



# AGENDA – FNQROC AGM Meeting No. 29

## AGENDA

### FNQROC Annual General Meeting No. 29

THURSDAY 7 OCTOBER 2021

10.30am to 11.00am

Barlow Park, Cnr Scott and Severin Street, Parramatta Park

#### 1. MEETING OPENING & CHAIR'S WELCOME

---

#### 2. APOLOGIES

---

A list of apologies will be tabled at the meeting.

#### 3. CONFIRMATION OF MINUTES

---

- 3.1 AGM Meeting No.28 Held 12 October 2020  
**Pages 1 - 5**

#### 4. FNQROC ANNUAL REPORT

---

- 4.1 FNQROC Annual Report 2021/22  
**Circulated separately**

#### 5. FNQROC AUDITED FINANCIALS

---

- 5.1 Adoption of Audited Financial Statement and report  
**Pages 6 - 22**

#### 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. CALL FOR GENERAL BUSINESS**

---

**12. MEETING CLOSE**

---



## MINUTES OF THE 28<sup>TH</sup> ANNUAL GENERAL MEETING

**MONDAY 12 October 2020 @ 09:00am**

### **Civic Reception Room, Cairns Regional Council, Cairns**

<b>REPRESENTATIVES:</b>	Cr Bob Manning, Mayor	Cairns Regional Council
	Cr Jack Bawden, Mayor	Carpentaria Shire Council
<b>VIA PHONE</b>	Cr Mark Nolan, Mayor	Cassowary Coast Regional Council
<b>VIA PHONE</b>	Cr Trevor Pickering, Mayor	Croydon Shire Council
	Cr Michael Kerr, Mayor	Douglas Shire Council
<b>VIA PHONE</b>	Cr Barry Hughes, Mayor	Etheridge Shire Council
<b>VIA PHONE</b>	Cr Ramon Jayo, Mayor	Hinchinbrook Shire Council
	Cr Jason Woibo, Mayor	Hope Vale Aboriginal Shire Council
<b>DEPUTY CHAIR</b>	Cr Angela Toppin, Mayor	Mareeba Shire Council
	Cr Rod Marti, Mayor	Tablelands Regional Council
	Cr Ross Andrews, Mayor	Yarrabah Aboriginal Shire Council

<b>CEO'S:</b>	Mr John Andrejic, CEO	Cairns Regional Council
	Mr Mark Crawley, CEO	Carpentaria Shire Council
<b>VIA PHONE</b>	Mr Bill Kerwin, CEO	Croydon Shire Council
	Mr Mark Stoermer, CEO	Douglas Shire Council
<b>VIA PHONE</b>	Mr Ken Timms, CEO	Etheridge Shire Council
	Mr Mark Kelleher, CEO	Hope Vale Aboriginal Shire Council
	Mr Peter Franks, CEO	Mareeba Shire Council
	Mr Steve Wilton, CEO	Wujal Wujal Aboriginal Shire Council
	Mr Leon Yeatman, CEO	Yarrabah Aboriginal Shire Council

<b>OBSERVERS: PHONE</b>	Mr Gurbindar Singh, CFO	Cassowary Coast Regional Council
<b>VIA PHONE</b>	Cr Mary Brown, Councillor	Hinchinbrook Shire Council



<b>FNQROC STAFF:</b>	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

<b>APOLOGIES:</b>	Cr Peter Scott, Mayor, Chair	Cook Shire Council
	Cr Bradley Creek, Mayor	Wujal Wujal Aboriginal Shire Council
	Mr James Gott, CEO	Cassowary Coast Regional Council
	Ms Linda Cardew, CEO	Cook Shire Council
	Mr Alan Rayment, CEO	Hinchinbrook Shire Council
	Mr Bob Owens, Acting CEO	Tablelands Regional Council

---

#### **994 Chair's Opening Remarks and acknowledgement of Traditional Owners**

---

The Deputy Chair advised that Cr Peter Scott, Chair, has been delayed due to a late arriving flight and was not due until 9.30am.

The Deputy Chair opened the meeting at 9.05am and acknowledged the Traditional Owners of the land on which we meet today, paying respects to Elders past, present and emerging.

The Deputy Chair also acknowledged the Mayors and CEOs of Cassowary, Croydon and Etheridge attending by phone. A welcome was also extended to Mr Ken Timms, new CEO for Etheridge Shire.

---

#### **995 Apologies**

---

As noted

---

#### **996 Confirmation of Minutes**

---

**MOVED:** Cr Manning

**SECOND:** Cr Woibo

*"That the minutes of the 27<sup>th</sup> Annual General Meeting held on 14<sup>th</sup> October 2019 be confirmed."*

**CARRIED**

---

### 997 FNQROC Annual Report

---

The Deputy Chair extended her thanks for the comprehensive annual report within the agenda.

**MOVED:** Cr Kerr

**SECOND:** Cr Andrews

*“That the FNQROC Annual Report 2019-20 be adopted as tabled”.*

**CARRIED**

---

### 998 FNQROC Audited Financials & Report

---

**MOVED:** Cr Manning

**SECOND:** Cr Andrews

*“That the Audited Financials and Report for the period 1 July 2019 to 30 June 2020 be adopted.”*

**CARRIED**

---

### 999 Election of Chair

---

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

**Cr Michael Kerr, Mayor – Douglas Shire Council**

**NOMINATED BY:** Cr Bawden

Cr Kerr accepted the nomination for Chair.

There being no further nominations Cr Kerr was declared elected as Chair of FNQROC. Cr Kerr thanked the board for the nomination and acknowledged and thanked Cr Scott for the work he had undertaken as the Chair to date.

---

### 1000 Election of Deputy Chair

---

Cr Kerr called for nominations for the position of Deputy Chair

**Cr Angela Toppin, Mayor – Mareeba Shire Council**

**NOMINATED BY:** Cr Woibo

Cr Toppin accepted the nomination for Deputy Chair.

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



---

### 1001 Appointment of Secretariat and Treasurer

---

**MOVED:** Cr Bawden

**SECOND:** Cr Toppin

*“That the Executive Officer be appointed as the Secretariat and Treasurer”*

**CARRIED**

---

### 1002 Election of Auditor

---

**MOVED:** Cr Marti

**SECOND:** Cr Toppin

*“It was recommended that subject to QAO approval to appoint our own auditor and appropriate costs, Halpin Partners Accountants be appointed auditor for the 2020/21 financial year.”*

**CARRIED**

---

### 1003 Payment of Honorarium to Chair

---

**MOVED:** Cr Bawden

**SECOND:** Cr Toppin

*“That the Chairs honorarium be \$6,000.00 for the 20/21 Financial Year and Cr Peter Scott be paid a pro rata amount for his services from 01 April 2020 to 12 October 2020.*

**CARRIED**

---

### 1004 FNQROC Charter Review

---

**MOVED:** Cr Bawden

**SECOND:** Cr Kerr

*“That the amended FNQROC Charter be adopted”.*

**CARRIED**

---

### 1005 FNQROC Bank Account Maintenance (Report B77)

---

**MOVED:** Cr Marti

**SECOND:** Cr Bawden

**CARRIED**

*“That FNQROC open an ANZ Business Online Saver account and close the ANZ V2 Account”*



*“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*

*“That current signatories not fulfilling these roles be removed”*

---

## **1006 Conclusion**

---

There being no further business the meeting was declared closed at 09:15 am.

.....  
**Cr Michael Kerr, Chair**

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

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**30 JUNE 2021**

**Table of Contents**

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME .....	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 AND LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2021**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>CONTINUING OPERATIONS</b>		
<b>REVENUE</b>		
Annual administration contributions	495,867	486,364
Projects - Regional infrastructure projects	288,376	274,950
Regional procurement group	153,769	178,978
Short term projects	197,788	14,288
Miscellaneous revenue	63,440	3,734
Interest income	1,364	1,524
<b>TOTAL REVENUE</b>	<b>1,200,604</b>	<b>959,838</b>
<b>EXPENSES</b>		
Annual administration expenses	333,202	357,336
Projects - Regional natural assets management	136,986	127,680
Regional infrastructure projects	121,540	131,344
Regional planning/economic development	62,178	49,064
Regional procurement group	258,655	216,740
Regional asset group	3,073	2,942
Minor projects	219,180	145,386
<b>TOTAL EXPENSES</b>	<b>1,134,814</b>	<b>1,030,492</b>
<b>OPERATING PROFIT</b>	<b>65,790</b>	<b>(70,654)</b>
Profit before tax from continuing operations	65,790	(70,654)
Profit for the year from continuing operations	65,790	(70,654)
<b>PROFIT FOR THE YEAR</b>	<b>65,790</b>	<b>(70,654)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>65,790</b>	<b>(70,654)</b>

The accompanying notes form part of this financial statement.

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2021**

	Notes	2021 \$	2020 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	1,503,920	1,461,596
Trade and other receivables	5	103,330	8,511
<b>TOTAL CURRENT ASSETS</b>		<u>1,607,250</u>	<u>1,470,107</u>
<b>TOTAL ASSETS</b>		<u><b>1,607,250</b></u>	<u><b>1,470,107</b></u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	6	204,235	133,708
Provision for long service leave		16,133	8,831
<b>TOTAL CURRENT LIABILITIES</b>		<u>220,368</u>	<u>142,539</u>
<b>NON-CURRENT LIABILITES</b>			
Trade and other payables	6	0	3,456
Provision for long service leave		100,434	103,454
<b>TOTAL NON-CURRENT LIABILITES</b>		<u>100,434</u>	<u>106,910</u>
<b>TOTAL LIABILITIES</b>		<u><b>320,802</b></u>	<u><b>249,449</b></u>
<b>NET ASSETS</b>		<u><b>1,286,448</b></u>	<u><b>1,220,658</b></u>
<b>EQUITY</b>			
Retained surplus		1,286,448	1,220,658
<b>TOTAL EQUITY</b>		<u><b>1,286,448</b></u>	<u><b>1,220,658</b></u>

The accompanying notes form part of this financial statement.

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2021**

	Notes	2021 \$	2020 \$
Balance as at 1 July		1,220,658	1,291,312
Profit for the year		65,790	(70,654)
<b>BALANCE AS AT 30 JUNE</b>		<b><u>1,286,448</u></b>	<b><u>1,220,658</u></b>

The accompanying notes form part of this financial statement.

**STATEMENT OF CASH FLOWS**  
**AS AT 30 JUNE 2021**

	Notes	2021 \$	2020 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		1,222,981	1,023,573
Payments to suppliers and employees		(1,182,021)	(1,038,387)
Interest received		1,364	1,524
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>7</b>	<b>42,324</b>	<b>(13,290)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>42,324</b>	<b>(13,290)</b>
Cash and cash equivalents at the beginning of the financial year		1,461,596	1,474,886
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	<b>4</b>	<b>1,503,920</b>	<b>1,461,596</b>

The accompanying notes form part of this financial statement.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

---

**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 2021 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 2021**

---

**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 2021**

---

**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 2021**

---

**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 2021**

**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.

	<b>2021</b>	<b>2020</b>
	\$	\$
<b>4. CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>		
Cash at bank	1,503,920	1,461,596
	<b>1,503,920</b>	<b>1,461,596</b>
<b>5. TRADE AND OTHER RECEIVABLES</b>		
Trade receivables	103,290	766
GST refunds	0	7,705
Accrued income	40	40
	<b>103,330</b>	<b>8,511</b>
<b>6. TRADE AND OTHER PAYABLES</b>		
<b>Current</b>		
Credit card liability	12,544	1,925
Trade creditors	118,378	0
GST payable	14,409	0
Accrued expenses	6,000	9,279
Payroll Liabilities	7,025	67,383
Annual leave payable	45,879	55,121
	<b>204,235</b>	<b>133,708</b>
<b>Non-current</b>		
Annual leave payable	0	3,456
	<b>0</b>	<b>3,456</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**7. STATEMENT OF CASH FLOWS**

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

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Profit / (Loss) before tax	65,790	(70,654)
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(94,819)	63,786
Increase/(decrease) in creditors and accrued expenses	67,071	(23,547)
Increase/(decrease) in provisions	4,282	17,125
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>42,324</b>	<b>(13,290)</b>

**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	45,879	55,121
Provision for long service leave	16,133	8,831
	<b>62,012</b>	<b>63,952</b>

**Non-current**

Annual leave payable	0	3,456
Provision for long service leave	100,434	103,454
	<b>100,434</b>	<b>106,910</b>

**Included in Statement of Comprehensive Income**

Salaries and wages expenses	635,865	603,348
-----------------------------	---------	---------

**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 2021 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 M Kerr (Chairperson)

\_\_\_\_\_  
D Irvine (Secretary and Executive Officer)

Dated :

**INDEPEPENDENT 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 2021, 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 2021, 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.

- 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 23 September 2021

building strong futures