



Council of Mayors

South East Queensland

ANNUAL REPORT 2018-2019





WHO WE ARE

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

The 2018/19 membership of the Council of Mayors (SEQ) consisted of the Mayors and Administrators representing the local governments of SEQ: Brisbane, Ipswich, Lockyer Valley, Logan, Moreton Bay, Redland, Scenic Rim, Somerset, Sunshine Coast and Toowoomba.

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.

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2018-19 Key Achievements



■ Release of ■



Delivering the

'FUTURE SEQ'

series in partnership
with *The Courier Mail*

Transforming SEQ,

the SEQ City Deal proposition, in partnership
with the Queensland Government



COMMONWEALTH SUPPORT SECURED

for an SEQ City Deal and

2032 OLYMPIC AND PARALYMPIC GAMES



Launch of the Council of Mayors' (SEQ)

SEQ People Mass Movement and Olympic Feasibility studies



Establishment of the Council of Mayors' (SEQ)

INDUSTRY LEADERS COUNCIL

SEQ City Deal Statement of Intent

■ signed between the ■

Commonwealth, Queensland Government and the Council of Mayors (SEQ)

Completion

of critical on ground projects as part of the

■ Resilient Rivers Initiative ■



TWO SUCCESSFUL MAYORAL DELEGATIONS TO CANBERRA

to push for regional priorities.



■ Formation of ■

SEQ DIGITAL ACTION GROUP TO SHAPE THE FUTURE OF DIGITAL CONNECTIVITY

in South East Queensland



Commencement of the Upper Brisbane and Stanley Rivers

CATCHMENT ACTION PLAN

in partnership with Seqwater

Chairman's Message

There has never been a more exciting time to be a South East Queenslander as the region sits on the cusp of securing Australia's largest City Deal and a potential Olympic and Paralympic Games in 2032.

The past financial year has seen both region-shaping initiatives go from strength to strength, a result of years of thought leadership and hard work from the Council of Mayors (SEQ).

With a recognition that attracting government investment in South East Queensland was getting more and more

difficult, the SEQ Mayors looked abroad for funding solutions to meet the growing needs of the region.

In 2013, the Council of Mayors (SEQ) partnered with the Property Council of Australia (Qld) and the Queensland Government to investigate how the City Deal funding model could be used in South East Queensland.

First used in the UK, the City Deal model brings all levels of government together to prioritise and deliver on an agreed set of outcomes for a region. Deals are typically long term, spanning decades and surviving political cycles.

After years of advocacy on this front, the Commonwealth Government agreed to join with the Council of Mayors (SEQ) and the Queensland Government to commence negotiations towards an SEQ City Deal which will deliver a 20 year plan for the future of South East Queensland.

Similarly, the Council of Mayors (SEQ) has been leading the charge for a South East Queensland 2032 Olympic and Paralympic Games since 2015. We believe a Games creates a firm deadline to catalyse governments to deliver on this plan.

What started as a small idea to drive infrastructure delivery and promote the south-east on the world stage has gained significant momentum. The Commonwealth and State governments have since put their support and a financial commitment behind a South East Queensland Games.

Community support for a 2032 Games has also gained momentum, sitting between 65 to 70 percent across the south-east, Queensland and Australia. This is a testament to the vision and hard work of the SEQ Mayors.

As I present my first Annual Report as Chair of the Council of Mayors (SEQ), it's timely to acknowledge our former Chair and Lord Mayor Graham Quirk. It has been Graham's leadership and collaboration over the past eight years that has driven the success of our key initiatives.

I look forward to what will be a transformational year ahead for the Council of Mayors (SEQ) and the region. As a group of Mayors, we remain committed to pushing the boundaries, striving for improvement and exploring new and innovative ways to build a stronger South East Queensland.

CR ADRIAN SCHRINNER
Chair





“ There has never been a more exciting time to be a South East Queenslander as the region sits on the cusp of securing Australia’s largest City Deal and a potential Olympic and Paralympic Games in 2032. ”



CR ADRIAN SCHRIENER

Chief Executive Officer's Message

The past year has been one of the biggest since the Council of Mayors' (SEQ) inception in 2005, with the team pulling together to progress key initiatives and position the SEQ Mayors as the strong voice of South East Queensland.

In January 2019, the Council of Mayors (SEQ) launched its SEQ People Mass Movement Study which represented the region's first long-term and multi-modal transport plan. The Study was well received and sparked a conversation about transport delivery and its relationship to the region's growth.

This was followed by the release of the South East Queensland 2032 Olympic and Paralympic Feasibility Study, commissioned by the Council of Mayors (SEQ) and delivered with the local and international expertise of Lagardère Sports Australia.

The Feasibility Study determined an Olympic and Paralympic Games based primarily in South East Queensland could be delivered with minimal cost, in return delivering billions in economic uplift to the south-east and Queensland.

This was supported by International Olympic Committee President Thomas Bach during a meeting in Brisbane where he committed the 2032 Games would be cost-neutral, if not profitable. This was a positive reinforcement of the Council of Mayors' (SEQ) work to-date.

Our attention now turns to working closely with our Games partners - the Australian Olympic Committee, the Commonwealth and Queensland governments - to develop a compelling proposal to secure the 2032 Summer Games.

It's important to note that a Games can only be successful with an existing base of public transport and regional connectivity to ensure the efficient movement of spectators and international visitors, and this will be a strong focus of the Council of Mayors (SEQ) in 2020.

Currently, South East Queensland lacks the necessary infrastructure to accommodate its growing population in the coming decades. However, the 2032 Games provides a powerful incentive for our governments to work together to solve the south-east's transport challenges.

The Council of Mayors (SEQ) will continue to work closely with industry, the community and our member councils to advocate for investment and political commitments we need to ensure the future of South East Queensland.

I would like to thank our Board members for their visionary approach to improving the region and their strong efforts to support our work. Our success would not be possible without their ongoing support and dedication.

South East Queensland is fortunate to have such strong and dedicated political leaders.

SCOTT SMITH
Chief Executive Officer





SCOTT SMITH



Council of Mayors (SEQ) Board of Directors

The 2018/19 membership of the Council of Mayors (SEQ) consisted of the ten councils based in SEQ. Each council was represented by its Mayor and Administrator on the Board of Directors:



**CR ADRIAN SCHRINNER
(CHAIR)**

Lord Mayor, Brisbane City Council
(from 8 April 2019 to present)



CR GRAEME LEHMANN

Mayor, Somerset Regional Council



CR GRAHAM QUIRK (CHAIR)

Lord Mayor, Brisbane City Council
(from 1 July 2018 to 8 April 2019)



CR MARK JAMIESON

Mayor, Sunshine Coast Council



**CR PAUL ANTONIO
(DEPUTY CHAIR)**

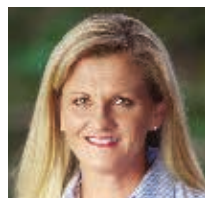
Mayor, Toowoomba Regional Council



MR GREG CHEMELLO

Interim Administrator, Ipswich City Council

(from 17 October 2018 to present)



**CR KAREN WILLIAMS
(TREASURER)**

Mayor, Redland City Council



CR WAYNE WENDT

Acting Mayor, Ipswich City Council

(from 1 July 2018 to 22 August 2018)



CR TANYA MILLIGAN

Mayor, Lockyer Valley Regional Council



TAMARA O'SHEA

Interim Administrator, Logan City Council

(15 May 2019 to present)



CR ALLAN SUTHERLAND

Mayor, Moreton Bay Regional Council



CR CHERIE DALLEY

Acting Mayor, Logan City Council

(from 1 July 2018 to 2 May 2019)



CR GREG CHRISTENSEN

Mayor, Scenic Rim Regional Council

Farewell to Graham Quirk

When Graham Quirk first became the Lord Mayor of Brisbane and Chair of the Council of Mayors (SEQ) in 2011, he brought with him decades of experience and leadership in local government.

Under Graham's direction, the Council of Mayors (SEQ) emerged as the thought-leaders of South East Queensland and united to push for bold and ambitious outcomes for the region.

None bolder than the concept of a regional Olympic and Paralympic Games to be shared across South East Queensland, an idea Graham first presented to the group in 2015.

Graham Quirk officially stepped down from the role of Brisbane Lord Mayor and Council of Mayors (SEQ) Chair on 7 April 2019, but continues to support the work of the SEQ Mayors in a voluntary capacity.

The SEQ Mayors thank Graham for his ongoing passion, dedication and guidance, and the integral role he has played in building a strong and prosperous future for South East Queensland.





We are the voice of South East Queensland

REPRESENTING ONE IN SEVEN AUSTRALIANS WHO CALL SOUTH EAST QUEENSLAND HOME.

This past financial year has been a momentous one for the Council of Mayors (SEQ) in terms of media coverage and brand awareness.

Driven by the success of the Olympic Games and SEQ City Deal projects, the SEQ Mayors featured in mainstream and social media more this year than any other in Council of Mayors' (SEQ) history.

The highlight of the year was the Council of Mayors' (SEQ) partnership with *The Courier Mail* to deliver the 'Future SEQ' series. The series focused heavily on the positive impacts an SEQ City Deal, a potential Olympic Games and a regional fast rail network would have on South East Queensland.

This series alone generated more than 50 stories on SEQ Mayors' key initiatives across News Corp's local mastheads and generated hundreds of subsequent pieces across traditional and social media.

The 'Future SEQ' series culminated in a lunch event attended by more than 600 government, business and community leaders from across the region.

The Council of Mayors (SEQ) also led two delegations of its member councils to Canberra in the past financial year, and spearheaded a successful Federal election campaign that secured the Morrison Government's support for both an SEQ City Deal and potential 2032 Games proposal.

The organisation rounded out the past financial year with a strong calendar of events and conferences to continue to highlight the Council of Mayors (SEQ) and its key initiatives.

Event partnerships with industry bodies such as the Property Council of Australia, Housing Industry Association, News Corp and Consult Australia cemented the SEQ Mayors' position as the strong voice for South East Queensland.

FUTURE SEQ

Running from 8 October and 24 October 2018, the 'Future SEQ' series was delivered by *The Courier Mail* as a guide to shape the development of South East Queensland in the next twenty-five years.

The Council of Mayors' (SEQ) series partnership, which came at no expense to member councils, covered a number of key areas including the SEQ Mayors' People Mass Movement Study, Olympic journey, regional IoT sensor network and autonomous bus trials.

The series ended with a twenty point action plan for the region's future, with the top three action steps focused on an SEQ City Deal, regional fast rail network and progressing an Olympic Games proposal for South East Queensland.





We are thought leaders

EXPLORING NEW WAYS TO SOLVE THE REGION'S CHALLENGES AND MAXIMISE ITS OPPORTUNITIES.

The Council of Mayors (SEQ) has a long and established history of thought leadership, and the 2018/19 financial year was no different.

The Council of Mayors (SEQ) has been at the forefront of the introduction of the City Deal model to Australia, and led the investigation into a potential South East Queensland 2032 Olympic and Paralympic Games.

Both initiatives progressed significantly in the past financial year, after years of development and advocacy efforts from the SEQ Mayors.

The SEQ City Deal journey was boosted by the production of a joint document between the Council of Mayors (SEQ) and the Queensland Government, titled *TransformingSEQ*, which outlined the proposal scope and way forward for the regional deal.

The release of *TransformingSEQ* prompted the Commonwealth's commitment to commence negotiations towards an SEQ City Deal. Negotiations are now well underway with a deal anticipated to be completed by mid 2020.

The Council of Mayors (SEQ) also released two important bodies of work in the past financial year, the SEQ People Mass Movement Study and the South East Queensland 2032 Olympic and Paralympic Games Feasibility Study.

The SEQ People Mass Movement, a region-wide and multi-modal transport plan, will now inform the SEQ Mayors' input into the proposed infrastructure outcomes in the SEQ City Deal.

The release of the Council of Mayors' (SEQ) Olympic feasibility study in February 2019, a culmination of years of research and analysis, was well received by governments, media and the South East Queensland community.

Strong lobbying by the Council of Mayors (SEQ) in Canberra saw both sides of Federal politics lend support to the organisation's push for an Olympic and Paralympic Games in South East Queensland.

The Council of Mayors (SEQ) ended the year with healthy community support for both initiatives, with more than 80 percent of South East Queenslanders supporting the introduction of a regional fast rail network, and 74 percent that believe an Olympic Games could accelerate its delivery.

SEQ CITY DEAL

The SEQ City Deal is a 20 year agreement between the Commonwealth, Queensland Government and the Council of Mayors (SEQ) to deliver a pipeline of investment in the region.

The SEQ City Deal Leadership Group consists of Federal Cities Minister Alan Tudge, Queensland Deputy Premier Jackie Trad and Brisbane Lord Mayor Adrian Schrinner as Chair of the Council of Mayors (SEQ).

In March 2019, all parties signed a Statement of Intent to mark the start of deal negotiations. The SEQ City Deal is expected to be signed in mid 2020 and then progress to implementation stage.





We are partners in SEQ's future

FORMING STRATEGIC ALLIANCES TO ACHIEVE REGIONAL BENEFITS.

The Council of Mayors (SEQ) success in the 2018/19 financial year has been driven by its successful and productive partnerships with likeminded business leaders, industry bodies and community groups.

In particular, the SEQ Mayors established the Industry Leaders Council to provide opportunities for the private sector to provide input and partner in the progression of strategic initiatives such as the SEQ City Deal, Inland Rail, and the Mayors' vision for a 45-minute region.

Founded in February 2019, the Industry Leaders Council allows members to participate in a regionally focused approach toward Council of Mayors' (SEQ) initiatives by creating a dialogue between senior industry, institutional, and government leaders.

The Council of Mayors (SEQ) progressed its collaborative approach to the waste challenges facing South East Queensland through the formation of the Waste Working Group, which consists of local government waste managers and elected officials as well as Queensland Treasury Corporation and Queensland Government representatives.

This group continues to engage with representatives from both the public and private sectors within the waste management and resource recovery industry to explore how waste issues have been addressed within Australia and overseas.

The short-term objective of the Waste Working Group is a Memorandum of Understanding for consideration by the Council of Mayors' (SEQ) Board to jointly investigate the strongest financial, environmental, and social outcomes from the region's waste streams.

The Council of Mayors (SEQ) also played a strong role in the ongoing Regional Planning Committee to ensure the successful and sustainable implementation of the *ShapingSEQ*, the South East Queensland Regional Plan.

The Committee explored issues surrounding growth, housing, land supply and development across the region, which fed into the launch of the Land Supply and Development Monitoring Report by State Development Minister Cameron Dick and then Lord Mayor Graham Quirk in December 2018.

INDUSTRY LEADERS COUNCIL

Established in February 2019, the Industry Leaders Council consists of representatives from various sectors of the South East Queensland business and academic community.

Universities, peak bodies and business leaders from the areas of health, development, transport, entertainment, agriculture and media meet regularly with the SEQ Mayors to ensure a rounded approach to the advancement of the Council of Mayors' (SEQ) key initiatives.

The Industry Leaders Council has been instrumental in advocating for fast and reliable public transport, a strong and future-focused SEQ City Deal and the possibility of an Olympic and Paralympic Games that achieves the long term objectives of South East Queensland.





We are outcomes focused

FOCUSED ON DELIVERING TANGIBLE OUTCOMES FOR SOUTH EAST QUEENSLAND.

What sets the Council of Mayors (SEQ) apart from other advocacy groups is its action-oriented approach to facilitating change in South East Queensland.

This is the genesis of the Resilient Rivers Initiative, created out of the devastating impacts of the 2011 and 2013 floods in South East Queensland and focused on delivering a strategic and coordinated approach to the way we invest and deliver activities across the region's catchments.

A strong focus on this year's work centred on the investigation of a long term and collaborative governance arrangement for the Resilient Rivers Initiative to ensure its success and viability in decades to come.

While planning continues on this front, it is anticipated the outputs of this work will feed into the development of the SEQ City Deal to provide both a tripartite approach to catchment management and critical funding to deliver priority works.

The Resilient Rivers Initiative also progressed significant on ground works in areas heavily impacted by the region's extreme weather events such as Ipswich, Lockyer Valley, Logan, Scenic Rim and Somerset.

To mark the end of a strong year for the Resilient Rivers Initiative, development of the Upper Brisbane and Stanley Rivers Catchment Action Plan commenced in partnership with Seqwater.

The Council of Mayors (SEQ) forged ahead with its vision to be the world's first Smart Region, implementing a range of forward-thinking approaches to digital connectivity in South East Queensland.

The SEQ Mayors partnered with Thinxtra, as part of its Smart Council Program, to remove barriers to Internet of Things (IoT) implementation and create new opportunities for the private sector. As a result, the majority of member councils now have Sigfox network coverage.

The Council of Mayors (SEQ) also established a Digital Action Group to drive strategy and activities to inform the 'Digital' stream of the SEQ City Deal. This group is made up of key Smart City officers from member councils.

In particular, the group has been exploring an opportunity to develop a unified approach to telecommunication deployment in South East Queensland to accelerate the rollout of 5G and ensure the region becomes a national leader in next generation digital infrastructure.

RESILIENT RIVERS INITIATIVE

The Resilient Rivers Initiative was founded on the recognition that a coordinated approach to catchment management is vital to ensure future economic, social and environmental health of the South East Queensland.

Member councils have led the charge towards better catchment management in South East Queensland by pooling more than \$2 million which is being spent improving some of the hardest hit catchments across the region.



We are innovative, agile and motivated

ALWAYS ADDING VALUE FOR SOUTH EAST QUEENSLAND'S COUNCILS AND COMMUNITIES.

The Council of Mayors (SEQ) team is a small but dynamic one, a secretariat of just nine full and part time staff executing the vision and direction of the SEQ Mayors and its member councils.

This year has been a busy time for the team, which has experienced some staffing changes in the past 12 months.

Long serving team members, Jan Kordonsky, Diana Dawson and Nicola Woodcock, commenced extended leave to pursue professional development opportunities and explore personal interests. While Office Manager Leah Slater has been enjoying family time since the arrival of her baby girl.

The team welcomed new additions Lisa Else, John Howlie and Beth Martin in the past financial year to ensure project delivery and general operations continue to progress during this period of change.

The Council of Mayors' (SEQ) team has also invested significant time in building its relationship with its member councils by delivering regular updates to councillors on its major priorities, whenever possible.

Former Chair and Lord Mayor Graham Quirk kicked off 2019's Council Roadshows by visiting member councils,

COUNCIL ROADSHOWS

Following the conclusion of the Council of Mayors' (SEQ) committee structure, the organisation looked for new and innovative ways to keep councillors informed and engaged moving forward.

This is where the idea of Council Roadshows emerged, providing councils with direct access to the Council of Mayors' (SEQ) team to ask questions, raise concerns and provide valuable input on key initiatives.

The Council Roadshows have been very well received, and as a result, will remain a regular part of the Council of Mayors' (SEQ) ongoing engagement with the region's councillors.

updating councillors on relevant projects, and engaging in robust and productive discussion across the region.

The Council of Mayors (SEQ) secretariat will continue to work tirelessly to keep its member councils engaged and involved in our key initiatives, and ensure future initiatives are shaped by input from all members in South East Queensland.



FINANCIAL REPORT

For the year ended 30 June 2019

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Director's Report

The Directors present their report and the auditor's report thereon together with the financial report of Council of Mayors (SEQ) Pty Ltd (the company) for the financial year ended 30 June 2019.

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 2018 to 8 April 2019
Cr Adrian Schrinner	8 April 2019 to present
Cr Karen Williams	1 July 2018 to present
Cr Paul Antonio	1 July 2018 to present
Cr Tanya Milligan	1 July 2018 to present
Cr Cherie Dalley	1 July 2018 to 2 May 2019
Tamara O'Shea (Administrator)	15 May 2019 to present
Cr Allan Sutherland	1 July 2018 to present
Cr Greg Christensen	1 July 2018 to present
Cr Graeme Lehmann	1 July 2018 to present
Cr Mark Jamieson	1 July 2018 to present
Greg Chemello (Administrator)	17 October 2018 to present

COMPANY SECRETARY

The name of the Company Secretary in office at any time during or since the end of the financial year is:

Scott Smith	1 July 2018 to present
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COMPANY DETAILS

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

The ten shareholder members during the 2018/2019 financial year were:

Brisbane City Council
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

OPERATING RESULT

The loss of the company for the financial year ended 30 June 2019 amounted to \$(262,408) [30 June 2018: \$406,829].

REVIEW OF OPERATIONS

A review of the operations of the company during the financial year, and the results of those operations, is as follows:

Resilient Rivers Initiative continues successfully in line with the company's strategic and operating plan with a total of 11 projects under the initiative during the reporting period. Throughout the period two projects were completed, several are in the final stages of completion, with the remaining projects actively progressing throughout the year.

Advocacy activities in relation to a bid for the 2032 Olympic Games have continued to evolve with all three levels of government now engaged and the bid progressing.

SEQ City Deals is progressing with a statement of intent signed in March 2019 and negotiations underway

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;
- proactively influence Federal and State Governments to ensure the long-term viability, wellbeing and sustainability of the residents of the South East Queensland region;
- act as an advocate to State and Federal Governments or Public Bodies on issues of concern to members;
- collectively represent members on bodies that influence the operations of the State, regional and sub-regions and the communities of individual members;
- speak with one voice to ensure appropriate funding and delivery of infrastructure and services for the residents of the members of the Company;
- formulate policies and strategies that support

coordinated regional growth and management of change;

- foster co-operation amongst members on issues of mutual concern or to further joint interests; and
- 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 2019/2020 will be influenced by the continuation of the Resilient Rivers Initiative, progress towards a bid for the 2032 Olympic Games and the on-going delivery to key objectives of the 2018/2021 Strategic Plan.

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.

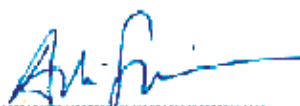
PROCEEDINGS ON BEHALF OF COMPANY

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 to 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 24.

Signed in accordance with a resolution of the Directors;



Cr Adrian Schriener
Chairman

11/10/2019



Cr Paul Antonio
Deputy Chairman

11/10/2019

Auditor's Independence Declaration

AUDITOR'S INDEPENDENCE DECLARATION

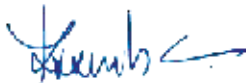
To the Directors of Council of Mayors (SEQ) Pty Ltd

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 2019, 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.



Sri Narasimhan
As delegate of the Auditor-General

11 October 2019

Queensland Audit Office
Brisbane

Financial Statements

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
INCOME			
Membership Levies	2a	1,381,132	1,649,379
Project Contributions	2b	1,620,110	1,705,924
Grants and Other Contributions	2c	383,163	15,000
Other Income		18	438
Interest Revenue	2d	80,224	67,162
Total Income		3,464,647	3,437,903
EXPENSES			
Employee Benefits Expense	3a	1,331,504	1,284,115
General Office Expense		165,809	173,503
IT Expense		25,985	63,183
Travel Expense		25,467	24,868
Other Operating Expenses	3b	115,685	60,183
Other Professional Fees	3c	2,015,325	1,380,684
Depreciation and Amortisation Expenses	3d	37,800	34,313
Auditing Fees–Queensland Audit Office	3e	9,480	10,225
Total Expenses		3,727,055	3,031,074
Net surplus (deficit) attributable to members of the company		(262,408)	406,829
Total Comprehensive Income attributable to members of the company		(262,408)	406,829

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

STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
CURRENT ASSETS			
Cash and Cash Equivalents	4	2,738,170	2,747,728
Trade and Other Receivables	5	147,915	90,424
Prepayments		11,216	21,865
Total Current Assets		2,897,301	2,860,017
NON-CURRENT ASSETS			
Other Receivables	6	-	55,000
Office Furniture and Equipment	7	18,076	21,971
Intangible Assets	8	76,450	106,980
Total Non-Current Assets		94,527	183,951
Total Assets		2,991,828	3,043,968
CURRENT LIABILITIES			
Trade and Other Payables	9	357,270	220,951
Provisions	10	243,960	205,083
Total Current Liabilities		601,230	426,034
NON-CURRENT LIABILITIES			
Provisions	10	35,073	-
Total Non-Current Liabilities		35,073	-
Total Liabilities		636,303	426,034
Net Assets		2,355,525	2,617,934
EQUITY			
Share Capital	11	10	11
Retained Earnings		2,355,515	2,617,923
Total Equity		2,355,525	2,617,934

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 2019**

2018/2019	Note	Retained Earnings	Share Capital	Total
		\$	\$	\$
Balance at beginning of year		2,617,923	11	2,617,934
Net deficit for the year		(262,408)	-	(262,408)
Forfeiture of Share	11	-	(1)	(1)
Balance at Year End		2,355,515	10	2,355,525

2017/2018	Note	Retained Earnings	Share Capital	Total
		\$	\$	\$
Balance at beginning of year		2,211,094	11	2,211,105
Net surplus for the year		406,829	-	406,829
Balance at Year End	11	2,617,923	11	2,617,934

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 2019

	Note	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Inflow			
Receipts from operations		3,392,583	3,322,467
Interest Received		80,224	67,162
Total receipts from operations		3,472,807	3,389,629
Outflow			
Payments to suppliers and employees		(3,478,989)	(2,873,875)
Net Cash Flows used in Operating Activities	12	(6,182)	515,753
CASH FLOWS FROM INVESTING ACTIVITIES			
Outflow			
Acquisition of assets at cost	7	(3,375)	(11,587)
Net Cash Flows used in Investing Activities		(3,375)	(11,587)
CASH FLOWS FROM FINANCING ACTIVITIES			
Outflow			
Equity withdrawal	11	(1)	0
Net Cash Flows used in Financing Activities		(1)	0
NET INCREASE / (DECREASE) IN CASH HELD		(9,558)	504,166
Cash at the Beginning of the Year		2,747,728	2,243,562
Cash at the End of the Year	4	2,738,170	2,747,728

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 2019

GENERAL INFORMATION

The financial statements cover Council of Mayors (SEQ) Pty Ltd (the company) as an individual entity. Council of Mayors (SEQ) Pty Ltd is a company limited by shares, incorporated and domiciled in Australia. The company's Registered Office is Level 12, Suncorp Plaza Building, 343 Albert Street, Brisbane Qld 4000.

COMPLIANCE WITH PRESCRIBED REQUIREMENTS

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*. The 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.

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

SIGNIFICANT ACCOUNTING POLICIES

1. TAXATION AND GENERAL

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. 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 Receivable in the statement of financial position. (Note 5)

c. Application of New Accounting Standard AASB 9 Financial Instruments

At the date of authorisation of this report there are no standards issued in the 2018/2019 financial year that are expected to have a material impact on the financial statements. The relevant standards are listed below:

AASB 9 Financial Instruments

This year the company applied AASB 9 Financial Instruments for the first time which replaces AASB 139 and relates to the recognition, classification and measurement of financial assets and liabilities. AASB 9 mainly impacted the financial assets (accounts receivable) and our assessment over the expected credit losses concluded that based on the past record of payments and the type of debtors in place, no credit losses are recognised.

d. 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:

- Office Furniture and Equipment – Note 7
- Intangible Assets – Note 8

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.

2. INCOME

a. Membership Levies

Membership levies are recognised upon issuing an invoice after resolution of financial commitment of funding at General Meetings by members for the financial period (refer to Note 17).

b. Project Contributions

Project Contributions were received from members for the Resilient Rivers Initiative Program since the 2016/2017 financial year to identify, assess and mitigate high risk flooding areas in the South East Queensland region. Several new projects commenced this reporting period with the existing projects progressing further and some to completion.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Project Contributions were also received from members for the Feasibility Study Program in relation to a potential 2032 Olympic Bid, and some smaller contributions related to economic development projects.

c. Grants and Other Contributions

Grant funding that is non-reciprocal in nature is recognised as revenue in the year in which the company obtains control over the funds. In the previous financial year, the Federal Government and the company entered into an agreement to provide a Transport Study. Grant funding of \$375,000 for this study provided by the Federal Government will be received upon the completion of the last phase of the study. At report date this was yet to be finalised. The company did not receive any reciprocal grants.

d. Interest Revenue

Interest is received from cash and cash term deposit accounts held with Australian banks. Funds are held for a period from one month to seven months to maturity depending on the cash flow requirements of the company.

Cash investments are held at amortised cost and subject to interest rate risk. This refers to possible fluctuations in the market interest rate of cash at bank earning interest at a variable rate, which could impact the operating result and equity of the company.

3. EXPENSES

a. Employee Benefits Expense

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.

Employer superannuation contributions are paid to a superannuation fund chosen by the employee at contribution rates determined by each employee's contract of employment. Contributions are expensed in the period in which they are paid or payable with no future liability incurred to the company.

b. Other Operating Expenses

These expenses relate to meetings, conferences and events and advocacy related activities.

c. Other Professional Fees

Professional fees are in relation to contracted projects and the work to be completed in accordance with the individual contract for such projects.

d. Depreciation and Amortisation Expenses

Depreciation and amortisation has been calculated on a straight-line basis over each assets expected useful life. This method is considered to best correspond with the underlining pattern of consumption. The estimated useful lives are assessed annually and for each class are:

Office Furniture & Equipment:

Between 3 and 10 years with zero residual value

Intangible Assets

5 years with zero residual value

e. Auditing Fees

Total audit fees payable to the Queensland Audit Office relating to the 2018/2019 financial statements is \$9,480 [2017/2018 \$10,225].

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$

4. CASH AND CASH EQUIVALENTS

Cash at Bank and in hand	675,878	1,236,749
Short Fixed Term Bank Deposits	2,062,292	1,510,979
Total Cash and Cash Equivalents	2,738,170	2,747,728

Cash and cash equivalents include cash on hand and deposits held at call with Australian registered only banks, with terms for a period of between two and seven months.

It is the company's intention to hold these short-term fixed bank deposits to maturity. These short-term deposits held by the company are stated at the amortised cost until interest is received into the accounts.

5. TRADE AND OTHER RECEIVABLES

Trade and other receivables

Current

Trade and Other Receivables	9,145	59,457
GST Receivables	83,770	30,967
Bank Guarantee	55,000	-
Total Trade and Other Receivables	147,915	90,424

Receivables are recognised at the amounts due at the time of sale or service delivery. The collectability is assessed at period end and an allowance is made for impairment if necessary. It is highly unlikely the company would need to allow for impairment for Receivables given historically no credit losses have ever been recorded and due to the type of debtors (Refer to Note 1c).

6. OTHER RECEIVABLES

Other receivables

Non-current

Receivables - Bank Guarantee	-	55,000
Total Other Receivables	-	55,000

The Bank Guarantee finalises on 31/01/2020 on the day the present operating rental lease of the property ends. At report date the rental agreement has not been renewed and therefore the Bank Guarantee has become a current receivable.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$

7. OFFICE FURNITURE AND EQUIPMENT

Office furniture and equipment

Office Furniture and Equipment at Cost	42,411	39,036
Less Accumulated Depreciation	(24,335)	(17,065)
Total Office Furniture and Equipment	18,076	21,971

BALANCE AT 1 JULY 2018 **21,971**

Additions		3,375
Disposals – written down value		-
Depreciation Expense		(7,270)
Carrying Amount as at 30 June 2019		18,076

BALANCE AT 1 JULY 2017 **14,168**

Additions		11,586
Disposals – written down value		-
Depreciation Expense		(3,783)
Carrying Amount as at 30 June 2018		21,971

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.

8. INTANGIBLE ASSETS

Intangible Assets

Intangible Assets at Cost	152,650	152,650
Less Accumulated Amortisation	(76,200)	(45,670)
Total Intangible Assets	76,450	106,980

Intangible assets with a cost or other value exceeding \$1,000 are recognised in the financial statements. Amortisation methods, estimated useful lives and residual values are reviewed at the end of each reporting period and adjusted where appropriate.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$

9. TRADE AND OTHER PAYABLES

Trade and other payables

Trade Payables	288,876	176,793
Accrued Salaries	68,394	44,158
Total Trade and Other Payables	357,270	220,951

Payables are recognised when receipt of goods or services have been received and are measured at the agreed purchase/contract price net of applicable discounts.

10. PROVISIONS

Provisions

Current Provisions

Provision for Long Service Leave	104,629	94,717
Provision for Annual Leave	139,331	110,366
Total Current Provisions	243,960	205,083

Non-Current Provisions

Provisions for Long Service Leave	35,073	-
Total Non-Current Provisions	35,073	-

Total Provisions	279,033	205,083
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Movement

Current

Opening Balance	205,083	161,682
Additional Provisions	102,275	107,232
Amounts Used	(63,398)	(63,831)
Balance at Year End	243,960	205,083

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
Non-Current Long Service Leave		
Opening Balance	-	13,597
Additional Provisions	35,073	-
Amounts Used or Reallocated to Current	-	(13,597)
Balance at Year End	35,073	-

A provision has been recognised for current and non-current employee benefits relating to long service leave. 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 estimate considers future wage and salary increases, periods of service and related on-costs. For both the 2017/2018 and 2018/2019 financial years four employees were/are eligible for long service leave benefits.

11. SHARE CAPITAL

Share Capital

Fully paid ordinary shares – each share \$1 par value	10	11
Beginning of reporting period	11	11
Issue of share capital	-	-
Equity withdrawal	(1)	-
At the end of the reporting period	10	11
Total Issued Capital	10	11

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 2018/2019 financial year, City of Gold Coast Council voluntarily withdrew its equity holding from Council of Mayors (SEQ) effective 1 July 2018. As at 30 June 2019, share capital comprised of ten equal par value fully paid shares of \$1.00 held by each of the ten members.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$

12. RECONCILIATIONS OF CASH FLOWS

Reconciliation of operating result to net cash provided by operating activities

Net Surplus / (Deficit)	(262,408)	406,829
Non-cash items included in operating result:		
activities:		
Depreciation	37,800	34,313
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(2,492)	(63,275)
(Increase)/decrease in prepayments	10,651	(10,359)
Increase/(decrease) in trade and other payables	136,319	118,442
Increase/(decrease) in Provisions	73,948	29,803
Net cash provided by operating activities	(6,182)	515,753

13. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

14. COMMITMENTS FOR EXPENDITURE

Commitments under operating leases at reporting date (inclusive of GST) are payable:

Operating lease commitments		
Not later than 1 year	79,496	131,749
Later than 1 year but not greater than 5 years	2,723	82,218
Total Operating Leases	82,219	213,967

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. The company has no operating office lease commitment currently beyond a year as the current office lease expires on 31 January 2020. The amount relating to later than one year is for the office printer lease.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
Operating contract commitments		
Not later than 1 year	1,259,178	1,448,936
Later than 1 year but not greater than 5 years	-	-
Total Operating Contracts	1,259,178	1,448,936

Operating contract commitments are in relation to the Resilient Rivers Initiative projects that are in progress and the remaining contract milestones to be paid to consultants carrying out work for the feasibility study for a 2032 South East Queensland Olympic bid.

The Company does not have any capital commitments.

15. KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES

a. Details of Key Management Personnel

The company's Company Secretary and Chief Executive Officer are identified as KMPs, consistent with additional guidance included in the revised version of *AASB 124 Related Party Disclosures*.

Position	Position Responsibility
Chief Executive Officer	The position is responsible for the efficient, effective and economic administration of the company
Company Secretary	The position supports the effectiveness of the Board by monitoring that board policy and procedures are followed and coordinating the timely completion and dispatch of board agenda and briefing material.

b. KMP Remuneration Policies

Key Management Personnel who hold the position of a director or alternate director do not receive any remuneration or employee benefits from the company.

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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

c. KMP Remuneration Compensation	2019	2018
	\$	\$
Short-term employee benefits	282,252	276,671
Post-employment benefits	24,564	29,220
Long-term benefits	3,528	-
Total Remuneration	310,344	305,891

16. BOARD DISCLOSURES

All directors have one equal vote each with all having authority and responsibility for planning, directing and controlling the strategic direction of the company. No board member receives any remuneration or any other employee benefits. In a director's absence at a board meeting the director may appoint their alternate director to be present and be their proxy vote. Under the company's constitution, a director of this company must also hold the position of Mayor in their respective council.

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 2018 to 8 April 2019
Cr Adrian Schrinner	8 April 2019 to present
Cr Karen Williams	1 July 2018 to present
Cr Paul Antonio	1 July 2018 to present
Cr Tanya Milligan	1 July 2018 to present
Cr Cherie Dalley	1 July 2018 to 2 May 2019
Tamara O'Shea (Administrator)	15 May 2019 to present
Cr Allan Sutherland	1 July 2018 to present
Cr Greg Christensen	1 July 2018 to present
Cr Graeme Lehmann	1 July 2018 to present
Cr Mark Jamieson	1 July 2018 to present
Greg Chemello (Administrator)	17 October 2018 to present

Company Secretary

The name of the Company Secretary in office at any time during or since the end of the financial year is:

Scott Smith	1 July 2018 to present
-------------	------------------------

17. RELATED PARTY TRANSACTIONS

Transactions between shareholders councils and the company are considered and voted on at regular Directors' meetings. No individual council has influence or control over the activities of the company. There have been no transactions with people/entities that are identified as being related to any Key Management Personnel.

18. DISCLOSURE OF MEMBERSHIP IN OTHER ENTITIES

Council of Mayors (SEQ) is one of three members of Healthy Land and Water Ltd with voting rights of 25% with no risks or rewards associated with being a member of this entity. Based on the number and composition of the directors of Healthy Land and Water Ltd, Council of Mayors (SEQ) Pty Ltd does not have significant influence over this entity.

One director of Council of Mayors (SEQ) is appointed to the Board of Healthy Land and Water Ltd as a director.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

19. ECONOMIC DEPENDENCY

Council of Mayors (SEQ) activities are dependent upon membership levies from ten shareholder member councils. Membership levies for the 2019/2020 year have been approved by each of the ten shareholder member councils.

20. 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.

Financial assets and liabilities are recognised in the statement of financial position when the company becomes party to the contractual provision of the financial instrument. The company has the following categories of financial assets and liabilities:

	Note	2019 \$	2018 \$
Financial Assets at Amortised Cost			
Cash and Cash Equivalents	4	2,738,170	2,747,728
Trade and Other Receivables	5	147,915	90,424
Total Financial Assets at Amortised Cost		2,886,085	2,838,152
Financial Liabilities at Amortised Cost			
Trade and Other Payables	9	357,270	220,951
Total Financial Liabilities at Amortised Cost		357,270	220,951

a. Market Risk

Cash and cash equivalents are subject to market fluctuations with this exposure limited due to all investments deposited with Australian banks.

b. Credit Risk

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 \$147,915 [30 June 2018: \$90,424].

All receivables are considered current and receivable within 28 days. No receivables are considered impaired.

c. Liquidity Risk

Liquidity risk refers to the risk that the company is unable to meet its obligations associated with financial liabilities. The company has minimal exposure to liquidity risk as there are no financial loans and only trade payables in terms of 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 28 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);
- 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 2019

21. FUTURE IMPACT OF ACCOUNTING STANDARDS NOT YET EFFECTIVE

AASB 1058 Income of Not-For-Profit Entities and AASB 15 Revenue from contracts with customers

These Standards became effective for reporting periods beginning on or after 1 January 2019. The impact of these Standards is likely to be minimal.

AASB 1058 applies to transactions of not-for-profit entities where the consideration to acquire any assets (including cash) is significantly less than fair value principally to enable the entity to further its objectives

AASB 15 Revenue from Contracts with Customers

This Standard contains more detailed requirements for the accounting for certain types of revenue from customers. The company receives one off grants specific to projects. Grants are recognised when the company has gained control and is entitled to the funds. The company currently recognises revenue in accordance with this new standard.

AASB 16 Leases

This Standard will become effective for reporting periods beginning on or after 1 January 2019 and 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 Operating Lease Commitments (refer to Note 14) provides the potential impact on the Statement of Financial Position.

22. EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

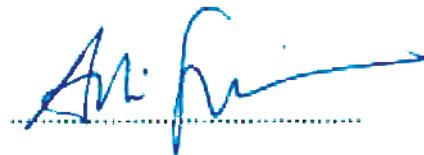
There are no significant events subsequent to the reporting date which require disclosure.

Director's Declaration

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

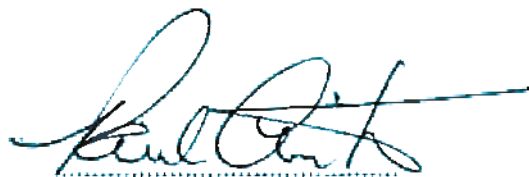
1. The financial statements and notes of Council of Mayors (SEQ) Pty Ltd are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with the Australian Accounting Standards (including the Australian Accounting interpretations) and the *Corporations Regulations 2001*; and
 - (b) giving a true and fair view of the company's financial position as at 30 June 2019 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 Adrian Schrinner
Chairman

11/10/2019



Cr Paul Antonio
Deputy Chairman

11/10/2019

Independent Auditor's Report

Members of Council of Mayors (SEQ) Pty Ltd



INDEPENDENT AUDITOR'S REPORT

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

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Council of Mayors (SEQ) Pty Ltd.

In my opinion, the financial report:

- a) gives a true and fair view of the company's financial position as at 30 June 2019, and its financial performance and cash flows for the year then ended
- b) complies with Corporations Act 2001, the Corporations Regulations 2001 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2019, 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 summaries of significant accounting policies and other explanatory information, and the directors' declaration.

Basis for opinion

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

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

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

Other information

Other information comprises the information included in the directors' report for the year ended 30 June 2019, but does not include the financial report and my auditor's report thereon.

The directors are responsible for the other information.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

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



If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Responsibilities of the company for the financial report

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

The company's directors are also responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the company.
- Conclude on the appropriateness of the company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the company's directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

A handwritten signature in blue ink, appearing to read 'Sri Narasimhan', with a horizontal line extending to the right.

Sri Narasimhan
as delegate of the Auditor-General

14 October 2019

Queensland Audit Office
Brisbane



Council of Mayors

South East Queensland

Council of Mayors (SEQ)

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