Received a briefing by The Hon Andrew Powell MP, Minister for Environment and Heritage Protection, at the Council of Mayors (SEQ) October Board meeting on flying foxes and other environmental issues
- Healthy Waterways Ltd CEO Julie McLellan attended the Council of Mayors (SEQ) December Board meeting to report on the 2013 Healthy Waterways Report Card

### **General**

- Council of Mayors (SEQ) Executive Director attended The Queensland Plan Brisbane Summit - 9 October

## **JANUARY – MARCH 2014**

### **Advocacy**

- Published the Federal advocacy document 'Clever thinking for tough times: Growth priorities for SEQ'
- Mayoral delegation travelled to Canberra for Federal advocacy effort

### **Governance**

- Welcomed Noosa Council as a member of the Council of Mayors (SEQ)
- Delivered the Council of Mayors (SEQ) Annual Member Survey
- Completed the workplace health and safety procedures manual, ensuring Council of Mayors (SEQ) is fully compliant with workplace health and safety legislation

### **Infrastructure**

- KPMG completed its review of alternative approaches to funding urban infrastructure which proposed a new approach termed an Economic Growth Partnerships Model
- Made a submission to the Productivity Commission's inquiry into Public Infrastructure, including a copy of the Economic Growth Partnerships Model paper

### **Planning**

- Commenced the development of a Regional Development Assessment Monitoring solution to be implemented in SEQ Councils and other high growth regional Councils throughout 2014
- Council of Mayors (SEQ)'s Liveable Compact Cities Project was profiled in a case study for the World Bank's Urbanization Knowledge Partnership's e-Library

### **Waterways & Environment**

- High Level Agreement signed by Council of Mayors (SEQ) and key water organisations for the management of catchments in SEQ
- Made a submission to the Agriculture, Resources and Environment Committee to the Inquiry into the *Environmental Offsets Bill 2014*

## **APRIL – JUNE 2014**

### **Governance**

- Prepared and finalised a five-year Strategic Plan for Council of Mayors (SEQ)

### **Infrastructure**

- A number of Council of Mayors (SEQ) key infrastructure projects fully funded in Federal and State budgets, including the Toowoomba Second Range Crossing, the Bruce Highway Caloundra Road to Sunshine Coast Motorway Upgrade and the Gateway Motorway North Upgrade

### **Planning**

- Made a submission to the House of Representatives Inquiry into Infrastructure Planning and Procurement - including an overview of the development assessment reforms undertaken by Council of Mayors (SEQ) and their application to infrastructure planning processes and the Economic Growth Partnerships Model paper

### **Waterways & Environment**

- Established the Mayoral Waterways Taskforce, the Catchment Action Plan Working Group and the Mayoral Waterways Taskforce Communications Working Group as part of the High Level Agreement for the management of catchments in SEQ

### **General**

- Council of Mayors (SEQ) Executive Director attended the Regional Development Australia Regional Leaders Forum: Food for thought - The Future of Agribusiness - 2 May

# 2013/2014 HIGHLIGHTS

***The Department of State Development, Infrastructure and Planning is very appreciative of the key role Council of Mayors (SEQ) has played in assisting the state government's planning reform agenda, including the current review of the SEQ Regional Plan. Your representatives have consistently and clearly articulated the views of your member local governments during this process and have provided progressive and constructive advice and suggestions on the way. Much appreciated!***

*Greg Chemello, Deputy Director-General, Planning and Property Group, Department of State Development, Infrastructure and Planning, Queensland Government*

## SEQ REGIONAL PLAN REVIEW

In 2013 the State Government continued on its strong reform agenda with the commencement of the review of the SEQ Regional Plan. Historically the Council of Mayors (SEQ) has played a major role in the regional planning process in SEQ. This review is no exception with the Council of Mayors (SEQ) and member councils actively participating in the engagement and consultation phase of the plan review. This input also involved strong lobbying to the State Government to manage the key issues for councils in SEQ including provision of a clear infrastructure investment plan and managing the urban growth boundaries.

The Council of Mayors (SEQ) strong advocacy to the State Government has seen a shift in approach to the SEQ Regional Plan in comparison to the more recent regional plans around the state. This has seen the inclusion of approaches to deal with cross-council as well as state issues and the realisation that the SEQ Regional Plan is an important tool for not only State Government but councils as well.

*Image: Ipswich City Council*





## KEY GROUPS SIGN ON FOR IMPROVED WATERWAYS MANAGEMENT IN SEQ

The SEQ urban region is the region of Australia most directly influenced by its catchments. The capacity of SEQ to continue to grow its population, its economy and employment, and its continued capacity to deliver more than its share to Australian economic growth, is directly linked to the capacity of its waterways to support this growth and maintain the quality of life for which the region is renowned. In short, the future growth of SEQ will be determined by the decisions being made now, at all three levels of government, about our catchments.

In early 2014, a high level agreement initiated by the Council of Mayors (SEQ) was established between the key local government and non-government groups with an interest in water and catchment management in SEQ. The signatory organisations are: Council of Mayors (SEQ), Seqwater, Healthy Waterways Ltd, SEQ Catchments Ltd, Queensland Urban Utilities and Unitywater. This new coordinated catchment management approach aims to deliver optimised outcomes. The solution is a focused on-ground works program that delivers tangible benefits to our waterways, economy and the region's water security and health and wellbeing.

Following the high level agreement, the Council of Mayors (SEQ) established the Mayoral Waterways Taskforce to provide political level leadership for the high level agreement. The Mayoral Waterways Taskforce is chaired by Cr Graham Quirk (Lord Mayor and Chair of Council of Mayors (SEQ)) with Cr Steve Jones, Mayor Lockyer Valley Regional Council and The Hon Andrew Powell MP, Minister for Environment and Heritage Protection, as members.

The Premier committed to being involved in the process by nominating Minister Powell to represent the Queensland Government throughout the process. The Queensland Government recognises the important role of catchment management to improve waterway health and assist with delivering water security. Under WaterQ, the 30-year strategy for Queensland's water sector, the government has committed to working in partnership for catchment management outcomes.

The Council of Mayors (SEQ) and the Queensland Government are collectively in a strategically significant position for effective collaboration with the Federal Government.



**The initiative by the Council of Mayors (SEQ) to develop a region wide approach to integrated catchment management for the first time is one strongly supported by Seqwater and demonstrates the significant value of local government having a single and united voice.**

Mike Foster, Manager External Relations, Seqwater

## WELCOME FUNDING FOR FASTER, SAFER TRANSPORT LINKS

In the lead up to the 2013 Federal Election, the Council of Mayors (SEQ) 'Give a Beep' transport infrastructure campaign pushed for faster, safer transport links across SEQ.

The Liberal-National Party, then the opposition, made a number of pre-election commitments to our priority projects and SEQ Mayors welcomed confirmation of those commitments in the Coalition Government's first Federal Budget in May 2014. The Queensland Government also confirmed funding for transport infrastructure projects in the state budget in June 2014.

Priority SEQ transport infrastructure projects which received funding in the Federal and State budgets included:

### **Bruce Highway**

The Federal Government has committed \$6.7 billion over 10 years for a detailed program of works which will improve the safety, flood immunity and capacity of the Bruce Highway. \$3.6 billion has been earmarked for the first six years of works with a further \$768 million in 2014-2015 from the Queensland Government. Works will include stage one of the Caloundra Road to Sunshine Motorway upgrade, which will address significant safety and congestion issues at an intersection recognised as one of the worst in the State.

### **Gateway Motorway North**

The Federal Government has committed up to \$929.6 million to widen the Gateway Motorway from four to six lanes between Nudgee and Bracken Ridge. An additional \$232.4 will be provided by the State Government. When completed, this upgrade will reduce congestion and improve the safety and efficiency of the motorway.

### **Toowoomba Second Range Crossing**

The long awaited Toowoomba Second Range Crossing will be delivered thanks to \$1.285 billion in Federal funding and \$231.25 million in State funding. When complete, this 41 kilometre bypass will form part of the National Land Transport Network connecting the Warrego Highway from Helidon in the east to Charlton, west of Toowoomba and to the Gore Highway at Athol in the west. This bypass accommodates regional growth by increasing crossing capacity, reducing heavy vehicle operating costs, improving travel times and freight efficiency and reducing crashes by providing a safer and less congested route.

*I'm always happy to meet with the Council of Mayors (SEQ). You bring well thought out, properly argued proposals, and you speak with one voice.*

*The Hon Anthony Albanese MP,  
Shadow Minister for Infrastructure and  
Transport, Cities and Tourism*

## TAKING SEQ PRIORITIES TO FEDERAL PARLIAMENT

Eight SEQ Mayors and one Deputy Mayor travelled to Canberra in March 2014 to meet with Federal Government Ministers and the Opposition to push for growth priorities to benefit the SEQ region.

Councillors Quirk, Pisasale, Jones, Parker, Charlton, Williams, Brent, Jamieson and Antonio met with Deputy Prime Minister and Minister for Infrastructure The Hon Warren Truss MP and the Shadow Minister for Infrastructure Anthony Albanese MP to push the cause for transport infrastructure in the region. Mayors used their collective strength to reiterate the importance of delivering the agreed regional road upgrades funded by the Federal Government and continued to advocate for further infrastructure priorities for the region.

Mayors also met with Minister for Environment The Hon Greg Hunt MP to talk about the new approach to catchment management in SEQ and with the Minister for Industry Ian McFarlane MP.

A document, 'Clever thinking for tough times: Growth priorities for SEQ' was published prior to the visit to highlight the Mayors' priorities.





## ASIA PACIFIC CITIES SUMMIT, KAOHSIUNG

SEQ Mayors and Deputy Mayors promoted South East Queensland's business and investment opportunities to Asia Pacific investors when they travelled together to Kaohsiung, Taiwan in September 2013.

The Mayors of Brisbane, Redland, Ipswich, Scenic Rim, Sunshine Coast, Moreton Bay, Lockyer Valley and Toowoomba, along with the Deputy Mayor of Logan, attended the Asia Pacific Cities Summit in Kaohsiung.

Council of Mayors (SEQ) Chairman Graham Quirk said the Asia Pacific Cities Summit had become one of the region's premier business and civic forums, and provided the opportunity for the Mayors to meet with a wide range of international business and civic leaders.

The Council of Mayors (SEQ) was a major part of the City Partners Exhibition and introduced our regional investment theme of South East Queensland: Location. Lifestyle. Opportunity.

SEQ Mayors' attendance at the summit was at minimal cost to their ratepayers thanks to the host city, Kaohsiung, offering complimentary accommodation, event registration and return flights direct to the summit for all SEQ Mayors.

The Council of Mayors (SEQ) presence at the Asia Pacific Cities Summit was the first stage of a significantly increased campaign from SEQ Mayors to attract new offshore investment into the region.

*I am delighted that nine SEQ Councils were represented at the Asia Pacific Cities Summit in Kaohsiung; the united presence of SEQ Mayors was a great opportunity to present the fantastic business growth, trade, investment and economic development opportunities that exist across our region.*

*With Mayors and Deputy Mayors all attending, we showcased the opportunities that SEQ presents not just as Australia's most dynamic growth region, but a key growth region for the entire Asia Pacific.*

*Cr Graham Quirk, Chairman, Council of Mayors (SEQ)*



## EMPLOYMENT AND ECONOMIC ACTIVITY FORECASTS

In July 2013 the Council of Mayors (SEQ), in partnership with the Department of Transport and Main Roads (DTMR) and the Department of State Development, Infrastructure and Planning (DSDIP) commissioned the National Institute of Industry and Economic Research (NIEIR) to develop small area economic activity and employment forecasts for SEQ. This project's outcome is to provide a set of employment and economic forecasts to each local government area in the region developed from an economic model of the entire SEQ region.

The forecasts will inform reviews of the SEQ Regional Plan and provide employment projections to inform DTMR's SEQ region transport model. The output will provide employment by place of work and place of residence forecasts from 2011 to 2041 in five year increments.

The SEQ forecasts will combine a 'top down' view of the future global, national and state economy implications for SEQ with a 'bottom up' view of accessibility between residents and workplaces, availability of appropriately skilled labour, competitiveness of SEQ industries, population projections by location and key drivers behind industry location choices.

The project is due for completion in late 2014 with reports to be provided to each council in SEQ tailored to their local set of outputs, as well as a region-wide report which will be used by state agencies and all councils in the region.



Image: Ipswich City Council

## INVESTIGATING ALTERNATIVE FUNDING FOR INFRASTRUCTURE

Commencing in late 2013 and completed in February 2014, the Council of Mayors (SEQ) in partnership with the Property Council of Australia and the State Government (Department of State Development, Infrastructure & Planning) embarked on an investigation of alternative models for funding infrastructure across the state. Specifically, the investigation sought to understand whether Queensland could draw on learnings from the City Deals reached between the central government and local councils in the UK to develop a better local approach to infrastructure funding.

The key driver for this work was the desire of all stakeholders to explore innovative and sustainable infrastructure funding and financing models that will deliver economic growth and improved development outcomes for Queenslanders and an acceptance that the current funding pool may not be sufficient to achieve acceptable infrastructure outcomes in all cases.

The key attributes of the UK City Deal model were considered against the backdrop of the Queensland infrastructure, planning and development environment to identify the elements of the UK City Deal Model that could be drawn upon to develop a tailored approach to local infrastructure funding for Queensland. The resulting approach has been termed an Economic Growth Partnership Model (EGPM) for infrastructure funding.

The Queensland EGPM has been developed on the basis of three pillars. The model has been built upon a foundation of a partnership approach to governance between state and local government and the participation of the development sector. The foundation enables negotiation around infrastructure investment and prioritisation at a broader scope and geography than would have traditionally been considered. It enables the partners within geographical settings to approach infrastructure prioritisation around consistent metrics and agree to a new approach to funding that will ultimately grow revenues and economic activity across the State.

The report produced by KPMG for the group was delivered to key participants and a second phase was scoped for funding by the Council of Mayors (SEQ) and State Government.

Soon after the completion of this report, the State Government announced the changes to the Infrastructure Charges framework and the introduction of the Priority Development Infrastructure (PDI) funding approach. As such, the EGPM work has been put on hold pending the outcomes of the first 12 months of the PDI.

**Over the past 12 months, the Property Council has been pleased to collaborate with the Council of Mayors (SEQ), the Queensland Government, and KPMG, to investigate innovative regional infrastructure funding models that will drive economic development in SEQ. Working with the Council of Mayors (SEQ) not only ensured the operations of the local government sector were taken into consideration in the initial research phase, but will also ensure there is a proactive voice for the sector as the funding models progress to implementation.**

*Chris Mountford, Deputy Executive Director, Property Council of Australia*



## DA MONITORING PROJECT UNDERWAY

In July 2013, the Council of Mayors (SEQ) Board approved the development of an electronic reporting tool to enable regular regional reporting to be provided to councils and Mayors that measures key data related to the performance of development assessment (DA) processes in councils. The tool aims to automate the extraction, transformation and reporting of data directly from council DA systems. The data will be transformed into a set of consistent definitions to enable more consistent and comparable reporting.

This important initiative will also deliver the data and reports to the State Government annually to replace the Development Assessment Monitoring and Performance Program (DAMPP) report and reduce the effort required by council and state government staff in producing the report.

In SEQ, the Mayors will have unprecedented access to performance data and an ability to compare SEQ councils with each other against regional averages. The tool will also be used in nine councils outside of SEQ through a partnership with the Local Government Association of Queensland.

As of June 2014, the chosen vendor was well underway with the development of the reporting framework and tool and testing in initial pilot councils. The system will be fully operational by the end of the 2014/15 financial year.

## LAUNCH OF QDAP

In late 2013 the Council of Mayors (SEQ) launched an exciting new online information and collaboration space called the Queensland Development and Planning Portal or QDAP.

QDAP is aimed at delivering important information and tools about the Planning Reform activities of the Council of Mayors (SEQ) along with providing an important online space for our Planning and Development staff and stakeholders to collaborate and share information, ideas and documents.

The portal houses all the outputs of all planning and development related projects that have been delivered by the Council of Mayors (SEQ) over a number of years. In its initial form, QDAP has provided some information to anyone visiting the site and then a greater level of detail, documents, templates and the collaboration tools to registered users. In the initial stages, QDAP registration has largely been council officers, state government officers and some industry representatives participating in planning reform projects.

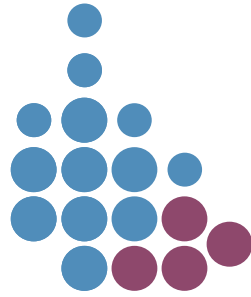
The future of QDAP will involve an expansion of content and membership to enable further sharing and collaboration.

**QDAP is a fantastic tool for the SEQ DA Manager Group to share ideas and concepts. It also enables discussion points to be made across the group while also maintaining a level of confidentiality.**

*Patricia Jensen, Chair, South East Queensland DA Managers*







# Council of Mayors

South East Queensland

COUNCIL OF MAYORS (SEQ) PTY LTD  
ACN 141 329 302

## FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2014

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# DIRECTORS' REPORT

The Directors present their report and the auditor's report thereon together with the financial report of Council of Mayors (SEQ) Pty Ltd for the financial year ended 30 June 2014.

## **Directors**

The names of Directors in office at any time during or since the end of the financial year are:

Cr Graham Quirk	1 July 2013 to present
Cr John Brent	1 July 2013 to present
Cr Karen Williams	1 July 2013 to present
Cr Paul Antonio	1 July 2013 to present
Cr Mark Jamieson	1 July 2013 to present
Cr Steve Jones	1 July 2013 to present
Cr Graeme Lehmann	1 July 2013 to present
Cr Pamela Parker	1 July 2013 to present
Cr Paul Pisasale	1 July 2013 to present
Cr Allan Sutherland	1 July 2013 to present
Cr Noel Playford	11 April 2014 to present

## **Company Details**

The company is an Australian proprietary company limited by shares, incorporated and registered in Brisbane, Queensland.

The eleven shareholder members are:

Brisbane City Council

Ipswich City Council

Lockyer Valley Regional Council

Logan City Council

Moreton Bay Regional Council

Noosa Council

Redland City Council

Scenic Rim Regional Council

Somerset Regional Council

Sunshine Coast Council

Toowoomba Regional Council

Noosa Council was admitted as a shareholder member on 31 March 2014.

## **Operating Result**

The profit/(loss) of the company for the financial year ended 30 June 2014 was \$209,024. [30 June 2013 – (\$699,630)]

Funds provided by government entities were directed to projects which commenced in previous financial years and are now completed. Four new projects have commenced in this financial year with three projects paid in full and the fourth project awaiting final payment.

## **Review of Operations**

A review of the operations of the company during the financial year shows that four new projects commenced. One project is completed whilst the remaining three projects are nearing completion but may continue for a short period into the 2014/2015 financial year.

## **Significant Changes in the State of Affairs**

No significant changes in the company's state of affairs occurred during the financial year.

## **Principal Activities**

The principal activities of the organisation are:

- to be a political advocacy organisation that represents the interests of the residents of members of the company;
- to proactively influence Federal and State Governments to ensure the long term viability, well being and sustainability of the residents of the South East Queensland region;
- to act as an advocate to State and Federal Governments or Public Bodies on issues of concern to members;
- to collectively represent members on bodies that influence the operations of the State, regional and sub-regions and the communities of individual members;
- to speak with one voice to ensure appropriate funding and delivery of infrastructure and services for the residents of the members of the Company;
- to formulate policies and strategies that support coordinated regional growth and management of change;
- to foster co-operation amongst members on issues of mutual concern or to further joint interests; and
- to ensure relevance of the strategic priorities for the region through an annual review.

**Events Subsequent to the End of the Reporting Period**

The organisation's registered office relocated to Level 12, 143 Turbot Street Brisbane on 20 August 2014.

City of Gold Coast re-joined as a shareholder member as voted at the Shareholder Members General Meeting held on 8 August 2014.

**Likely Developments and Expected Results of Operations**

The likely developments in the operations of the company and the expected results of 2014/2015 will be influenced by the finalisation of the three remaining projects commenced this year, the on-going development of the Strategic Plan and the re-structuring of the organisation's Committees to commence from 1 October 2014.

**Environmental Regulation**

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state of territory.

**Dividends**

No dividends were paid or declared during or since the end of the financial year. The Directors may not authorise the payment to members of any dividends by the company.

**Options**

No options over issued shares or interests in the company were granted during or since the end of the financial year.

**Indemnification of Officers**

Insurance premium has been paid in this financial year for Councillors and Officer Liability which covers any natural person who was, or is, or may, hereafter become a Councillor, Director, Secretary, Officer and/or Employee of the company.


**Proceedings on Behalf of Company**

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of these proceedings. The company was not a party to any such proceedings during the year.

**Auditor's Independence Declaration**


A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 20.

Signed in accordance with a resolution of the Directors



.....  
Graham Quirk  
Chairman

26/9/2014



.....  
Karen Williams  
Director/Treasurer

26/9/2014



## AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of Council of Mayors (SEQ) Pty Ltd

This auditor's independence declaration has been provided pursuant to s.307C of the *Corporations Act 2001*.

### *Independence Declaration*

As lead auditor for the audit of Council of Mayors (SEQ) Pty Ltd for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been –

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.



P J FLEMMING CPA  
As Delegate of the Auditor-General of Queensland



Queensland Audit Office  
Brisbane

# FINANCIAL STATEMENTS

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
<b>INCOME</b>		
Administration and Project Levy Contributions	1,338,120	1,581,841
Federal and State Funding	235,000	0
Other Income	438,183	222,485
Services Received in Kind	0	33,477
Interest Revenue	71,239	101,325
<b>Total Income</b>	<b>2,082,542</b>	<b>1,939,128</b>
<b>EXPENSES</b>		
Employee Expenses	1,067,209	1,531,057
General Office Expenses	315,280	246,257
IT Expenses	44,465	34,045
Travel Expenses	35,153	38,092
Consultancy Expenses	372,748	723,297
Other Operating Expenses	25,906	60,207
Depreciation Expenses	1,257	1,303
Auditing Fees–Auditor-General of Queensland	11,500	4,500
<b>Total Expenses</b>	<b>1,873,518</b>	<b>2,638,758</b>
Net profit (loss) attributable to members of the company	209,024	(699,630)
Other Comprehensive Income	0	0
<b>Total Comprehensive Income attributable to members of the company</b>	<b>209,024</b>	<b>(699,630)</b>

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes to the financial statements.

## STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2014

	NOTE	2014 \$	2013 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	4	1,229,490	1,107,643
Trade and Other Receivables	5	64,204	1,752
Prepayment		8,333	0
<i>Total Current Assets</i>		<u>1,302,027</u>	<u>1,109,395</u>
<b>NON CURRENT ASSETS</b>			
Office Furniture and Equipment	6	11,002	2,510
Intangible Assets	7	54,000	0
<i>Total Non Current Assets</i>		<u>65,002</u>	<u>2,510</u>
<b>Total Assets</b>		<b>1,367,029</b>	<b>1,111,905</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	160,934	128,032
Other Current Liabilities	9	7,000	10,000
<i>Total Current Liabilities</i>		<u>167,934</u>	<u>138,032</u>
<b>NON CURRENT LIABILITIES</b>			
Provisions	10	16,198	0
<i>Total Non Current Liabilities</i>		<u>16,198</u>	<u>0</u>
<b>Total Liabilities</b>		<b>184,132</b>	<b>138,032</b>
<b>Net Assets</b>		<b>1,182,897</b>	<b>973,873</b>
<b>EQUITY</b>			
Share Capital	11	11	11
Retained Earnings	12	1,182,886	973,862
<b>Total Equity</b>		<u>1,182,897</u>	<u>973,873</u>

The Statement of Financial Position should be read in conjunction with the accompanying notes to the financial statements.



## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2014

<b>2013/2014</b>	<b>NOTE</b>	<b>RETAINED EARNINGS \$</b>	<b>SHARE CAPITAL \$</b>	<b>TOTAL \$</b>
Balance at the beginning of the year		973,862	11	973,873
Net profit for the year	11/12	209,024	0	209,024
<b>Balance at Year End</b>		<b>1,182,886</b>	<b>11</b>	<b>1,182,897</b>

<b>2012/2013</b>	<b>NOTE</b>	<b>RETAINED EARNINGS \$</b>	<b>SHARE CAPITAL \$</b>	<b>TOTAL \$</b>
Balance at the beginning of the year		1,673,492	10	1,673,502
Net loss for the year	11/12	(699,630)	1	(699,629)
<b>Balance at Year End</b>		<b>973,862</b>	<b>11</b>	<b>973,873</b>

The Statement of Changes in Equity should be read in conjunction with the accompanying notes to the financial statements.

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2014

	NOTE	2014 \$	2013 \$
<b>CASH FLOWS FOR OPERATING ACTIVITIES</b>			
Receipts from operations		2,011,756	2,300,480
Payments to suppliers and employees		(1,826,162)	(2,850,010)
<b>Net Cash Flows used in Operating Activities</b>	13	<b>185,594</b>	<b>(549,530)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of assets at cost	6/7	(63,749)	0
Proceeds from sale of assets		0	0
<b>Net Cash Flows used in Investing Activities</b>		<b>(63,749)</b>	<b>0</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from the forfeiture of share capital	11	1	0
Proceeds from the issue of share capital	11	1	1
<b>Net Cash Flows used in Financing Activities</b>		<b>2</b>	<b>1</b>
<b>NET INCREASE / (DECREASE) IN CASH HELD</b>		<b>121,847</b>	<b>(549,529)</b>
Cash at the beginning of the year		1,107,643	1,657,173
<b>Cash at the End of the Year</b>	4	<b>1,229,490</b>	<b>1,107,643</b>

The Statement of Cash Flows should be read in conjunction with the accompanying notes to the financial statements.



# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

The financial statements cover Council of Mayors (SEQ) Pty Ltd as an individual entity. Council of Mayors (SEQ) Pty Ltd is a company limited by shares, incorporated and domiciled in Australia.

## 1. BASIS OF PREPARATION

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. This company is a Not for Profit organisation as it is not operating for the profit or gain of its individual members.

The financial statements have been prepared on an accruals basis and are based on historical costs, except where stated. Amounts in the financial statements have been rounded to the nearest Australian dollar.

## 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### a. Income Tax

Council of Mayors (SEQ) Pty Ltd is exempt from income tax under the provisions of Item 2.1 of the table in Section 50-10 of the Income Tax Assessment Act 1997 and has been advised that it would not be required to lodge income tax returns unless and until requested to do so by the Deputy Commissioner of Taxation.

### b. Office Furniture and Equipment

Office Furniture and Equipment are carried at cost, less where applicable, any accumulated depreciation. Items of office furniture and equipment with a total cost of less than \$1,000 are treated as an expense in the year of acquisition. All other items of office furniture and equipment are capitalised and subject to impairment testing.

### c. Depreciation

Depreciation of Office Furniture and Equipment has been calculated on a straight-line basis over their expected useful life. This method is considered to best correspond with the underlining pattern of consumption.

The useful lives used for each class are:

Office Furniture	Between 3 and 4 years with zero residual value
Office Equipment	Between 3 and 10 years with zero residual value

The estimated useful lives are assessed annually.

## d. Financial Instruments

### Initial recognition and measurement

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions to the instrument. For financial assets this is equivalent to the date that the company commits itself to either purchase or sell the assets (ie. trade date accounting is adopted).

### Classification and subsequent measurement

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

### Short-Term maturity investments

These investments have fixed maturities for a period of between two and seven months, and it is the company's intention to hold these investments to maturity. These short term investments held by the company are stated at the amortised cost until interest is actually received into the accounts.

### e. Employee Benefits

Employee benefits relate to amounts expected to be paid to or on behalf of employees for annual leave, long service leave, worker's compensation and superannuation. A liability is recognised for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases.

### Superannuation

Employer superannuation contributions are paid to LG Super, the default employer superannuation fund for the company at contribution rates determined by each employee's contract of employment. Employees are also entitled to choose their own superannuation fund whereby superannuation fund payments were made to QSuper, SunSuper, Australian Super, HostPlus Super and Self-Management Superannuation Funds. Contributions are expensed in the period in which they are paid or payable.

### f. Cash and Cash Equivalents

Cash and Cash Equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of seven months or less. The company does not have a bank overdraft.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

## **g. Income**

Income is recognised when revenue has been earned and can be measured reliably with sufficient degree of certainty. Administration and Project levy contributions are recognised upon resolution of financial commitment of financial funding at General Meetings by members for the financial period.

Grant funding that is non-reciprocal in nature is recognised as revenue in the year in which the company obtains control of the funding. The company did not receive reciprocal grants.

'Services Received in Kind' benefits are recognised in the financial statements at their estimated fair value at the time of consumption.

All revenue is stated net of the amount of goods and services tax (GST). Interest Revenue is brought to account when earned.

## **h. Trade and Other Receivables**

Receivables are recognised at the amounts due at the time of sale or service delivery. The collectivity is assessed at period end and an allowance is made for impairment.

## **i. Trade and Other Payables**

Payables are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price net of applicable discounts.

## **j. Goods and Services Tax**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the item of expense.

Receivables and Payables are stated with the amount of GST included. The net amount of GST recoverable from the ATO is included as a current asset in the statement of financial position. The net amount of GST payable to the ATO is included as a current liability in the statement of financial position.

## **k. Operating Lease**

Operating lease payments are representative of the pattern of benefits derived from the leased assets and are expensed in the periods in which they are incurred.

## **l. Share Capital**

Share capital is comprised of eleven equal par value fully paid shares of \$1.00 held by each of the eleven members.

## **m. Accounting Estimates/Significant Management Judgments**

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions, and management judgments that have the potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgments and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

## **n. Issuance of Financial Statements**

The financial statements are authorised for issue by the Directors at the date of signing the Directors' Declaration.

## **3. AUDITORS REMUNERATION**

### **2013/2014**

Total Audit fees of \$14,500 (ex GST) were paid in the 2013/2014 financial year. \$11,500 relates to the audit of the 2012/2013 financial statements (accrued in the 2012/2013 financial year) and \$3,000 (ex GST) relates to the audit of the 2013/2014 financial statements.

### **2012/2013**

Audit fees of \$13,000 (ex GST) paid in the 2012/2013 financial year were for the audit of the 2011/2012 financial statements, which were accrued in the 2011/2012 financial year.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

4. CASH AND CASH EQUIVALENTS	2014 \$	2013 \$
Cash at Bank and in hand	379,490	257,643
Short-Term Bank Deposits	850,000	850,00
<b>Total Trade and Other Receivables</b>	<b>1,229,490</b>	<b>1,107,643</b>

5. TRADE AND OTHER RECEIVABLES	2014 \$	2013 \$
Trade Receivables	64,204	215
GST Receivables	0	1,537
<b>Total Trade and Other Receivables</b>	<b>64,204</b>	<b>1,752</b>

6. OFFICE FURNITURE AND EQUIPMENT	2014 \$	2013 \$
Office Furniture and Equipment at Cost	16,687	3,813
Less Accumulated Depreciation	(5,685)	(1,303)
<b>Carrying Amount as at 30 June 2014</b>	<b>11,002</b>	<b>2,510</b>

BALANCE AT 1 JULY 2012	3,813
Additions	0
Disposals - written down value	0
Depreciation Expense	(1,303)
<b>Carrying Amount as at 30 June 2013</b>	<b>2,510</b>

BALANCE AT 1 JULY 2013	2,510
Additions	9,749
Disposals - written down value	0
Depreciation Expense	(1,257)
<b>Carrying Amount as at 30 June 2014</b>	<b>11,002</b>

7. INTANGIBLE ASSETS	2014 \$	2013 \$
Opening Balance	0	0
Work in Progress	54,000	0
<b>Total Intangible Assets</b>	<b>54,000</b>	<b>0</b>



## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

<b>8. TRADE AND OTHER PAYABLES</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
GST Payables	382	0
Trade Payables	95,343	77,892
Employee Benefits - Accrued Annual Leave (Current)	61,948	50,140
Employee Benefits - Accrued Salaries (Current)	3,261	0
<b>Total Trade and Other Payables</b>	<b>160,934</b>	<b>128,032</b>

<b>9. OTHER CURRENT LIABILITIES</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Audit - Auditor-General of Queensland	7,000	10,000
<b>Total Other Liabilities</b>	<b>7,000</b>	<b>10,000</b>

<b>10. PROVISIONS FOR LONG-TERM EMPLOYEE BENEFITS</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Opening Balance	0	30,887
Additional Provisions	16,198	18,880
Amounts Used	0	(49,767)
<b>Total Provisions for Long-Term Employee Benefits</b>	<b>16,198</b>	<b>0</b>

A provision has been recognised for non-current employee benefits relating to long service leave for employees. The provision for long service leave represented the present value of the estimated future cash outflows to be made by the company resulting from employees' services provided up to balance date.

The provision comprises amounts that the company has a present obligation to pay resulting from employees' services provided up to balance date and an estimate of future obligations taking into account future increases in wage and salary rates, periods of service and experience of employee departures. Related on-costs have also been included in the provision.

<b>11. SHARE CAPITAL</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>Fully paid ordinary shares - each share \$1 par value</b>	<b>11</b>	<b>11</b>
Beginning of reporting period	11	10
Additions	1	1
Disposals	-1	0
At the end of the reporting period	11	11
<b>Total Issued Capital</b>	<b>11</b>	<b>11</b>

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

At shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

For the 2012/2013 financial year, Council of Mayors (SEQ) added one additional shareholding from Moreton Bay Regional Council.

For the 2013/2014 financial year, Council of Mayors (SEQ) added one additional shareholding from Noosa Council and disposed of one shareholding from Gold Coast City Council.

<b>12. RETAINED EARNINGS</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Opening Balance	973,862	1,673,492
Profit/Loss	209,024	(699,630)
<b>Total Retained Earnings</b>	<b>1,182,886</b>	<b>973,862</b>

<b>13. RECONCILIATIONS OF CASH FLOWS USED IN OPERATING ACTIVITIES TO OPERATING RESULT FOR THE PERIOD</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>Net Profit / (Loss)</b>	<b>209,024</b>	<b>(699,630)</b>
<b>Non-cash flows in profit from ordinary activities:</b>		
Depreciation	1,257	1,303
<b>Change in assets and liabilities:</b>		
(Increase)/decrease in trade and other receivables	(70,786)	361,352
Increase/(decrease) in trade and other payables	29,901	(181,668)
Increase/(decrease) in Provisions	16,198	(30,887)
<b>Total Cash Flow from Operating Activities</b>	<b>185,594</b>	<b>(549,530)</b>

### 14. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no contingent liabilities that may become payable or any contingent assets that may become receivable.

### 15. COMMITMENTS FOR EXPENDITURE

<b>OPERATING LEASE COMMITMENTS</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Not later than 1 year	162,384	183,343
Later than 1 year but not greater than 5 years	489,143	108,255
Later than 5 years	77,318	0
<b>Total Operating Leases</b>	<b>728,845</b>	<b>291,598</b>

The Operating Lease rentals of property, plant and equipment contracted for at balance sheet date but not provided for in the financial statements are payable as listed above.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
<b>OPERATING CONTRACT COMMITMENTS</b>		
Not later than 1 year	85,800	0
Later than 1 year but not greater than 5 years	0	0
<b>Total Operating Contracts</b>	<b>85,800</b>	<b>0</b>

The Operating Contract Agreement contracted for at balance sheet date but not provided for in the financial statements is payable as listed above.

	2014	2013
	\$	\$
<b>CAPITAL COMMITMENTS</b>		
Not later than 1 year	132,550	0
Later than 1 year but not greater than 5 years	0	0
<b>Total Capital Commitments</b>	<b>132,550</b>	<b>0</b>

The Capital Commitment contracted for at balance sheet date but not provided for in the financial statements is payable as listed above.

### 16. RELATED PARTY TRANSACTIONS

#### a) Shareholders' Representations

Under the company's constitution, a Director of this company must also hold the position of Mayor in their respective council. The names of persons who have held the office of Director during the year are:

Cr Graham Quirk	1 July 2013 to present
Cr John Brent	1 July 2013 to present
Cr Karen Williams	1 July 2013 to present
Cr Paul Antonio	1 July 2013 to present
Cr Mark Jamieson	1 July 2013 to present
Cr Steve Jones	1 July 2013 to present
Cr Graeme Lehmann	1 July 2013 to present
Cr Pamela Parker	1 July 2013 to present
Cr Paul Pisasale	1 July 2013 to present
Cr Allan Sutherland	1 July 2013 to present
Cr Noel Playford	11 April 2014 to present

#### b) Directors' Remuneration

Directors do not receive any remuneration or employee benefits from the company.

#### c) Related Party Transactions

All transactions between shareholders and the company are considered and voted on at bi-monthly Directors' meetings. All Directors have one equal vote each with all having authority and responsibility for planning, directing and controlling the activities of the entity. Two related parties had transactions with this company for the 2013/2014 financial year.



## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

<b>TRANSACTIONS WITH BRISBANE CITY COUNCIL, A MEMBER SHAREHOLDER</b>	<b>2014 \$</b>	<b>2013 \$</b>
Employee Expenses	1,659	86,664
Travel Expenses	1,969	2,762
Other Operating Expenses	1,000	1,050
<b>Total Transactions with Brisbane City Council</b>	<b>4,628</b>	<b>90,476</b>

<b>TRANSACTIONS WITH LOCKYER VALLEY REGIONAL COUNCIL, A MEMBER SHAREHOLDER</b>	<b>2014 \$</b>	<b>2013 \$</b>
Other Operating Expenses	0	519
<b>Total Transactions with Lockyer Valley Regional Council</b>	<b>0</b>	<b>519</b>

<b>TRANSACTIONS WITH LOGAN CITY COUNCIL, A MEMBER SHAREHOLDER</b>	<b>2014 \$</b>	<b>2013 \$</b>
Consultancy Fees	0	710
Other Operating Expenses	250	0
<b>Total Transactions with Logan City Council</b>	<b>250</b>	<b>710</b>

<b>TRANSACTIONS WITH SCENIC RIM REGIONAL COUNCIL, A MEMBER SHAREHOLDER</b>	<b>2014 \$</b>	<b>2013 \$</b>
General Office Expenses	0	43
<b>Total Transactions with Scenic Rim Regional Council</b>	<b>0</b>	<b>43</b>

<b>TOTAL FOUR RELATED PARTY TRANSACTIONS WITH MEMBER SHAREHOLDERS</b>	<b>2014 \$</b>	<b>2013 \$</b>
<b>Total Transactions with Member Shareholders</b>	<b>4,878</b>	<b>91,748</b>

### 17. ECONOMIC DEPENDENCY

Council of Mayors (SEQ) activities are dependent upon subscription funding from the eleven shareholder member councils. Subscriptions for 2014/15 year have been approved by each member council.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

### 18. KEY EXECUTIVE MANAGEMENT PERSONNEL AND REMUNERATION

#### a) Key Executive Management Personnel

The following detail for key executive management personnel includes the position that has authority for planning, directing and controlling the activities of the company during 2013/2014.

POSITIONS	RESPONSIBILITIES	INCUMBENTS	
		Contract Classification	Date appointed and date position ended
Executive Director	The Executive Director is responsible for the efficient, effective and economic administration of the company.	Private Contract	18 March 2013 to current

#### b) Remuneration

Remuneration policy for the company's key executive management personnel is set by the Executive Committee of the company. The remuneration and other terms of employment for the key executive management personnel is specified in the employment contract. The contract provides for the provision of performance-related cash bonuses and other benefits including motor vehicles.

For the 2013/2014 financial year, remuneration of key executive management personnel was maintained at the 2012/2013 level in accordance with the Executive Committee of the company.

Remuneration packages for key executive management personnel comprise the following components:

- Short term employee benefits which include:
  - Base – consisting of base salary, bonuses, allowances and leave entitlements paid and provided for the entire year
  - Non-monetary benefits – consisting of vehicle together with fringe benefits tax applicable to the benefit.
- Post employment benefits include superannuation contributions.
- Redundancy payments are not provided for within individual contracts of employment.
- Performance bonuses are paid under the contracts in place.

Total fixed remuneration is calculated on a 'total cost' basis and includes the base and non-monetary benefits, long term employee benefits and post employment benefits.

#### 1 July 2013 - 30 June 2014

SHORT TERM, LONG TERM AND POST-EMPLOYMENT EMPLOYEE BENEFITS	No. of Employees
Band Level 0 - 300,000	1
Band Level 300,000 - 600,000	0

#### 1 July 2012 - 30 June 2013

SHORT TERM, LONG TERM AND POST-EMPLOYMENT EMPLOYEE BENEFITS	No. of Employees
Band Level 0 - 300,000	1
Band Level 300,000 - 600,000	0

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

## c) Performance Payments

The basis for performance bonuses paid or payable in the 2013/2014 financial year is set out below:

POSITIONS	DATE PAID	BASIS FOR PAYMENT
Executive Director	7/3/2014	The cash performance bonus was provided after the annual salary review was completed on 3 March 2014. The bonus paid equated to 10.5% of 2012/2013 base salary, paid pro-rata for the period of employment from commencement on 18/3/2013 to 30/6/2013.

## 19. FINANCIAL INSTRUMENTS DISCLOSURE

### a) Financial Risk Management

The Board of Directors has the authority to control and manage the company's financial affairs, with development and adherence to the company budget, authorisations and day to day management.

Investments are subject to market fluctuations with this exposure limited due to all investments deposited with Australian banks. The company's principal financial instruments comprise cash and short-term deposits, with other financial assets and liabilities such as trade receivables and payables, which arise directly from its operations.

### b) Credit Risk

Credit Risk exposure refers to a situation where the company may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.

The maximum exposure to credit risk at balance date to recognised financial assets is the carrying amount of those assets as disclosed in the statement of financial position and notes to the financial statements. Receivables are received within the 30 day period. As at year end, Trade and Other Receivables have a balance of \$64,204. [30 June 2013 - \$1,752]

### c) Liquidity Risk

Liquidity risk refers to the ability of an entity to meet its obligations associated with financial liabilities. The company manages this risk through the following mechanisms:

- subscriptions for the financial period are invoiced at the beginning of the period and paid within 30 days of invoice date;
- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
- monitoring undrawn credit facilities (credit card balances);
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.



## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

2014	NOTE	FLOATING INTEREST BEARING \$	NON-INTEREST BEARING < 1 YEAR \$	NON-INTEREST BEARING > 1 YEAR \$	TOTAL \$
<b>Financial Liabilities</b>					
Trade and Other Payables	8/9	0	167,934	0	167,934
<b>Total Financial Liabilities</b>		<b>0</b>	<b>167,934</b>	<b>0</b>	<b>167,934</b>

2013	NOTE	FLOATING INTEREST BEARING \$	NON-INTEREST BEARING < 1 YEAR \$	NON-INTEREST BEARING > 1 YEAR \$	TOTAL \$
<b>Financial Liabilities</b>					
Trade and Other Payables	8/9	0	138,032	0	138,032
<b>Total Financial Liabilities</b>		<b>0</b>	<b>138,032</b>	<b>0</b>	<b>138,032</b>

### d) Interest Rate Risk

Interest Rate Risk refers to possible fluctuations in the values of financial instruments as a result of changes in market rates. Exposure to interest rate risk arises predominantly from assets and liabilities bearing variable interest rates as the company intends to hold financial assets and liabilities to maturity.

Investments are deposited on a two to seven month rollover period with the interest at call rate the same as the cash interest rate.

### e) Fair Values

The fair value of the financial assets and liabilities is assumed to approximate their value of the original transaction, less allowance for impairment.

## 20. EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

There are two events subsequent to the reporting date which require disclosure.

- a) The organisation's registered office relocated to Level 12, Suncorp Building, 143 Turbot Street Brisbane on 20 August 2014.
- b) At the Shareholder Members General Meeting held on 8 August 2014, City of Gold Coast was voted in as a shareholder member.

## 21. COMPANY DETAILS

The Registered Office of the company is:

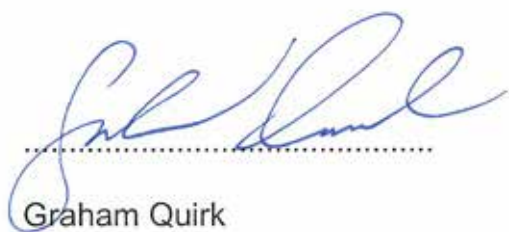
Level 12, Suncorp Building,  
143 Turbot Street  
Brisbane Qld 4000

# DIRECTORS' DECLARATION

In the opinion of the directors of Council of Mayors (SEQ) Pty Ltd:

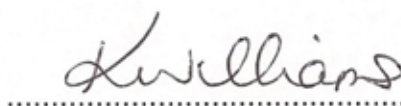
1. The financial statements and notes of Council of Mayors (SEQ) Pty Ltd are in accordance with the *Corporations Act 2001*, including:
  - (a) complying with the Australian Accounting Standards (including the Australian Accounting interpretations) and the *Corporations Regulations 2001*; and
  - (b) giving a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the year ended on that date.
2. There are reasonable grounds to believe that Council of Mayors (SEQ) Pty Ltd will be able to pay its debts as and when they become due and payable.

**This declaration is made in accordance with a resolution of the Board of Directors.**



Graham Quirk  
Chairman

26 / 9 / 2014



Karen Williams  
Director/Treasurer

26 / 9 / 2014

## INDEPENDENT AUDITOR'S REPORT

To the Members of Council of Mayors (SEQ) Pty Ltd

### Report on the Financial Report

I have audited the accompanying financial report of Council of Mayors (SEQ) Pty Ltd, which comprises the statement of financial position as at 30 June 2014, the statement comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

#### *Directors' Responsibility for the Financial Report*

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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



### *Independence*

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

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

In conducting the audit, the independence requirements of the *Corporations Act 2001* have been complied with. I confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Council of Mayors (SEQ) Pty Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

### *Opinion*

In my opinion the financial report of Council of Mayors (SEQ) Pty Ltd is in accordance with the *Corporations Act 2001*, including –

- (i) giving a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.


### **Other Matters - Electronic Presentation of the Audited Financial Report**

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

P J FLEMMING CPA  
(as Delegate of the Auditor-General of Queensland)



Queensland Audit Office  
Brisbane



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Cover images: Queensland Government, Ipswich City Council