



AGENDA – FNQROC AGM Meeting No. 28

AGENDA FNQROC Annual General Meeting No. 28

MONDAY 12 OCTOBER 2020 AT 9:00AM
Civic Reception Room, Cairns Regional Council, Cairns

- 1 Meeting Opening & Chairman's Welcome
- 2 Apologies
- 3 Confirmation of Minutes
3.1 AGM Meeting No. 27 held 14 October 2019 Pages 1-4
- 4 FNQROC Annual Report
4.1 FNQROC Annual Report 2019-20 Circulated separately
- 5 FNQROC Audited Financials
5.1 Adoption of Financial Statement & Auditors Report Pages 5-21
- 6 Election of Chair
- 7 Election of Deputy Chair
- 8 Appointment of Secretariat and Treasurer
- 9 Appointment of Auditor
- 10 Payment of Honorarium to Chair
- 11 FNQROC Charter Review Pages 22-30
- 12 FNQROC Bank Account Maintenance (Report B77) Pages 31-32
- 13 Call for General Business
- 14 Meeting Close



MINUTES OF THE 27TH ANNUAL GENERAL MEETING

MONDAY 14 October 2019 @ 08:30am

Civic Reception Room, Cairns Regional Council, Cairns

REPRESENTATIVES:	Cr Tom Gilmore, Mayor, Chair	Mareeba Shire Council
	Cr Bob Manning, Mayor	Cairns Regional Council
	Cr Jack Bawden, Mayor	Carpentaria Shire Council
	Cr John Kremastos, Mayor	Cassowary Coast Regional Council
	Cr Peter Scott, Mayor	Cook Shire Council
	Cr Trevor Pickering, Mayor	Croydon Shire Council
	Cr Julia Leu, Mayor	Douglas Shire Council
	Cr Warren Devlin, Mayor	Etheridge Shire Council
	Cr Ramon Jayo, Mayor	Hinchinbrook Shire Council
	Cr Joe Paronella, Mayor	Tablelands Regional Council
	Cr Desmond Tayley, Mayor	Wujal Wujal Aboriginal Shire Council
	Cr Ross Andrews, Mayor	Yarrabah Aboriginal Shire Council

CEO'S:	Mr John Andrejic, CEO	Cairns Regional Council
	Mr Mark Crawley, CEO	Carpentaria Shire Council
	Mr Bill Kerwin, CEO	Croydon Shire Council
	Mr Mark Stoermer, CEO	Douglas Shire Council
	Mr David Munro, CEO	Etheridge Shire Council
	Mr Steve Wilton, CEO	Wujal Wujal Aboriginal Shire Council
	Mr Leon Yeatman, CEO	Yarrabah Aboriginal Shire Council

OBSERVERS:	Ms Jennifer McCarthy	Mareeba Shire Council
-------------------	----------------------	-----------------------

FNQROC STAFF:	Ms Darlene Irvine	Executive Officer
	Ms Linda Richardson	Executive Coordinator

Ms Amanda Hancock	Procurement Coordinator
Mr Travis Sydes	Natural Assets & Sustainability Coordinator
Mr Lachlan Rankine	Strategic Infrastructure Coordinator

APOLOGIES:	Mr James Gott, CEO	Cassowary Coast Regional Council
	Ms Linda Cardew, CEO	Cook Shire Council
	Mr Alan Rayment, CEO	Hinchinbrook Shire Council
	Cr June Pearson, Mayor	Hope Vale Aboriginal Shire Council
	Mr Steve Linnane, CEO	Hope Vale Aboriginal Shire Council
	Mr Peter Franks, CEO	Mareeba Shire Council
	Mr Justin Commons, CEO	Tablelands Regional Council
	Cr Desmond Tayley, Mayor	Wujal Wujal Aboriginal Shire Council

983 Chair's Opening Remarks

The Chair opened the meeting at 08:30am and thanked everyone for attending.

984 Apologies

As noted

08:30 – Cr Manning arrived

985 Confirmation of Minutes

MOVED: Cr Leu

SECOND: Cr Paronella

“That the minutes of the 26th Annual General Meeting held on 8th October 2018 be confirmed.”

CARRIED

08:40 – Cr Devlin arrived

986 FNQROC Annual Report

The Chair extended his thanks to the FNQROC staff for the development of the documents and thanked all of the Mayors and their staff for the work they have undertaken over the year.

The Deputy Chair thanked the outgoing Chair, Cr Gilmore for his leadership and mentorship extended to the board members over the years. A number of board members endorsed this sentiment and extended good wishes.

MOVED: Cr Gilmore

SECOND: Cr Scott

“That the FNQROC Annual Report 2018-19 be adopted as tabled.”

987 Treasurer's Report

MOVED: Cr Scott

SECOND: Cr Pickering

"That the audited Profit and Loss Statement and Balance Sheet for the period 1 July 2018 to 30 June 2019 be adopted."

CARRIED

988 Election of Chair

D Irvine declared all positions vacant and called for nominations for the position of Chair.

Cr John Kremastos, Mayor Cassowary Coast Regional Council

NOMINATED BY: Cr Paronella

SECONDED BY: Cr Pickering

Cr Kremastos accepted the nomination for Chair; however, following clarification regarding the process after the next local government election this acceptance was withdrawn.

Cr Tom Gilmore, Mayor Mareeba Shire Council

NOMINATED BY: Cr Leu

SECONDED BY: Cr Jayo

Cr Gilmore accepted the nomination for Chair and thanked the board for allowing him the opportunity to continue the term.

There being no further nominations Cr Gilmore was declared elected as Chair of FNQROC.

989 Election of Deputy Chair

Cr Gilmore called for nominations for the position of Deputy Chair

Cr Peter Scott, Mayor Cook Shire Council

NOMINATED BY: Cr Gilmore

SECONDED BY: Cr Paronella

Cr Scott accepted the nomination for Deputy Chair.

There being no further nominations Cr Scott was declared elected as Deputy Chair of FNQROC.

990 Appointment of Secretariat and Treasurer

MOVED: Cr Leu

SECOND: Cr Paronella

"That the Executive Officer be appointed as the Secretariat and Treasurer"

CARRIED

991 Election of Auditor

MOVED: Cr Andrews

SECOND: Cr Jayo

"It was recommended that subject to QAO approval to appoint our own auditor and appropriate costs, Halpin Partners Accountants be appointed auditor for the 2019/20 financial year."

CARRIED

992 Payment of Honorarium to Chair

MOVED: Cr Paronella

SECOND: Cr Pickering

"That a pro-rata payment of \$6,000 be made to the Chair, Cr Gilmore for the period 1 July 2019 to 30 June 2020."

CARRIED

993 Conclusion

There being no further business the meeting was declared closed at 08:50 am.

.....

Chair

FAR NORTH QUEENSLAND REGIONAL ORGANISATION OF COUNCILS
ABN 52 034 736 962

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2020

Table of Contents

STATEMENT OF PROFIT OR LOSS 3

STATEMENT OF FINANCIAL POSITION 4

STATEMENT OF CHANGES IN EQUITY 5

STATEMENT OF CASH FLOWS 6

NOTES TO THE FINANCIAL STATEMENTS 7

BOARD CERTIFICATE OF FAR NORTH QUEENSLAND REGIONAL ORGANISATION OF COUNCILS 13

INDEPENDENT AUDIT REPORT 14

**STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 30 JUNE 2020**

	2020 \$	2019 \$
CONTINUING OPERATIONS		
REVENUE		
Annual administration contributions	486,364	459,747
Projects - Regional infrastructure projects	274,950	301,978
Regional procurement group	178,978	160,484
Short term projects	14,288	68,380
Miscellaneous revenue	3,734	0
Interest income	1,524	4,098
TOTAL REVENUE	959,838	994,687
EXPENSES		
Annual administration expenses	357,336	403,903
Projects - Regional natural assets management	127,680	136,070
Regional infrastructure projects	131,344	135,386
Regional planning/economic development	49,064	46,061
Regional procurement group	216,740	162,162
Regional asset group	2,942	514
Minor projects	145,386	110,329
TOTAL EXPENSES	1,030,492	994,425
OPERATING PROFIT	(70,654)	262
Profit before tax from continuing operations	(70,654)	262
Profit for the year from continuing operations	(70,654)	262
PROFIT FOR THE YEAR	(70,654)	262
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(70,654)	262

The accompanying notes form part of this financial statement.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	Notes	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	1,461,596	1,474,886
Trade and other receivables	5	8,511	72,297
TOTAL CURRENT ASSETS		<u>1,470,107</u>	<u>1,547,183</u>
TOTAL ASSETS		<u>1,470,107</u>	<u>1,547,183</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	133,708	159,981
Provision for long service leave		8,831	7,999
TOTAL CURRENT LIABILITIES		<u>142,539</u>	<u>167,980</u>
NON-CURRENT LIABILITIES			
Trade and other payables	6	3,456	730
Provision for long service leave		103,454	87,161
TOTAL NON-CURRENT LIABILITIES		<u>106,910</u>	<u>87,891</u>
TOTAL LIABILITIES		<u>249,449</u>	<u>255,871</u>
NET ASSETS		<u>1,220,658</u>	<u>1,291,312</u>
EQUITY			
Retained surplus		1,220,658	1,291,312
TOTAL EQUITY		<u>1,220,658</u>	<u>1,291,312</u>

The accompanying notes form part of this financial statement.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020**

	Notes	2020 \$	2019 \$
Balance as at 1 July		1,291,312	1,291,050
Profit for the period		(70,654)	262
BALANCE AS AT 30 JUNE		<u>1,220,658</u>	<u>1,291,312</u>

The accompanying notes form part of this financial statement.

**STATEMENT OF CASH FLOWS
AS AT 30 JUNE 2020**

	Notes	2020 \$	2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		1,023,573	1,075,867
Payments to suppliers and employees		(1,038,387)	(1,029,019)
Interest received		1,524	4,098
NET CASH PROVIDED BY OPERATING ACTIVITIES	7	(13,290)	50,946
NET INCREASE/(DECREASE) IN CASH HELD		(13,290)	50,946
Cash and cash equivalents at the beginning of the financial year		1,474,886	1,423,940
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	4	1,461,596	1,474,886

The accompanying notes form part of this financial statement.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

1. REPORTING ENTITY CONCEPT

Far North Queensland Regional Organisation of Councils (the Association) is an unincorporated body domiciled in Australia. The Association is primarily involved in facilitating and co-ordinating member council's development for the benefit of Far North Queensland communities and businesses.

Members of the Association for the 2020 financial year were as follows:

- Cairns Regional Council
- Cassowary Coast Regional Council
- Carpentaria Shire Council
- Cook Shire Council
- Croydon Shire Council
- Tablelands Regional Council
- Wujal Wujal Aboriginal Shire Council
- Hinchinbrook Shire Council
- Yarrabah Aboriginal Shire Council
- Etheridge Shire Council
- Hope Vale Aboriginal Shire Council
- Mareeba Shire Council
- Douglas Shire Council

Under the Association's charter, each member council shall nominate a representative to attend meetings of the Association. These representatives are referred to in this financial report as 'the Board'.

In the opinion of the Board, the Association is not a reporting entity. The financial statements of the Association have been drawn up as a special purpose financial report for distribution to the members, and for the purpose of fulfilling the requirements of the Queensland Audit Office and the Association's charter.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The Directors' have prepared the financial statements on the basis that the Company is a non-reporting entity because there are no users dependent on a general purpose financial report. The financial report is therefore a special purpose financial report that has been prepared in order to meet the requirements of members. These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations and the disclosure requirements of AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors and AASB 1054 Australian Additional Disclosures.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

Basis of Preparation

The financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected non-current assets and financial instruments for which the fair value basis of accounting has been applied.

New and amended standards adopted by the Association

The Association has adopted all the amendments to Australian Accounting Standards issued by the Australian Accounting Standards Board, which are relevant to and effective for the Company's financial statements for the annual period beginning 1 July 2019. None of the amendments have had a significant impact on the Association.

Use of estimates and judgements

The preparation of financial statements in conformity with AASBs require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The Board is not aware of any critical judgements having been made in applying accounting policies that might have significant effect on the amounts recognised in the financial statements, nor of any assumptions and estimation uncertainties that might have significant risk of resulting in a material adjustment within the next financial year.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(1) Financial Instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition non-derivate financial instruments are measure at amortised cost.

A financial instrument is recognised if the Association becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Association's contractual rights to the cash flow from the financial assets expire or if the Association transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date, i.e. the date that the Association commits itself to purchase or sell the asset.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

3. SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities are derecognised if the Association's obligations specified in the contract expire or are discharged or cancelled.

Cash and cash equivalents comprise cash balances and call deposits with a term of less than three months.

The Association holds no derivative financial instruments.

Compound financial instruments

The Association has not issued any compound financial instruments.

(2) Leased assets

Leases in terms of which the Association assumes substantially all the risk and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases and the leased assets are not recognised on the Association's Statement of Financial Position.

(3) Impairment

Financial assets

A financial asset is assessed at each reporting period date to determine whether there is any objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of the asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in financial costs and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through income.

(4) Salaries and wages

The Association's employees are employed by the Cairns Regional Council, a member council. These services are on charged to the Association at cost. In addition, the Association makes allowance for any annual leave and long service leave accruing in respect of these officers. The Cairns Regional Council provides estimates of these liability amounts each month.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

3. SIGNIFICANT ACCOUNTING POLICIES

(5) Provisions

A provision is recognised if, as a result of a past event, the Association has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

(6) Revenue

Services

Revenue from services rendered is recognised in income in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

(7) Government grants

Grants received

Grants in respect of operating expenses (operating or revenue grants) are accounted for depending on whether they are reciprocal or non-reciprocal.

Non-reciprocal grants received

Grants where the Association receives assets or services, or has liabilities extinguished without directly giving approximate equal value in exchange to the other party are considered a non-reciprocal transfer. Non-reciprocal transfers are brought to account as revenue in the year in which they are received.

Reciprocal grants received

Grants where the Association receives assets or services, or has liabilities extinguished and gives approximately equal value in exchange to the other party are considered a reciprocal transfer. Reciprocal transfers are initially brought to account as revenue in the year in which they are received. The transfers are only recognised as revenue once the performance obligations relating to the funds have been transferred.

(8) Contributions

Contributions of assets, including the right to receive cash or other forms of assets without directly giving approximately equal value to the other party or parties to the transfer, are recognised as revenue at fair value when the Association obtains control of the contributions or the right to receive the contribution. It is probable that the economic benefits comprising the contribution will flow to the Association and the amount of the contribution can be measure reliably.

(9) Finance income

Interest income is recognised as it accrues, using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

3. SIGNIFICANT ACCOUNTING POLICIES

(10) Income tax

The Association is a not-for-profit organisation and the Board is of the opinion that, under Division 50 of the Income Tax Assessment Act 1997, it is exempt from income tax.

(11) Goods and services tax

Revenues, 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 Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or part of the expense. Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to the ATO is included as a current asset or current liability in the statement of financial position.

(12) New standards and interpretations not yet adopted

There are a number of standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2019 that have not been applied in preparing these financial statements. None of these is expected to have a significant impact on the financial statements.

	2020	2019
	\$	\$
4. CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR		
Cash at bank	1,461,596	1,474,886
	1,461,596	1,474,886
5. TRADE AND OTHER RECEIVABLES		
Trade receivables	766	64,501
GST refunds	7,705	6,815
Accrued income	40	981
	8,511	72,297
6. TRADE AND OTHER PAYABLES		
Current		
Credit card liability	1,925	12,552
Trade creditors	0	447
Accrued expenses	9,279	7,808
Payroll Liabilities	67,383	83,694
Annual leave payable	55,121	55,480
	133,708	159,981
Non-current		
Annual leave payable	3,456	730
	3,456	730

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

7. STATEMENT OF CASH FLOWS

**Reconciliation of profit before tax
to net cash flows from operating activities**

	2020	2019
	\$	\$
Profit / (Loss) before tax	(70,654)	262
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	63,786	(14,191)
Increase/(decrease) in creditors and accrued expenses	(23,547)	55,523
Increase/(decrease) in provisions	17,125	9,352
NET CASH PROVIDED BY OPERATING ACTIVITIES	(13,290)	50,946

8. EMPLOYEE BENEFITS

The Association has no employees but it utilises the services of employees through the Cairns Regional Council, a member council. The Association reimburses Cairns Regional Council for all costs incurred for salary and wages expenses relating to these employees. Furthermore, the Association makes allowances for any annual leave and long service leave accruing in respect of these employees.

Included in Statement of Financial Position

Current

Annual leave payable	55,121	55,480
Provision for long service leave	8,831	7,999
	63,952	63,479

Non-current

Annual leave payable	3,456	730
Provision for long service leave	103,454	87,161
	106,910	87,891

Included in Statement of Comprehensive Income

Salaries and wages expenses	603,348	622,698
-----------------------------	---------	---------

BOARD CERTIFICATE OF FAR NORTH QUEENSLAND REGIONAL ORGANISATION OF COUNCILS

We, the Board, certify that in our opinion:

- (a) the Association is not a reporting entity;
- (b) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- (c) the financial statements and notes, as set out on pages 3 to 12 present fairly the Association's financial position as at 30 June 2020 and its performance for the year ended on that date, in accordance with the basis of accounting described in Note 2 to the financial statements.

Councillor P Scott (Chairperson)

D Irvine (Secretary and Executive Officer)

Dated :

INDEPEPENDING AUDIT REPORT

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE FAR NORTH QUEENSLAND REGIONAL ORGANISATION OF COUNCILS

Opinion

We have audited the accompanying financial report, being a special purpose financial report, of Far North Queensland Regional Organisation of Councils, which comprises the statement of financial position as at 30 June 2020, the statement of comprehensive income and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Board's Certification of the financial report.

In our opinion, the financial report presents fairly, in all material respects, the financial position of Far North Queensland Regional Organisation of Councils as at 30 June 2020, and its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 2 to the financial statements.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Far North Regional Organisation of Councils in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter - Basis of Accounting

Without modifying our opinion, we draw attention to Note 2 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Far North Queensland Regional Organisation of Councils to meet the requirements of members. As a result, the financial report may not be suitable for another purpose.

building strong futures

Board's Responsibility for the Financial Report

The board of Far North Queensland Regional Organisation of Councils are responsible for the preparation and fair presentation of the financial report, and have determined that the basis of preparation described in Note 2, is appropriate to meet the requirements of the entity and is appropriate to meet the needs of the members. The boards' responsibility also includes such internal control as the board determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the entity's or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the entity's financial reporting process.

Auditor's Responsibility

Our 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We 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 our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

building strong futures

- 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit



Shaun Donaldson
Registered Company Auditor
Cairns, Qld
Dated 01 October 2020

building strong futures



FNQROC CHARTER

Far North Queensland Regional Organisation of Councils



REVISED AND ADOPTED:

1. NAME

The name of the Organisation shall be the Far North Queensland Regional Organisation of Councils (FNQROC).

2. MISSION STATEMENT

Our Mission is to foster cooperation and resource sharing between councils and effectively advocate on agreed regional positions and priorities.

3. VISION

Regional prosperity through interactive and collaborative planning and advocacy.

4. CORE VALUES

- a) **Autonomy** to act within the constraints of our systems of Government
- b) **Integrity** in the performance of their functions
- c) **Responsiveness** to the needs of the local community
- d) **Accountability to stakeholders** – electors, ratepayers, other spheres of Government
- e) **Equity**; and
- f) **Respect** the individual rights of individual councils to have their own opinions.

5. OBJECTIVES

- a) To support and advance the local interest of its members and their constituencies in a regional context
- b) To formulate policies and strategies from which all member Councils may act collaboratively in determining complementary plans for the co-ordination of regional growth and management of change
- c) To foster co-operation amongst members on issues of mutual concern or to further joint interests
- d) To act as an advocate to State and Commonwealth Governments or public bodies on issues of concern to members
- e) Address cross boundary issues
- f) Take forward the collective interest of Councils in the region and influence senior decision makers within government and agencies
- g) Communication and information sharing

- h) Facilitate regional economic development and co-operation of mutual benefit to member councils, communities and businesses
- i) Strategies for doing more with less
- j) Build effective partnerships with State and Federal agencies which make decisions that affect our region
- k) Facilitate co-operation with community, business and academic organisations for the benefit of the region
- l) Member Councils to work together to proactively promote sustainable growth so as to retain the region's natural assets and the cultural diversity of its people.

6. PRINCIPLES

In the pursuit of these objectives the Far North Queensland Regional Organisation of Councils will observe the following principles:

a) Liaison

Establish and maintain close liaison with the Local Government Association of Queensland (Inc), other Local Government networks and peak regional organisations to ensure as far as possible the pursuit of common objectives and strengthening Local Government representation.

b) Decisions

Positions adopted and decisions taken shall acknowledge minority or dissenting viewpoints at a member's request.

Resolution of regional matters shall promote the collective interest of the members in association without adversely affecting the interest of any member Council.

c) Operations

- i. Facilitating the sharing of resources and information between the Councils to achieve economies of scale and to improve the region.
- ii. Identifying, planning, prioritising and lobbying for regionally significant assets [or policies](#).
- iii. Seeking to secure, through forward commitments, State and Commonwealth investment in major regional assets.
- iv. Thoroughly examining State and Commonwealth legislation and policy to ensure that the region will not be disadvantaged, and that maximum benefit is obtained.

- v. Providing a forum for the Councils to meet regularly in an atmosphere of goodwill and trust.
- vi. Developing effective networks and alliances with the key stakeholders.
- vii. Dealing with other issues of significance as determined from time to time by the participating Councils.
- viii. Ensuring that the Executive Officer effectively and efficiently manages the secretariat of FNQROC within the budget parameters and delegations agreed to.

d) Regional Coordination and Co-operation in relation to but not limited to:

- Statutory Planning
- Roads
- Development
- Transport and Communications
- Water Supply
- Waste Water Treatment
- Solid and Liquid Waste Management and Disposal
- Environmental Issues and Management
- Economic Development
- Social Justice and Equity
- Non-Urban Lands
- Management of Data
- Electricity Supply and Distribution

and any other issue of a regional nature that an absolute majority of members may wish to include.

7. MEMBERSHIP

a) Membership of the Far North Queensland Regional Organisation of Councils shall be open to the following Local Government Councils:

- | | |
|------------------------------------|-----------------------------|
| ▪ Cairns Regional Council | ▪ Carpentaria Shire Council |
| ▪ Cassowary Coast Regional Council | ▪ Cook Shire Council |
| ▪ Croydon Shire Council | ▪ Douglas Shire Council |

- Etheridge Shire Council
- Hinchinbrook Shire Council
- Tablelands Regional Council
- Yarrabah Aboriginal Shire Council
- Hope Vale Aboriginal Shire Council
- Mareeba Shire Council
- Wujal Wujal Aboriginal Shire Council

b) Additional Local Government Councils may be admitted as members by majority vote of the members.

c) A member may resign at any time by notice in writing.

8. SELECTION OF THE CHAIR OF FNQROC

The Chair and Deputy Chair of FNQROC will be elected on an annual basis at the Annual General Meeting.

9. POWERS

The Far North Queensland Regional Organisation of Councils shall have the power to:

- a) Make and levy an annual subscription for membership in such amount or amounts as may be determined at or around the March ordinary meeting.
- b) Members are financially committed to the subscription fee unless written resignation is received prior to the start of a financial year.
- c) Make and levy a special levy for any or all of its objects in such amount as may be determined at an Annual General Meeting or at any other meeting on a notice of motion given at least fourteen days prior to an Annual General Meeting or any other meeting but in any case, any such resolution shall have no force or effect unless the vote is unanimous.
- d) Any additional requests for funds for projects and/or matters not included in the annual budget, but are considered to be of an urgent and important regional nature, shall be referred to member Councils for approval.

All member Councils must approve the request for additional funds before the project is undertaken.

- e) Determine and make payments from its funds for any or all of the purposes of its objectives.
- f) Receive any grant or subsidy and apply monies for the purposes of such grant or subsidy

10. MEETINGS

Meetings of FNQROC will be held generally in accordance with the following guidelines:

- a) Meetings shall be held on at least seven days' notice as follows:
 - as determined at a previous meeting(s)
 - called by the Chairperson
 - at the request of any three (3) members
- b) Minutes of the meetings shall be circulated within fourteen (14) days to representatives and confirmed at the following meeting.
- c) A quorum shall consist of seven full member representatives.
- d) The Chair will preside at all meetings. In the absence of the Chair, the Deputy Chair will preside and in his/her absence a person elected at the meeting.
- e) The Chair shall be responsible for the conduct of the meetings. Meetings will be run in a business-like manner following accepted guidelines for meeting procedure and protocols.

An Annual General Meeting (AGM) shall be held within four (4) months from the end of June:

- f) To elect a Chairperson, Deputy Chairperson
- g) To receive audited annual financial statements and reports.
- h) To transact any other business.

11. MEETINGS – APPOINTMENT OF REPRESENTATIVES

Each member Council shall appoint an elected representative for a term of not less than one year except as this might be varied by notice given by a member Council.

A proxy may attend meetings and will vote if the appointed representative has not given written instructions for voting direction.

12. ATTENDANCE

FNQROC meetings shall be attended by:

- a) A representative from each member Council.
- b) CEO's from each member Council
- c) FNQROC Executive Officer

FNQROC meetings are open to Councillors of member Councils as observers.

13. OBLIGATIONS OF MEMBERS

The purpose of FNQROC is to facilitate regional cooperation. It is therefore expected that representatives will consider all issues from a regional perspective and decide the merits of an issue in the interests of the regional community.

14. VOTING

- a) Every question, matter or motion shall be decided by a majority of votes of the members represented at a meeting.
- b) Every full member shall be entitled one (1) vote.
- c) In the event of an equality of votes the Chair shall have a second or casting vote.
- d) A member may vote through its representative or authorise in writing, any other person to be its proxy in accordance with its directions.
- e) Any member may request the recording of and have recorded any dissent from or qualification of a majority decision.

15. MEETINGS - CONFIDENTIALITY

FNQROC meetings allow member council representatives to discuss items or issues in a frank and honest manner without fear or favour. As such, the meetings shall generally be closed to the public.

Meeting agendas and Minutes will form the public record.

16. PROCEEDINGS AT LAW

Upon a resolution of the organisation to institute proceedings at law, the Chairperson, Deputy Chairperson or other representative appointed for that purpose by resolution may undertake proceedings in his/her name as a representative of the organisation and shall have the right of indemnity, from organisation funds, against any claim arising from such representation or in respect of costs properly incurred or any award made against him/her as a representative of the Organisation.

17. POLICIES

The Far North Queensland Regional Organisation of Councils may from time to time at any meeting make, amend or repeal policies consistent with its objectives and principles.

18. ALTERATION OF CHARTER

These rules may be rescinded, amended or added by resolution passed by a two-thirds majority of the membership at an Annual General Meeting or Special General Meeting called for that purpose.

A notice of motion to this effect shall be submitted to the Chairperson for distribution to members at least 14 days before the meeting at which the proposal shall be considered.

19. FUNDS AND ACCOUNTS

Funds of the Far North Queensland Regional Organisation of Councils shall be deposited by the Organisation or any Trustee in the name of the Far North Queensland Regional Organisation of Councils in a Bank or Permanent Building Society.

Books and accounts shall be kept. The Executive Officer shall make all necessary arrangements for the keeping of books and accounts and for the preparation of financial statements and reports.

Such financial statements and reports shall be prepared for the Annual General Meeting and as such other intervals as determined at a meeting of the Organisation.

The income and property of the Organisation shall be used and applied solely in promotion of its objectives and in the exercise of its powers and other provisions of this Charter.

Cheques and Electronic Funds Transfers (EFTs) shall be signed by any two of the Chairperson, Deputy Chairperson or Executive Officer or any Trustee or any other person as may be authorised from time to time by resolution of a meeting.

We the undersigned, agree to be bound by the Charter of the Far North Queensland Regional Organisation of Councils.

Signed for and behalf the member Councils, as resolved at AGM Meeting No. 28, ~~12~~^x~~th~~ day of ~~xxxx~~October 20201~~x~~.

.....
Cr Bob Manning
Mayor, Cairns Regional Council

.....
Cr Jack Bawden
Mayor, Carpentaria Shire Council

.....
Cr Mark Nolan
Mayor, Cassowary Coast Regional Council

.....
Cr Peter Scott
Cook Shire Council

.....
Cr Trevor Pickering
Mayor, Croydon Shire Council

.....
Cr Michael Kerr
Mayor, Douglas Shire Council

.....
Cr Barry Hughes
Mayor, Etheridge Shire Council

.....
Cr Jason Woibo
Mayor, Hope Vale Aboriginal Shire Council

.....
Cr Ramon Jayo
Mayor, Hinchinbrook Shire Council

.....
Cr Angela Toppin
Mayor, Mareeba Shire Council

.....
Cr Rod Marti
Mayor, Tablelands Regional Council

.....
Cr Bradley Creek
Mayor, Wujal Wujal Aboriginal Shire Council

.....
Cr Ross Andrews
Mayor, Yarrabah Aboriginal Shire Council



FNQROC AGM MEETING

12 OCTOBER 2020

B77

FNQROC BANK ACCOUNT MAINTENANCE

DM: #6481199

Recommendation:

That the FNQROC Board moves the following motions:

Motion 1: *That FNQROC open an ANZ Business Online Saver account and close the ANZ V2 Account.*

Motion 2: *That on all FNQROC bank accounts it is 'two to sign' with the signatories being:*

- a. FNQROC Executive Officer*
- b. FNQROC Chair*
- c. FNQROC Deputy Chair*
- d. CEO of the Chairs council, and*
- e. CEO of Cairns Regional Council.*

Motion 3: *That current signatories not fulfilling these roles be removed.*

INTRODUCTION:

Bank Accounts:

FNQROC currently has three (3) bank accounts with ANZ (ANZ Business Extra Account, ANZ V2 Account and ANZ Credit Card Facility). The ANZ V2 Account is an old account type with a current interest rate of approximately 0.01%.

It is proposed to close this account and open an ANZ Business Online Saver account with a current interest rate of 0.05% (the same as current Term Deposits).

Signatories

With the recent local government elections and change of board members, there is also a requirement to amend the signatories to the ANZ Bank Accounts. Current signatories listed are:

- Ms Darlene Irvine
- Mr Thomas Gilmore
- Cr Peter Scott
- Mr Peter Tabulo
- Mr Peter Franks, and
- Mr John Andrejic

It is proposed that positions rather than nominated persons be approved as signatories (two to sign) to enable current and future amendments to occur. These positions being:

- a. *FNQROC Executive Officer*
- b. *FNQROC Chair*
- c. *FNQROC Deputy Chair*
- d. *CEO of the Chairs council, and*
- e. *CEO of Cairns Regional Council.*

Darlene Irvine
FNQROC Executive Officer