



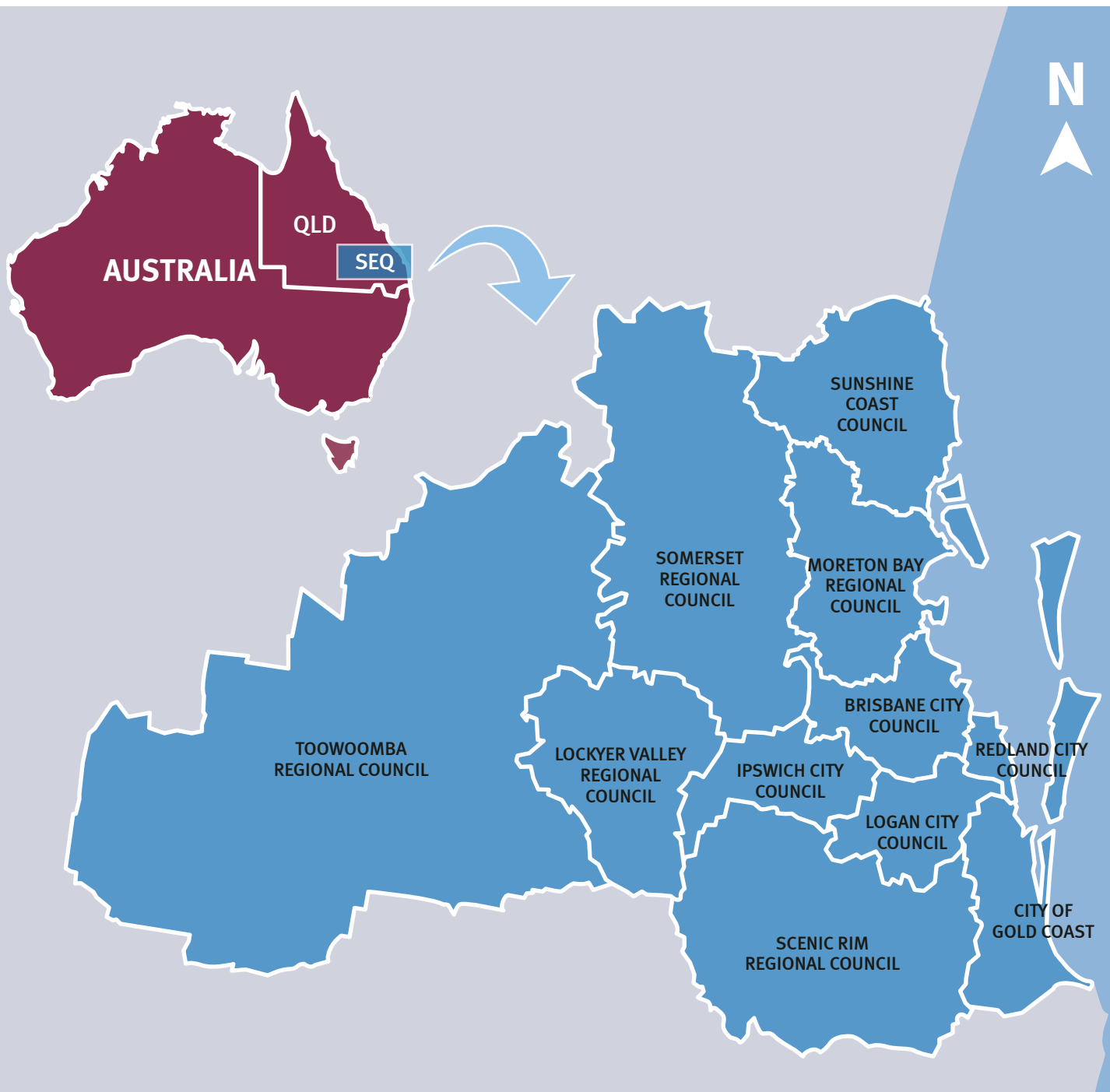
Council of Mayors
South East Queensland

ANNUAL REPORT

ONE REGION ONE VOICE

2015-2016





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 who call SEQ home.

The 2015/16 membership of the Council of Mayors (SEQ) consisted of the Mayors representing the local governments of SEQ: Brisbane, Gold Coast, Ipswich, Lockyer Valley, Logan, Moreton Bay, Redland, Scenic Rim, Somerset, Sunshine Coast and Toowoomba.

OUR MISSION

To consistently deliver better regional funding, policy and collaborative outcomes for the Mayors, councils and communities of SEQ.



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2015-2016 KEY ACHIEVEMENTS

#GetSEQMoving campaign



*SEQ councils collaborate to promote the region and its investment opportunities as **SEQInvest.com.au** goes live.*

is launched, pushing for firm commitments to improve SEQ's road and public transport infrastructure in the lead up to the 2016 Federal election.

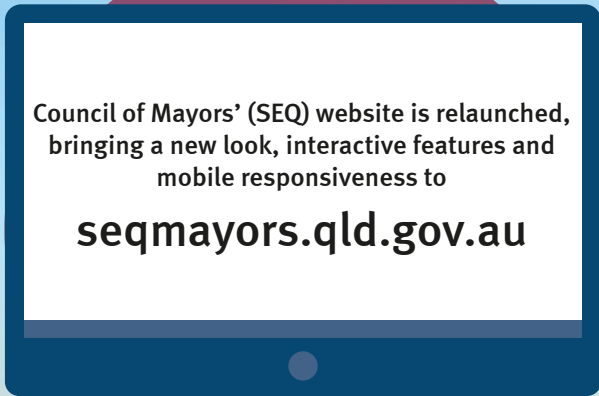
Council of Mayors (SEQ) embarks on pre-feasibility analysis for a regional bid for the

2028 Olympic and Paralympic Games.



Federal and State governments commit funding to Council of Mayors' (SEQ) priority projects, Pacific and Ipswich motorways, Moreton Bay University Precinct and Melbourne to Brisbane Inland Rail project.

Development Assessment Monitoring core platform goes live, with seven SEQ councils integrated into the platform to deliver automated and easily accessible key performance data.



Council of Mayors' (SEQ) website is relaunched, bringing a new look, interactive features and mobile responsiveness to **seqmayors.qld.gov.au**

Mid Brisbane and Lockyer Catchment Action Plans completed, the first delivered as part of the

Resilient Rivers Initiative.



A new Board of Directors is confirmed, **welcoming new Directors**

Lockyer Valley Mayor Tanya Milligan, Logan City Mayor Luke Smith and Scenic Rim Mayor Greg Christensen.



Council of Mayors (SEQ) continues to lead the region in catchment management, presenting a master class on the Resilient Rivers Initiative at the 2015 International River Symposium.

Council of Mayors (SEQ) commences City Deals – Gateway 1 project in partnership with the Queensland Government.



CHAIRMAN'S MESSAGE

The past year has been a time of exploration and innovation for the Council of Mayors (SEQ). While our core business remained firmly focused on the key areas of Economic Development, Infrastructure and Planning, and Waterways and Environment, we've also investigated new ways to further the interests of South East Queensland (SEQ).

The Council of Mayors (SEQ) continued to demonstrate the strength of regional collaboration as SEQ's councils joined together to deliver some of the biggest and most exciting projects in the organisation's history.

THE SMART REGION

Looking at new and innovative ways to promote our region, attract investment and harness new technologies was a recurring theme for the Economic Development portfolio in the past 12 months.

The Council of Mayors (SEQ) transformed its traditional SEQ Investment Prospectus, launching an online investment portal focused on promoting the region and showcasing its project-ready opportunities to domestic and international investors.

The digital portal, SEQInvest.com.au, has taken our standard hard copy prospectus to a new level by presenting the region's investment opportunities in one place and allowing investors to explore ventures based on their specific needs.

By working together as a region, we offer a strong and diverse range of opportunities for potential investors and can compete with some of the world's largest cities. Therefore, this digital platform has become a valuable tool in communicating this message to the world.

The Council of Mayors (SEQ) also embarked on the *Safe and Smart SEQ* initiative which will position SEQ as the world's first 'Smart Region'.

Safe and Smart SEQ will prove to be a game-changer for the delivery of council services across the region. This project investigates leading edge technologies and their application to deliver more efficient and cost effective services across SEQ.

With advancements in opportunities such as driverless vehicles, facial and image recognition, and real time public transport data, the possibilities and applications within SEQ councils are endless and exciting.

AN SEQ CITY DEAL

Innovation isn't limited to technology as the Council of Mayors (SEQ) has proved with its investigations on the possible application of the UK City Deals infrastructure funding model in Australia.

The past 12 months has seen the Council of Mayors (SEQ) significantly progress our work in this space, cementing our position as the most advanced region in the nation in the application of this coordinated approach to infrastructure investment.

This year, the Council of Mayors (SEQ) signed a partnership with the Queensland Government and Property Council of Australia to collaboratively develop a funding model for projects within SEQ.

With the region now in prime position to deliver the nation's biggest and most successful arrangement, we continue our negotiations with the Federal Government to lead SEQ's City Deal.

WORLD-LEADING APPROACH TO WATERWAYS

Interest in the Council of Mayors (SEQ) collaborative approach to waterways and catchment management continued to grow over the past 12 months.

The Council of Mayors (SEQ) was invited to host a master class at the 2015 International River Symposium, highlighting the benefits of delivering a catchment management model that transcends government boundaries.

This year's completion of the first two Catchment Action Plans, Mid Brisbane and Lockyer, continues to demonstrate how the *Resilient Rivers*

Initiative is transforming the region's traditional approach to waterways and catchment management.

A BOLD FUTURE FOR SEQ

Over the past year, the Council of Mayors (SEQ) embarked on an ambitious exploration of a potential regional bid for the 2028 Olympic and Paralympic Games.

While the region is a long way from confirming a bid, the SEQ Mayors recognised the merit in exploring every opportunity to secure major infrastructure, create jobs and position our region as a destination for international investment and tourism.

An Olympic Games has the potential to deliver the public transport this region desperately needs, stimulate our transitioning economy and shine an international spotlight on SEQ. Regardless of any Olympic bid, this work will create the building blocks we need to plan for the region's bright future.

I commend and thank my colleagues, the Mayors of SEQ, for pushing the boundaries, striving for improvement and exploring new and innovative ways to build a better, stronger SEQ.

Cr Graham Quirk

Chairman



EXECUTIVE DIRECTOR'S MESSAGE



Council of Mayors
South East Queensland



This year, the Council of Mayors' (SEQ) team embarked on one of the more challenging and exciting projects we've seen in the organisation's decade long history. The SEQ Mayors tasked the group with undertaking a pre-feasibility analysis of a potential SEQ bid for the 2028 Olympic and Paralympic Games.

Delivered over a 12 month period and at no additional cost to our member councils, the scope of the project was to provide a high level assessment of SEQ's capability to successfully bid for and host an Olympic Games.

I am proud to say we delivered on time and on budget with the final pre-feasibility report launched publicly on 27 July 2016. It was extremely well received by the Australian media and community, and it's promising to see support for a potential SEQ Olympic bid continuing to grow.

It's also important to note that, whilst the Council of Mayors (SEQ) led the pre-feasibility analysis, it would not have been possible without the in-kind support of the many council and industry experts who participated in the various parts of this big project.

They gave countless hours and brought decades of experience to this task simply for the opportunity to be a part of something that could be truly transformational for the communities of SEQ.

We thank the many participants for their dedication to SEQ: they gave their time, their expertise, and their considerable care free of charge to ensure the findings of the pre-feasibility analysis were demonstrably objective and thorough.

In addition to the Olympic pre-feasibility project, 2015/16

has been a busy year for the Council of Mayors' (SEQ) team as we prepared for Local Government elections, a Federal election and the annual Mayoral delegation to Canberra.

The Local Government elections in March 2016 triggered a change in leadership for the Council of Mayors (SEQ). Brisbane Lord Mayor Graham Quirk and Redland City Mayor Karen Williams were reconfirmed as Chair and Treasurer respectively, while we welcomed Toowoomba Mayor Paul Antonio to his new role as Deputy Chair.

We thank outgoing Deputy Chair John Brent for his many years of dedication to improving the region, and outgoing Director Pam Parker for her endless commitment to SEQ.

The Mayors of SEQ, both past and present, have provided our team with leadership, guidance and support to advocate for the interests of SEQ over the past 12 months. We truly appreciate their continued contribution to SEQ, as well as that of their Councillors, CEOs and officers who assist us in our work every day.

As I present my fourth annual report as Executive Director of the Council of Mayors (SEQ), I'd like to take this opportunity to acknowledge the small but committed team of local government professionals who drive the work of this organisation.

Thank you for another year of hard work and great outcomes for the SEQ region. I look forward working with my team and our member councils across what looks certain to be an exciting 12 months ahead.

Peter Olah

Executive Director



COUNCIL OF MAYORS (SEQ)

BOARD OF DIRECTORS

The 2015/16 membership of the Council of Mayors (SEQ) consisted of the eleven councils based in SEQ. Each council was represented by its Mayor on the Board of Directors.

The Council of Mayors (SEQ) also acknowledges the service of the region's Deputy Mayors who represented their respective councils on the Board when required.

The Council of Mayors (SEQ) Board of Directors for 2015/16 was as follows:



Cr Graham Quirk
(Chair)

Lord Mayor, Brisbane City Council



Cr John Brent
(Deputy Chair)

*Mayor, Scenic Rim Regional Council
(to 31 March 2016)*



Cr Paul Antonio
(Deputy Chair)

*Mayor, Toowoomba Regional Council
(from 6 May 2016)*



Cr Karen Williams
(Treasurer)

Mayor, Redland City Council



Cr Tom Tate
Mayor, City of Gold Coast



Cr Paul Pisasale

Mayor, Ipswich City Council



Cr Steve Jones

*Mayor, Lockyer Valley Regional Council
(to 20 February 2016)*



Cr Tanya Milligan

*Mayor, Lockyer Valley Regional Council
(from 10 March 2016)*



Cr Pam Parker

*Mayor, Logan City Council
(to 31 March 2016)*



Cr Luke Smith

*Mayor, Logan City Council
(from 6 May 2016)*



Cr Allan Sutherland
Mayor, Moreton Bay Regional Council



Cr Noel Playford

*Mayor, Noosa Council
(to 2 July 2015)*



Cr Greg Christensen

*Mayor, Scenic Rim Regional Council
(from 6 May 2016)*



Cr Graeme Lehmann

Mayor, Somerset Regional Council



Cr Mark Jamieson

Mayor, Sunshine Coast Council



The Council of Mayors (SEQ) acknowledges the significant contribution and unwavering commitment of Lockyer Valley Mayor Steve Jones AM, after his sad passing in February 2016.

Mayor Jones was initially elected as a Gatton Councillor in 1997, before becoming the Gatton Mayor in 2004. Following amalgamations, Cr Jones was elected as the inaugural Mayor of the Lockyer Valley Regional Council in 2008.

It was, however, in the midst of the devastating 2011 floods that Cr Jones' leadership and community spirit was

at its strongest as he personally led the rescue efforts in the Lockyer Valley, and spearheaded the rebuilding of Grantham in the floods' aftermath.

Steve Jones will be remembered as a Mayor who led by example, fought for what was right, and was a true champion of the Lockyer Valley community.

The Mayors of SEQ, and the Council of Mayors (SEQ) team, are honoured to have served alongside such a genuine and honourable leader and continue to remember their colleague and friend, Lockyer Valley Mayor Steve Jones.

IN MEMORY OF LOCKYER VALLEY MAYOR
STEVE JONES

COUNCIL OF MAYORS (SEQ)

WELCOMES NEW BOARD



The 2016 Local Government elections in March ushered in a change in the Council of Mayors (SEQ) Board of Directors.

The SEQ Mayors farewelled the long serving Logan City Mayor Pam Parker and Scenic Rim Mayor (and former Council of Mayors' (SEQ) Deputy Chair) John Brent, and welcomed three new Mayors to the fold.

Cr Parker was elected as Logan's first female Mayor in 2008, after joining Council as Division 6 Councillor in 1997. Always a strong advocate for Logan, Cr Parker's enthusiasm and passion for her local community will be greatly missed.

Cr Brent's commitment to local government and advocacy for the interests of SEQ's rural communities was an asset to the Council of Mayors (SEQ). Cr Brent was first elected as a divisional Councillor for the Boonah Shire and amassed a remarkable forty years of service to the Scenic Rim.

The Council of Mayors (SEQ) thanks Pam Parker and John Brent for their outstanding contributions to their communities and to the SEQ region as a whole.

At a Board Meeting on 6 May 2016, new directors Logan City Mayor Luke Smith and Scenic Rim Mayor Greg Christensen were appointed to the Council of Mayors (SEQ) Board.

Lockyer Valley Mayor Tanya Milligan was officially welcomed to the group on this date, having acted in the role of Mayor since 10 March 2016.

Brisbane Lord Mayor Graham Quirk was confirmed as the Council of Mayors (SEQ) Chair, with Toowoomba Mayor Paul Antonio newly appointed to the role of Deputy Chair. Redland City Mayor Karen Williams continues in her position as Treasurer for another term.

The Council of Mayors (SEQ) thanks all Mayors for their guidance and commitment over the past four years, and looks forward to another term of strong leadership and regional collaboration for SEQ.

SOUTH EAST QUEENSLAND OLYMPIC BID

PRE-FEASIBILITY ANALYSIS

On 6 March 2015, the Council of Mayors (SEQ) Board unanimously agreed to support a preliminary investigation into the potential of a regional bid for the 2028 Olympic and Paralympic Games.

Following this decision, the Council of Mayors (SEQ) embarked on a 12 month pre-feasibility study into the region's capability of successfully bidding for and hosting an SEQ Games.

The pre-feasibility study, which was delivered at no additional cost to member councils, was managed by the Council of Mayors (SEQ) with technical input and analysis provided through in-kind contributions from council and industry experts.

The findings of the pre-feasibility analysis indicated that SEQ could successfully bid for and host the 2028 Olympic Games as a region, with a strong recommendation for further investigation into the associated costs, benefits and possibly legacies.

The *Pre-feasibility analysis of a potential South East Queensland bid for the SEQ 2028 Olympic Games* report was released on 27 July 2016, with the SEQ Mayors publicly supporting the findings of the Report and its recommendation to undertake further studies.

The Report outlined a program of work to be incorporated into a full feasibility study, including a region-wide investigation into the transport and people movement needs of SEQ and an audit of existing sporting and performance venues.

While the Report showed merit in fully investigating an SEQ Olympic Games as a catalyst for infrastructure delivery and economic stimulus, the deliverables of this program of work alone would create a powerful tool in SEQ's ongoing efforts in securing much-needed infrastructure investment.

The Council of Mayors (SEQ) continues to work closely with member councils to further its work into a potential regional Olympic Games bid, as support for the concept continues to grow amongst industry and the community in SEQ.



LEADERSHIP AND ADVOCACY

The Council of Mayors' (SEQ) position as the strong voice for the interests of SEQ continued to grow through focused advocacy efforts and an increased media presence in 2015/16.

A pending Council and Federal election saw the SEQ Mayors' annual delegation to Canberra take place in November 2015, following a successful Mayoral visit earlier in the year.

Major infrastructure projects and funding models, protecting SEQ's waterways and boosting the region's economy were at the top of the agenda as a delegation of ten SEQ Mayors and Deputy Mayors met with key Government and Opposition representatives in the nation's capital.

The discussions ignited during the Canberra delegation continued throughout the year with meetings between the Council of Mayors (SEQ) and key contacts such as Urban Infrastructure Minister Paul Fletcher, Assistant Minister for Cities Angus Taylor and Opposition Leader Bill Shorten.

The announcement of a Federal election for 2 July prompted the Council of Mayors (SEQ) to join member councils in calling for a greater commitment to road and public transport infrastructure in SEQ. The two week #GetSEQMoving campaign was launched in Brisbane on 7 June.

The campaign was driven through social media engagement, paid media advertising, and traditional media commentary provided by the SEQ Mayors. In addition to more than 300 paid advertising messages airing throughout SEQ, the campaign produced approximately 30,000 social media impressions.

The efforts of the SEQ Mayors and their respective councils were rewarded with funding commitments to key priorities such as upgrades to the Pacific and Ipswich motorways, Moreton Bay University Precinct and the Melbourne to Brisbane Inland Rail project.

Collaboration with the Queensland Government during the past 12 months has also furthered the interests of the region, with the forging of a partnership between the Council of Mayors (SEQ) and the State to progress work on an SEQ City Deal.

Towards the end of the financial year, the engagement efforts of the Council of Mayors (SEQ) were focused on the successful delivery of a pre-feasibility analysis into a potential SEQ 2028 Olympic Games.

While this included a number of preliminary discussions with key departmental contacts, this work is anticipated to become a powerful agent for Federal and State advocacy in the coming months and possibly years.



ECONOMIC DEVELOPMENT



ECONOMIC DEVELOPMENT COMMITTEE

The Economic Development Committee provides direction to the Council of Mayors (SEQ) on the identification and promotion of investment, trade and jobs creation opportunities for the communities of SEQ.

The Council of Mayors (SEQ) thanks the following members for their service in 2015/16 prior to the renomination of the committee following the 2016 Local Government election:

- Cr Graham Quirk (Chair), Brisbane City Council
- Cr Mark Jamieson (Deputy Chair), Sunshine Coast Council
- Cr Jan Grew, City of Gold Coast
- Cr Andrew Antonioli, Ipswich City Council
- Cr Tanya Milligan, Lockyer Valley Regional Council
- Cr Pam Parker, Logan City Council
- Cr Brian Battersby, Moreton Bay Regional Council
- Cr Karen Williams, Redland City Council
- Cr Duncan McInnes, Scenic Rim Regional Council
- Cr Graeme Lehmann, Somerset Regional Council
- Cr Paul Antonio, Toowoomba Regional Council

The Economic Development Committee was also served by a number of SEQ Councillors who acted as proxies for the nominated representatives. The Council of Mayors (SEQ) acknowledges their service and thanks them for their valuable contribution.

OVERVIEW

With work well underway on a dedicated online portal to promote SEQ and its investment opportunities, as well as a number of new economic development initiatives for the region, 2015/16 proved to be a productive year for the Council of Mayors (SEQ).

The 2015 Asia Pacific Cities Summit set the financial year off to a positive start with the Council of Mayors (SEQ) coordinating a joint exhibit on behalf of its member councils, showcasing a united region to delegates from 135 cities around the world.

The exhibit featured the QUT Cube Globe, a world-first spatial platform using immersive visualisation, interactive maps, animation and multimedia design, allowing investors to easily explore trade and investment opportunities throughout SEQ.

Engagement continued with the State Government on the establishment of an SEQ Regional Tourist Trail aimed at attracting new visitors to the region. Discussions focused around securing funding for the concept, and fostering support amongst SEQ's tourism operators.

Following the success of the Council of Mayors' (SEQ) traditional SEQ Investment Prospectus, development of an online investment-focused portal commenced in early 2015. SEQInvest.com.au was designed to promote the region, highlight project-ready investments and offer streamlined services to significant investors.

Following the go-live in November 2015, member councils were given access to the site's new interactive search function and provided training to allow economic development officers to contribute investment opportunities and success stories in real time.

SEQInvest was launched in May 2016, providing interested investors with a showcase of the strong and diverse range of business and lifestyle opportunities currently available in SEQ.

Work also progressed on a proposal for an SEQ Trade and Investment Expo aimed at building stronger ties with international investors and providing an opportunity for SEQ's industry and business leaders to present their offerings on the world stage.

The proposal seeks to tap into the success of a number of existing economic development events, such as the Asia Pacific Cities Summit, to maximise exposure for the region and its key industry sectors.

May 2016 also saw approval given for the commencement of the Smart and Safe SEQ initiative, a project that uses emerging technologies to deliver more cost effective and efficient services for the SEQ community.

Consisting of four key components - Smart Safety, Smart Transport, Smart Lighting and Smart Parking - this initiative will revolutionise the delivery of civil services and establish SEQ as the world's first 'Smart Region'.

Delivery of the Smart and Safe SEQ initiative has already begun, with further detail of the project's scope and pilot opportunities to be confirmed with member councils in coming months. This program of work is anticipated to deliver innovative and exciting outcomes for SEQ now and well into the future.



WATERWAYS AND ENVIRONMENT

WATERWAYS AND ENVIRONMENT COMMITTEE

The Waterways and Environment Committee provides direction to the Council of Mayors (SEQ) on the delivery of a regional approach to the management of SEQ's waterways and catchments, and regionally consistent environment and sustainability priorities.

The Council of Mayors (SEQ) thanks the following members for their service in 2015/16 prior to the renomination of the committee following the 2016 Local Government election:

- Cr Karen Williams (Chair), Redland City Council
- Cr Victor Attwood (Deputy Chair), Ipswich City Council
- Cr Matthew Bourke, Brisbane City Council
- Cr Paul Taylor, City of Gold Coast
- Cr Jim McDonald, Lockyer Valley Regional Council
- Cr Trevina Schwarz, Logan City Council
- Cr Peter Flannery, Moreton Bay Regional Council
- Cr Nadia O'Carroll, Scenic Rim Regional Council
- Cr Kirsten Moriarty, Somerset Regional Council
- Cr Jenny McKay, Sunshine Coast Council
- Cr Nancy Sommerfield, Toowoomba Regional Council

The Waterways and Environment Committee was also served by a number of SEQ Councillors who acted as proxies for the nominated representatives. The Council of Mayors (SEQ) acknowledges their service and thanks them for their valuable contribution.

RESILIENT RIVERS TASKFORCE

The Resilient Rivers Taskforce has been established to provide a governance and decision-making forum for member councils, the Commonwealth Government and the Queensland Government to manage a coordinated waterways strategy across the SEQ region.

The Council of Mayors (SEQ) thanks the following taskforce members for their service in 2015/16 prior to the 2016 Local Government elections:

- Cr Graham Quirk (Chair), Brisbane City Council
- Cr Tom Tate, City of Gold Coast
- Cr Paul Pisasale, Ipswich City Council
- Cr Steve Jones, Lockyer Valley Regional Council
- Cr Pam Parker, Logan City Council
- Cr Allan Sutherland, Moreton Bay Regional Council
- Cr Karen Williams, Redland City Council
- Cr John Brent, Scenic Rim Regional Council
- Cr Graeme Lehmann, Somerset Regional Council
- Cr Mark Jamieson, Sunshine Coast Council
- Cr Paul Antonio, Toowoomba Regional Council
- Hon Dr Steven Miles MP, Minister for Environment and Heritage Protection, Minister for National Parks and the Great Barrier Reef, Queensland Government
- Hon Dr Anthony Lynham MP, Minister for State Development, Minister for Natural Resources and Mines, Queensland Government



OVERVIEW

The Resilient Rivers Initiative, a collaborative approach to catchment management in SEQ, went from strength to strength in 2015/16 with a dedicated Taskforce established in July 2015 and work commencing on an overarching strategy for the region.

Interest in Resilient Rivers also led to an invitation to present a master class at the International River Symposium held in Brisbane in September 2015. The session, titled Building the Business Model, focused on the key partnerships and strong leadership behind the success of the Initiative.

In November 2015, Councillors Jones, Quirk and Lehmann joined Seqwater Chair Dan Hunt and Chief Executive Officer Peter Dennis (pictured) on the banks of the Mid Brisbane River to showcase a property stabilised and replanted by Seqwater as part of the Resilient Rivers Initiative.

The media event also provided the opportunity to announce the commencement of the Initiative's first two Catchment Action Plans (CAP), the Mid Brisbane and Lockyer. An overarching Resilient Rivers Regional Strategy to support the CAP development was released in December 2015.

Work on the CAP for the Logan Albert catchment followed soon after, along with Sunshine Coast Council and Moreton Bay Regional Council progressing a review of the Pumicestone CAP to protect the north coast's catchments.

Waste management and the investigation of related market development opportunities proved to be a productive area in 2015/16, with the Council of Mayors (SEQ) adopting a high level agreement approach for SEQ's waste management at its November Board Meeting.

Initial projects were identified by the Waterways and Environment Committee and work commenced on engaging with stakeholders along the waste-to-resource value chain to further scope these projects.

The Waterways and Environment Committee also led a submission on behalf of the region into the management of barrier fences by the Department of Agriculture and Fisheries and the Darling Downs-Moreton Rabbit Board.

The 2015/16 financial year closed with the completion of the Mid Brisbane and Lockyer CAPs, the first delivered as part of Resilient Rivers, and further investigations into a sustainable, long-term funding strategy for the Initiative's future.

The late Lockyer Valley Mayor Steve Jones was a driving force in the establishment of the Resilient Rivers Initiative and the delivery of the Lockyer CAP. The Council of Mayors (SEQ) thanks him for the leadership and contribution he made to the success of the Initiative.

The Council of Mayors (SEQ) looks forward to working with its government and industry partners to continue the strong work of the Waterways and Environment Committee and the Resilient Rivers Taskforce in 2016/17.



INFRASTRUCTURE AND PLANNING

INFRASTRUCTURE AND PLANNING COMMITTEE

The Infrastructure and Planning Committee provides direction to the Council of Mayors (SEQ) on the promotion of leading practice planning policy by all levels of government, and identifying key infrastructure priorities needed to service the growing SEQ region.

The Council of Mayors (SEQ) thanks the following members for their service in 2015/16 prior to the renomination of the committee following the 2016 Local Government election:

- Cr John Brent (Chair), Scenic Rim Regional Council
- Cr Mick Gillam (Deputy Chair), Moreton Bay Regional Council
- Cr Adrian Schrunner, Brisbane City Council
- Cr Ian McKenzie, Brisbane City Council
- Cr Cameron Caldwell, City of Gold Coast
- Cr Paul Tully, Ipswich City Council
- Cr Janice Holstein, Lockyer Valley Regional Council
- Cr Cherie Dalley, Logan City Council
- Cr Karen Williams, Redland City Council
- Cr Dan Hall, Somerset Regional Council
- Cr Rick Baberowski, Sunshine Coast Council
- Cr Carol Taylor, Toowoomba Regional Council

The Infrastructure and Planning Committee was also served by a number of SEQ Councillors who acted as proxies for the nominated representatives. The Council of Mayors (SEQ) acknowledges their service and thanks them for their valuable contribution.

OVERVIEW

In 2015/16, the Council of Mayors (SEQ) played a key role in promoting the interests of local government in the Queensland planning process and lobbying for improved infrastructure funding and delivery models for SEQ.

The review of the SEQ Regional Plan saw the Council of Mayors (SEQ) continue its coordination role, and facilitate a number of meetings between the SEQ Mayors and the Queensland Government to ensure the interests of local government and communities are front and centre in the new SEQ Regional Plan.

The Council of Mayors (SEQ) were also active participants in the consultation for the development of the new planning legislation for Queensland, *Planning Act 2016*, ensuring the needs of SEQ councils were prominent during the drafting process.

August 2015 marked the go-live of the Development Assessment Monitoring core platform, an automated and accessible reporting tool to gather key performance data from SEQ council assessment processes. By June 2016, seven SEQ councils were fully integrated into the core platform with work on this project continuing into 2016/17.

The Council of Mayors (SEQ) strengthened its position as a leader in the application of the City Deals infrastructure funding model in Australia, with positive engagement with the Federal and State governments.

By May 2016, an agreement with the Queensland Government was signed to commence the City Deals Gateway 1 Project to further develop an SEQ City Deals model. The Council of Mayors (SEQ) also continued its negotiations with the Federal Government with an announcement of the region's first City Deal expected in the following financial year.

The year closed with the Council of Mayors (SEQ) hosting a workshop on the Queensland Government Housing Strategy in conjunction with the region's local government planners and the Department of Housing and Public Works.

With a potential City Deal in the works and the delivery of a People Mass Movement Study as part of the SEQ Olympic feasibility program of work, our councils will be well placed to address the future infrastructure and planning needs of the region.



Council of Mayors

South East Queensland

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

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FINANCIAL

REPORT

FOR THE YEAR ENDED
30 JUNE 2016

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 2016.

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 2015 to present
Cr John Brent	1 July 2015 to 31 March 2016
Cr Karen Williams	1 July 2015 to present
Cr Paul Antonio	1 July 2015 to present
Cr Mark Jamieson	1 July 2015 to present
Cr Steve Jones	1 July 2015 to 20 February 2016
Cr Graeme Lehmann	1 July 2015 to present
Cr Pamela Parker	1 July 2015 to 31 March 2016
Cr Paul Pisasale	1 July 2015 to present
Cr Allan Sutherland	1 July 2015 to present
Cr Tom Tate	1 July 2015 to present
Cr Tanya Milligan	10 March 2016 to present
Cr Luke Smith	6 May 2016 to present
Cr Greg Christensen	6 May 2016 to present
Cr Noel Playford	1 July 2015 to 2 July 2015

COMPANY DETAILS

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

The twelve shareholder members during the 2015/2016 financial year were:

Brisbane City Council
 City of Gold Coast
 Ipswich City Council
 Lockyer Valley Regional Council
 Logan City Council
 Moreton Bay Regional Council
 Redland City Council
 Scenic Rim Regional Council
 Somerset Regional Council
 Sunshine Coast Council

Toowoomba Regional Council

Noosa Council (withdrew shareholding 2 July 2015)

OPERATING RESULT

The surplus of the company for the financial year ended 30 June 2016 was \$154,542 [30 June 2015 - \$76,953].

Funds provided by government entities were directed to one project which commenced in the 2014/2015 financial year and is expected to be completed in the 2016/2017 financial year.

REVIEW OF OPERATIONS

A review of the operations of the company during the financial year shows one project that commenced in the 2014/2015 financial year is expected to be completed in the 2016/2017 financial year. Another project was commenced in the 2015/2016 financial year will also be completed in the 2016/2017 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

No significant matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the company; the results of those operations or the state of affairs of the company in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The likely developments in the operations of the company and the expected results of 2016/2017 will be influenced by the finalisation of the remaining project commenced in 2014, the on-going delivery to key objectives of the 2013/2017 Strategic Plan and the progress of the restructured Committees of the organisation.

ENVIRONMENTAL REGULATION

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

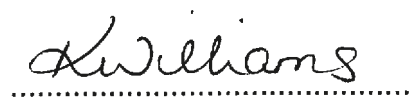
A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6.

Signed in accordance with a resolution of the Directors



.....
Cr Graham Quirk
Chairman

18/10/2016



.....
Cr Karen Williams
Treasurer

18/10/2016

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 financial year ended 30 June 2016, 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
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.



J MACGREGOR
as delegate of the Auditor-General of Queensland



Queensland Audit Office
Brisbane

FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2016

	2016 \$	2015 \$
INCOME		
Administration and Project Levy Contributions	1,536,950	1,539,120
Federal and State Funding	150,000	10,000
Other Income	30	582
Other Funding	95,000	46,000
Insurance Recoveries	14,132	0
Interest Revenue	43,571	54,315
<i>Interest Revenue</i>	1,839,683	1,650,017
EXPENSES		
Employee Expenses	1,120,898	1,006,132
General Office Expenses	160,774	153,100
IT Expenses	110,704	50,339
Travel Expenses	27,567	30,335
Consultancy Expenses	0	88,471
Other Operating Expenses	126,082	71,888
Other Professional Fees	129,196	161,431
Depreciation Expenses	1,920	1,945
Auditing Fees–Auditor-General of Qld (note 3)	8,000	9,423
<i>Total Expenses</i>	1,685,141	1,573,064
Net surplus (deficit) attributable to members of the company	154,542	76,953
Other Comprehensive Income	0	0
<i>Total Comprehensive Income attributable to members of the company</i>	154,542	76,953

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 2016

	Note	2016 \$	2015 \$
CURRENT ASSETS			
Cash and Cash Equivalents	4	1,391,191	1,209,733
Trade and Other Receivables	5	14,052	28,798
<i>Total Current Assets</i>		<i>1,405,243</i>	<i>1,238,531</i>
NON CURRENT ASSETS			
Other Receivables	6	55,000	55,000
Office Furniture and Equipment	7	15,662	9,057
Intangible Assets	8	152,650	127,800
<i>Total Non Current Assets</i>		<i>223,312</i>	<i>191,857</i>
Total Assets		1,628,555	1,430,388
CURRENT LIABILITIES			
Trade and other payables	9	191,955	150,983
Provisions	10	22,207	19,554
<i>Total Current Liabilities</i>		<i>214,162</i>	<i>170,537</i>
Total Liabilities		214,162	170,537
Net Assets		1,414,393	1,259,851
EQUITY			
Share Capital	11	11	12
Retained Earnings	12	1,414,382	1,259,839
Total Equity		1,414,393	1,259,851

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 2016

2015/2016	Note	Retained Earnings \$	Share Capital \$	Total \$
Balance at beginning of year		1,259,839	12	1,259,851
One Share Retained	11/12	1	(1)	0
Net surplus for the year		154,542	0	154,542
Balance at Year End		1,414,382	11	1,414,393

2014/2015	Note	Retained Earnings \$	Share Capital \$	Total \$
Balance at beginning of year		1,182,886	11	1,182,897
Net surplus for the year	11/12	76,953	1	76,954
Balance at Year End		1,259,839	12	1,259,851

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 2016

	Note	2016 \$	2015 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from operations		1,854,429	1,638,756
Payments to suppliers and employees		(1,639,596)	(1,584,714)
<i>Net Cash Flows used in Operating Activities</i>	13	214,833	54,042
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of assets at cost	7/8	(33,375)	(73,800)
Proceeds from sale of assets		0	0
<i>Net Cash Flows used in Investing Activities</i>		(33,375)	(73,800)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from the issue of share capital	11	0	1
<i>Net Cash Flows used in Financing Activities</i>		0	1
NET INCREASE / (DECREASE) IN CASH HELD		181,458	(19,757)
Cash at the Beginning of the Year		1,209,733	1,229,490
<i>Cash at the End of the Year</i>	4	1,391,191	1,209,733

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 2016

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 surplus 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 estimated useful lives are assessed annually. The useful lives used for each class are:

Office Furniture	Between 3 and 4 years with zero residual value
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Office Equipment	Between 3 and 10 years with zero residual value
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d. Intangible Assets

Intangible assets with a cost or other value exceeding \$1,000 are recognised in the financial statements. Work in Progress Costs associated with the Development Assessment Management Tool (DAMT) will be capitalised and amortised on a straight line basis over the period of expected benefit to the company when the Project is fully functional and operational. Amortisation methods, estimated useful lives and residual values are reviewed at the end of each reporting period and adjusted where appropriate.

The estimated useful lives are re-assessed annually and used for each class:

Development Assessment Management Tool	- 10 years with zero residual value.
--	--------------------------------------

e. 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.

f. 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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

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 LGIA 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 Q Super, Sun Super, Australian Super, Host Plus Super, Wealth Smart Super, Suncorp Super and Self-Management Superannuation Funds. From 1/6/2016 all employer contributions are paid to the Super Stream Provider Super Choice Queensland electronically as required by Australian Taxation Office legislation for all superannuation to be compliant by 30/6/2016. Contributions are expensed in the period in which they are paid or payable.

g. Cash and Cash Equivalents

Cash and Cash Equivalents include cash on hand, deposits held at call with banks, and other short fixed term highly liquid investments with original maturities of seven months or less. The company does not have a bank overdraft; does not enter into transactions for speculative purposes, nor for hedging.

h. 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 funds. The company did not receive reciprocal grants.

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

i. 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.

j. 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.

k. 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, 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.

l. 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.

m. Share Capital

Share capital is comprised of eleven equal par value fully paid shares of \$1.00 held by each of the eleven members. At 1 July 2015, share capital comprised of twelve equal par value fully paid shares before Noosa Council withdrew its shareholding on 2 July 2015.

n. 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 and are outlined in the following statements notes:

- Property, Plant and Equipment – Note 7
- Intangible Assets – Note 8

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

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.

o. Disclosure about Non Wholly-Owned Controlled Entity

The company was accepted as a shareholder member of SEQ Catchments Ltd on 5 August 2010 by the original shareholder member SEQ Catchments Members' Association Inc with 50% shareholder ownership and voting rights with a total contribution of \$nil. SEQ Catchments Ltd is a Not For Profit company limited by guarantee with its objective to receive and re-distribute all Natural Resources Management funding from the Federal Government to South East Queensland. There are no risks or rewards associated with being a shareholder member of this entity.

On 28 June 2016 SEQ Catchments Ltd merged with Health Waterways Ltd and established the new entity Healthy Waterways and Catchments Ltd being a Not For Profit company limited by guarantee. Council of Mayors (SEQ) is one of three members of the new entity with voting rights of 25% with no risks or rewards associated with being a member of this entity.

p. Issuance of Financial Statements

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

q. Accounting standards issued but not yet effective and not been adopted early

At the date of authorisation of this report there are no standards issued but not yet effective that are expected to have a material impact on the financial statements. The relevant standards are listed below:

AASB 124 – Related Party Disclosures

From reporting periods beginning on or after 1 July 2016, the company will need to comply with the requirements of AASB 124 Related Party Disclosures.

That accounting standard requires a range of disclosures about the remuneration of key management personnel, transactions with related parties/entities, and relationships between parent and controlled entities. The company already discloses information about the remuneration expenses for key management personnel (refer to Note 16). Therefore, the most significant

implications of AASB 124 for the company's financial statements will be the disclosures to be made about transactions with related parties, including transactions with key management personnel or close members of their families.

AASB 15 Revenue from contacts with customers

This Standard will become effective from reporting periods beginning on or after 1 January 2018 and contains much more detailed requirements for the accounting for certain types of revenue from customers.

Depending on the specific contractual terms, the new requirements may potentially result in a change to the timing of revenue from sales of the company's goods and services, such that some revenue may need to be deferred to a later reporting period to the extent that the company has received cash but has not met its associated obligations (such amounts would be reported as a liability (unearned revenue) in the meantime). The company is yet to complete an analysis of current arrangements for sale of its goods and services.

AASB 9 Financial Instruments

This Standard will become effective from reporting periods beginning on or after 1 January 2018.

AASB 9 replaces AASB 139 Financial Instruments: Recognition and Measurement and changes the classification, measurement and disclosure of financial assets. AASB 9 will introduce different criteria for whether financial assets can be measured at amortised cost or fair value. The impact is expected to be immaterial.

AASB 16 Leases

This Standard will become effective for reporting periods beginning on or after 1 January 2019.

AASB 16 will require the recognition of all leases on the balance sheet. A lease liability will be initially measured at the present value of the lease payments to be made over the lease term. The company has not yet quantified the impact on the Statement of Comprehensive Income or the Statement of Financial Position of applying AASB 16 to its current operating leases, including the extent of additional disclosure required.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

3. AUDITORS REMUNERATION

Total audit fees quoted by the Queensland Audit Office relating to the 2015/2016 financial statements are \$9,000 [2014/2015 \$9,000].

4. CASH AND CASH EQUIVALENTS	2016	2015
	\$	\$
Cash at Bank and in hand	641,191	359,733
Short Fixed Term Bank Deposits	750,000	850,000
Total Cash and Cash Equivalents	1,391,191	1,209,733
5. TRADE AND OTHER RECEIVABLES	2016	2015
	\$	\$
Trade and Other Receivables	5,658	22,356
GST Receivables	8,394	6,442
Total Trade and Other Receivables	14,052	28,798
6. OTHER RECEIVABLES	2016	2015
	\$	\$
Receivables - Bank Guarantee	55,000	55,000
Total Other Receivables	55,000	55,000
7. OFFICE FURNITURE AND EQUIPMENT	2016	2015
	\$	\$
Office Furniture and Equipment at Cost	25,212	16,687
Less Accumulated Depreciation	(9,550)	(7,630)
Total Office Furniture and Equipment	15,662	9,057

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

BALANCE AT 1 JULY 2014		11,002
Additions		0
Disposals – written down value		0
Depreciation Expense		1,945
Carrying Amount as at 30 June 2015		9,057
BALANCE AT 1 JULY 2015		9,057
Additions		8,525
Disposals – written down value		0
Depreciation Expense		1,920
Carrying Amount as at 30 June 2016		15,662
8. INTANGIBLE ASSETS	2016	2015
	\$	\$
Opening Balance	127,800	54,000
Work in Progress	24,850	73,800
Total Intangible Assets	152,650	127,800
9. TRADE AND OTHER PAYABLES	2016	2015
	\$	\$
Trade Payables	103,953	74,412
Employee Benefits – Accrued Annual Leave (Current)	70,200	69,603
Employee Benefits – Accrued Salaries (Current)	17,802	6,968
Total Trade and Other Payables	191,955	150,983
10. PROVISIONS	2016	2015
	\$	\$
Provisions for Long Service Leave	22,207	19,554
Total Provisions	22,207	19,554

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

LONG SERVICE LEAVE	2016	2015
	\$	\$
Opening Balance	19,554	16,198
Additional Provisions	2,653	3,356
Amounts Used	0	0
Balance At Year End	22,207	19,554

A provision has been recognised for 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.

11. SHARE CAPITAL	2016	2015
	\$	\$
Fully paid ordinary shares – each share \$1 par value	12	11
Beginning of reporting period	12	11
Additions	0	1
Disposals	(1)	0
At the end of the reporting period	11	12
Total Issued Capital	11	12

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 2014/2015 financial year, Council of Mayors (SEQ) added one additional shareholding from City of Gold Coast. For the 2015/2016 financial year, Council of Mayors (SEQ) disposed of one shareholding from Noosa Council as at 2 July 2015.

12. RETAINED EARNINGS	2016	2015
	\$	\$
Opening Balance	1,259,839	1,182,886
One Share Retained	1	0
Surplus/Deficit	154,542	76,953
Total Retained Earnings	1,414,382	1,259,839

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

13. RECONCILIATIONS OF CASH FLOWS USED IN OPERATING ACTIVITIES TO OPERATING RESULT FOR THE PERIOD

	2016	2015
	\$	\$
<i>Net Surplus / (Deficit)</i>	154,542	76,953
Non-cash flows in surplus from ordinary activities:		
Depreciation	1,920	1,945
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	14,746	(11,261)
Increase/(decrease) in trade and other payables	40,972	(16,951)
Increase/(decrease) in Provisions	2,654	3,356
Total Cash Flow from Operating Activities	214,833	54,042

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

OPERATING LEASE COMMITMENTS

	2016	2015
	\$	\$
Not later than 1 year	119,796	115,188
Later than 1 year but not greater than 5 years	331,477	451,273
Later than 5 years	0	0
Total Operating Leases	451,273	566,461

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

OPERATING CONTRACT COMMITMENTS

	2016	2015
	\$	\$
Not later than 1 year	248,600	68,458
Later than 1 year but not greater than 5 years	0	0
Total Operating Contracts	248,600	68,458

The Operating Contract Agreements contracted for at balance date but not provided for in the financial statements are payable (incl GST) as listed above.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

CAPITAL COMMITMENTS	2016	2015
	\$	\$
Not later than 1 year	42,350	69,685
Later than 1 year but not greater than 5 years	0	0
Total Capital Commitments	42,350	69,685

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

16. RELATED PARTY TRANSACTIONS

a) Shareholders' Representatives

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 2015 to present
Cr John Brent	1 July 2015 to 31 March 2016
Cr Karen Williams	1 July 2015 to present
Cr Paul Antonio	1 July 2015 to present
Cr Mark Jamieson	1 July 2015 to present
Cr Steve Jones	1 July 2015 to 20 February 2016
Cr Graeme Lehmann	1 July 2015 to present
Cr Pamela Parker	1 July 2015 to 31 March 2016
Cr Paul Pisasale	1 July 2015 to present
Cr Allan Sutherland	1 July 2015 to present
Cr Tom Tate	1 July 2015 to present
Cr Tanya Milligan	10 March 2016 to present
Cr Luke Smith	6 May 2016 to present
Cr Greg Christensen	6 May 2016 to present
Cr Noel Playford	1 July 2015 to 2 July 2015

b) Directors' Remuneration

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

c) Related Party Transactions

Transactions between shareholders and the company are considered and voted on at regular 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. Five related parties had transactions with this company for the 2015/2016 financial year.

TRANSACTIONS WITH BRISBANE CITY COUNCIL, A MEMBER SHAREHOLDER	2016	2015
	\$	\$
Employee Expenses	2,607	1,659
Travel Expenses	1,421	2,352
Total Transactions with Brisbane City Council	4,028	4,011

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

TRANSACTIONS WITH CITY OF GOLD COAST, A MEMBER SHAREHOLDER	2016 \$	2015 \$
Labour Charges	118,713	59,357
<i>Total Transactions with City of Gold Coast</i>	118,713	59,357
TRANSACTIONS WITH LOGAN CITY COUNCIL, A MEMBER SHAREHOLDER	2016 \$	2015 \$
Other Operating Expenses	450	1,283
<i>Total Transactions with Logan City Council</i>	450	1,283
TRANSACTIONS WITH REDLAND CITY COUNCIL, A MEMBER SHAREHOLDER	2016 \$	2015 \$
Other Operating Expenses	55	0
<i>Total Transactions with Redland City Council</i>	55	0
TRANSACTIONS WITH TOOWOOMBA REGIONAL COUNCIL, A MEMBER SHAREHOLDER	2016 \$	2015 \$
Other Operating Expenses	8	0
<i>Total Transactions with Toowoomba Regional Council</i>	8	0
TOTAL FIVE RELATED PARTY TRANSACTIONS WITH MEMBER SHAREHOLDERS	2016 \$	2015 \$
<i>Total Transactions with Member Shareholders</i>	123,254	64,651

17. ECONOMIC DEPENDENCY

Council of Mayors (SEQ) activities are dependent upon subscription funding from the twelve shareholder member councils. Subscriptions for 2015/2016 year have been approved by each of the eleven shareholder member councils as Noosa Council withdrew its shareholding on 2 July 2015.

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 2015/2016.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

Position	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 30 April 2016 – contract extended on similar conditions

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 2015/2016 financial year, remuneration of key executive management personnel was maintained at the 2014/2015 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 lease 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 may be 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 2015 – 30 June 2016

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 2014 – 30 June 2015

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 2016

c) *Performance Payments*

The basis for performance bonuses paid or payable in the 2015/2016 financial year is set out below:

Position	Date Paid	Basis for Payment
Executive Director	13/11/2015	The cash performance bonus was provided after the annual salary review was completed on 9 November 2015. The bonus paid equated to 15.5% of 2014/2015 base salary.

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, bank 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 obligations. All receivables other than the non-current bank guarantee of \$55,000 are considered current and receivable within 30 days. The non-current bank guarantee is not due until 31 January 2020. No receivables are considered impaired.

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. As at year end, Trade and Other Receivables have a balance of \$69,052 [30 June 2015 – \$83,798].

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 2016

2016	Note	Floating Interest Bearing \$	Non-Interest Bearing < 1 year \$	Non-Interest Bearing > 1 year \$	Total \$
Financial Liabilities					
Trade and Other Payables	9	0	191,955	0	191,955
Total Financial Liabilities		0	191,955	0	191,955
2015	Note	Floating Interest Bearing \$	Non-Interest Bearing < 1 year \$	Non-Interest Bearing > 1 year \$	Total \$
Financial Liabilities					
Trade and Other Payables	9	0	150,983	0	150,983
Total Financial Liabilities		0	150,983	0	150,983

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 no significant events subsequent to the reporting date which require disclosure.

21. COMPANY DETAILS

The Registered Office of the company is:

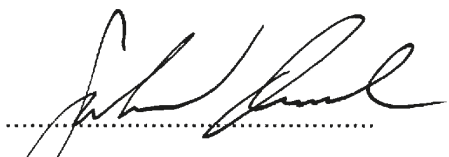
Level 12, Suncorp Plaza Building,
143 Turbot Street
Brisbane Qld 4000

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 2016 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.



Cr Graham Quirk
Chairman

18/10/2016



Cr Karen Williams
Treasurer

18/10/2016

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 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including significant accounting policies and other explanatory information, and 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 2016 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.



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



Queensland Audit Office
Brisbane



Council of Mayors

South East Queensland

Council of Mayors (SEQ)

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