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Service Delivery Division

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Local Government Bulletin

Tropical Council's Financial Report for 2007-08

Purpose

The purpose of this bulletin is to advise local governments:

- that the final versions of the Tropical Council Reference Manual for the period ending 14 March 2008 and the year ending 30 June 2008 have been issued; and
- about changes to, and other disclosures in the Tropical Reports.

Background

The Tropical Council Reference Manual for the preparation of annual financial statements (Tropical) is an illustrative set of local government financial statements. Tropical is prepared each year by the Department of Local Government, Sport and Recreation to assist local governments based in Queensland to prepare annual financial statements that comply with statutory requirements.

The financial statements are illustrative only and there is no obligation for Queensland local governments to prepare financial statements in the Tropical format.

This year the Department has prepared two sets of Tropical; one for those councils that ceased to exist on 14 March 2008 and another set for continuing councils with a financial year ending 30 June 2008.

In April and June 2008 a draft version of Tropical for the period ending 14 March 2008 was released. The only difference between the final version of Tropical for 14 March 2008 and the previously released version is the disclosure relating to Water Reform in South East Queensland. Both versions of Tropical now contain the recommended disclosure relating to this reform.

How to access Tropical

Tropical is available on the Department's website at the following address:
<http://www.localgovernment.qld.gov.au/?id=93>

Main Changes

The attachment details the main changes to Tropical for 2007-08 from the previous year.

Appreciation

The Department engaged a Contractor, Grugeon Consulting, to produce Tropical for 2004-05 through to 2007-08. The Department expresses its appreciation to Grugeon Consulting for its services.

Further information

Councils that employ professionally qualified accountants will have ready access to Australian Accounting Standards. Anyone may access the Australian Accounting Standards free of charge on the website of the Australian Accounting Standards Board at www.aasb.com.au.

The CPA Australia information on the AelFRS may be found on the CPA Australia website at www.cpaaustralia.com.au. The Queensland Audit Office's publications may be found on the QAO's website at www.qao.qld.gov.au. The Queensland Treasury website also contains useful information www.treasury.qld.gov.au

Any further enquiries on this matter should be addressed to Samantha Amos, Principal Project Officer, Service Delivery Division, Phone: 07 3225 8647, Fax: 07 3225 1350, samantha.amos@dlgsr.qld.gov.au. The Department's postal address is PO Box 15031, City East, Queensland 4002.

All recent Local Government Bulletins issued by the Department are available on our website at www.lgp.qld.gov.au/lgbulletins. You can also subscribe free of charge on the Department's website to receive Bulletins by email.

Peta Jamieson
A/Executive Director
Service Delivery Division

Attachment to LG Bulletin

The following details the more important changes to, or other disclosure in Tropical for the period ending 14 March 2008 and the year ended 30 June 2008.

1. AASB 7 *Financial Instruments: Disclosures*

A number of amendments have arisen from the application of AASB7. In particular notes 1.N, 1.AA, 1.AI and 45 have been amended. In addition the notes on individual financial asset and liability headings have been changed (Notes 14, 15, and 25)

2. Water reform in South East Queensland

Additional disclosure has been included relating to the transfer of assets to the new water entities as part of the water reform in South East Queensland. This disclosure is consistent with that detailed in the Financial Accounting Technical Paper released by the Department.

3. Local Government Reform

Tropical includes disclosure and advice relating to the reform of local government. For example the 14 March 2008 Tropical includes relevant disclosure for those councils that ceased on that day and the 30 June 2008 Tropical includes advice for transferring or acquiring councils.