



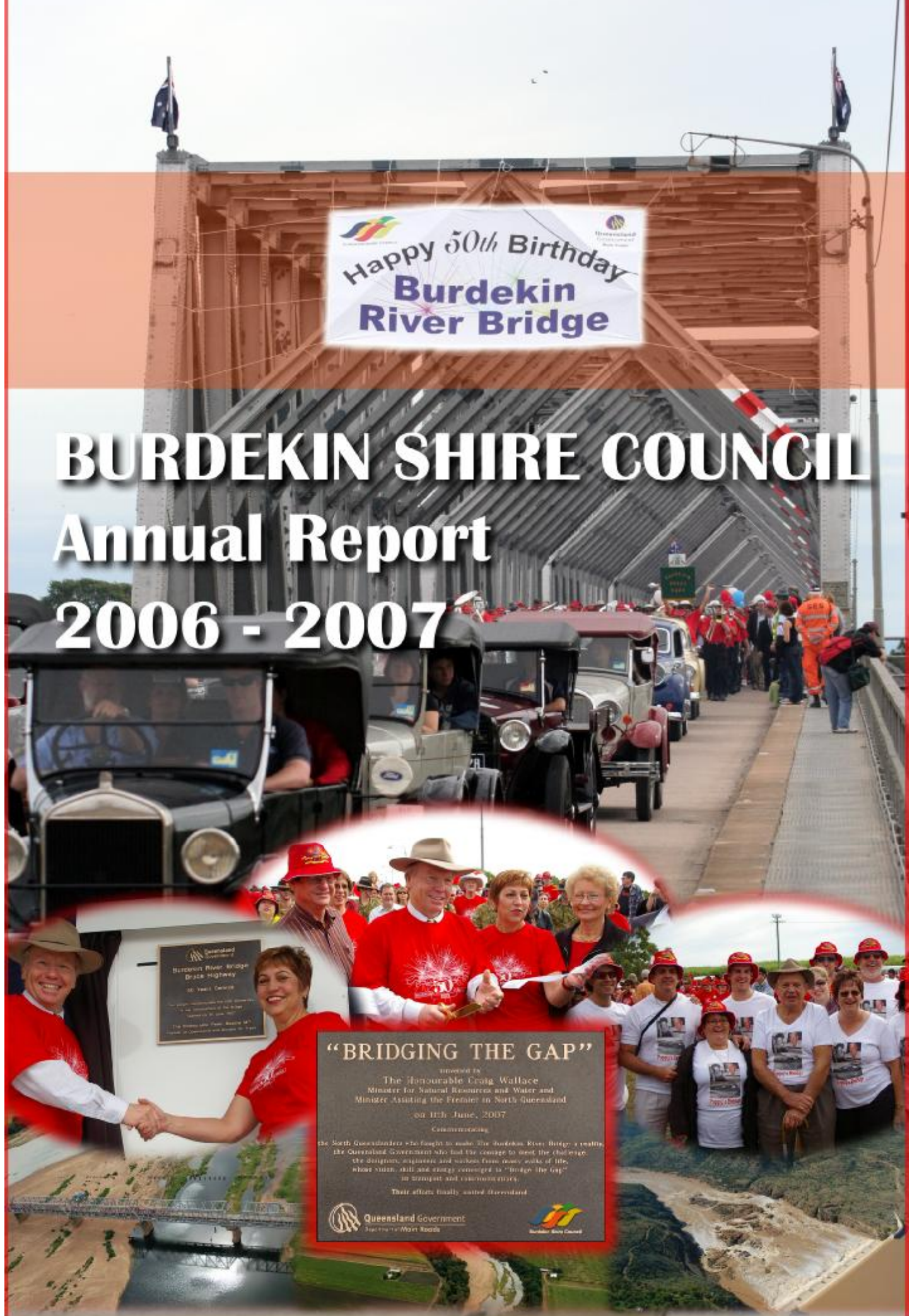

 Happy 50th Birthday

Burdekin River Bridge

BURDEKIN SHIRE COUNCIL

Annual Report

2006 - 2007



“BRIDGING THE GAP”

unveiled by
 The Honourable Craig Wallace
 Minister for Natural Resources and Water and
 Minister Assisting the Premier in North Queensland
 on 12th June, 2007
 Commemorating
 the North Queenslanders who fought to make the Burdekin River Bridge a reality,
 the Queensland Government who had the courage to meet the challenge,
 the designers, engineers and workers from many miles of life,
 whose vision, skill and energy converged to “bridge the gap”
 in spirit and circumstance.
 Their efforts finally saved Queensland.


 Queensland Government
 Building the World's Roads


 Burdekin Shire Council

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Shire Profile

Local Government

Burdekin Shire.

Area

5,053 sq kms.

Location

Latitude 19° 35' south, longitude 147° 24' east, approximately 80 kms south of Townsville.

Population

18,044 estimated resident population as at 30th June, 2006. (2006 Census)

Status

Categorised as a Rural Agricultural Very Large (RAV) Local Authority under the Australian Classification of Local Government.

Rateable Assessments

8,438 as at June, 2007

The Burdekin Shire

The Burdekin region is centred on the rich Burdekin River delta. Vast water supplies, fertile soils and an average of 300 days of sunshine per year have resulted in the Burdekin becoming one of the strongest agricultural regions in Australia. The main commercial centres of the region are the towns of Ayr and Home Hill with smaller centres of Brandon, Giru, Jerona, Alva, Wunjunga, Clare, Millaroo and Dalbeg.

The Burdekin is literally built on "liquid gold", the name given to the region's massive water supply. That water supply includes a huge underground aquifer and the vast Burdekin and Delta watercourses fed from the mighty Burdekin Falls Dam, which holds four times more water than the Sydney Harbour. The Burdekin Shire Council regards this abundant, year-round supply of good-quality water as the region's number one asset. It is an asset which underpins the confidence that local farmers, business people, residents and investors have in this community.

The district's rich supply of irrigation water makes the Burdekin the most productive sugarcane growing area in Australia. About 80,000 ha of land in the Burdekin is dedicated to sugarcane. Burdekin farmers produce an average of 120 tonnes of cane per hectare – well above the national average of 80 tonnes per hectare. The Burdekin also boasts strong fruit, vegetable, beef and aquaculture industries.

The Shire is further complemented by a variety of educational, health and sporting resources. The Shire has three high schools, numerous primary schools, pre-schools and day care centres, as well as a TAFE College and the Burdekin Agricultural College. The State Government also recently constructed a new \$12 million hospital for the area. Culturally, the Shire is home to the Burdekin Theatre, a well recognized cultural venue in Queensland, the Burdekin Memorial Hall, a modern well-equipped Library and active local arts and cultural associations. After hours, the Shire offers fabulous restaurants and night time entertainment for all ages.

The Burdekin Shire Council retains its progressive and innovative attitude to development. Several emerging investment opportunities have been recognized for the Burdekin Shire, including: Sugar Cane Value Adding, Aquaculture, Lifestyle, Business and Industry, Nature Based Tourism and Agriculture.

The completion of a \$4.3 million joint State Government and Council project has seen the town centre of Ayr dramatically revitalized through tree plantings, street furniture and vibrant public art works. In Home Hill, the project has resulted in the building of a Comfort Stop, with parking amenities, barbecues and art works for the enjoyment of locals. Tourists can also enjoy the area's beautiful natural sights, top Barramundi fishing, dramatic cane fires and friendly, rural hospitality.

Mayor's Review



This 2006/2007 Annual Report highlights the vast extent of Council's activities and programmes delivered over the last twelve months and offers valuable information to residents, business, Government departments, and financial institutions.

Firstly, I take this opportunity to welcome Mr. Ken Holt to the organisation, who came to the Burdekin in July 2006 to take up the role as our Chief Executive Officer. Ken has worked for other Local Governments in Australia and brings with him a diverse range of experiences in a number of management areas, including human resources, finances, and administration.

The main focus at Burdekin Shire Council is to deliver services to the community and be the catalyst for capital investment in the district's infrastructure and assets. Council's total operational and capital outlay for the period was \$37.4 million. One of the major capital projects funded in the 2006/2007 Works Programme was the completion of stage 1 of a four (4) year program to bitumen widen streets between existing kerbing and channelling, and bitumen other streets in the urban areas of the Shire. Burdekin Shire Council provided approximately \$1 million to complete the first stage of this project.

All Projects identified in Stage 2 of the Ayr and Home Hill Central Business District Revitalisation Project have been completed with the exception of the revitalisation of the Burdekin Theatre forecourt which is expected to be completed by the end of 2007. The CBD projects are a terrific catalyst to stimulate confidence and investment in our district.

As this country's 'sea change' and 'tree change' phenomenon continues, and the mining industry continues to flourish in the region, greater interest is being shown in the Burdekin as an attractive and viable investment option. This is evident by the number of building approvals in the Shire over the last twelve months, which grew by 22%. With its abundant supply of natural resources, the Burdekin has much to offer potential investors, and Council continues to work with them and State and Federal Governments to promote and develop our district as an ideal location for new and diversified industries. It's an exciting time for the Shire and we are looking forward to continuing the momentum.

Financially, the Shire has reduced its debt from \$12.1M to \$11.6M in the previous year. We face the ongoing challenges of balancing the expectation of our residents for the continuation of high levels of services and excellent facilities, against the rising costs of providing them. Residents will be aware of the increases in the costs of fuel, contractors and construction materials which the Council has to contend with.

The Local Government Reform recommendations released in August, 2007 revealed that Burdekin Shire would remain as is and not be amalgamated with any other council. This was great news for the community and a strong vote of confidence in the financial sustainability and independent community of interest of the Shire.

Burdekin is fortunate to have a caring community clearly evidenced by the large number of organisations in the Shire, whose members offer generous support to others through their volunteering of skills, time and effort. The value of volunteer contributions in our Shire is priceless and very much appreciated, and I thank all our volunteers for their willingness to give freely to their community.

Council's ability to adapt to change and meet the expanding needs of the community is demonstrated through the commitment of its staff who work tirelessly for the betterment of the Burdekin community. The achievements and diverse activities covered in this report reflect the positive outcomes achieved by Council, and I offer my sincere thanks and gratitude to Councillors, staff and residents who strived to make the Burdekin Shire the best rural community in Australia in which to live.

Lyn McLaughlin
Mayor

Chief Executive Officer's Review

It was a year of change for the Council. The organisational culture shifted towards performance measurement and management. These things, which existed in pockets of the council, are spreading to the entire organisation. The first step of a journey is often the most difficult. We have a long way to go, but we took those first steps and are on the path of continual improvement.



The new customer service centre is a prime example of the changes. This great initiative brings many benefits. It allows us to capture more information about our customers' needs, and this information will shape how we provide services in the future. We measure the time taken to answer the telephone and the time taken to complete customer requests. Armed with this knowledge, we will continually improve our services.

The year ahead holds great promise. The Burdekin Shire avoided amalgamation with other councils, which I believe was the best result for our community. This Shire's character differs greatly from that of the neighbouring areas. Standing alone is far better than being merely the fringe of some other place. While other councils are in post-amalgamation disarray, we can consolidate our recent improvements and focus on responding to the community's needs.

Ken Holt
Chief Executive Officer

Councillors



CR. LYN MCLAUGHLIN

The Mayor, Cr. McLaughlin is Chairman of a number of Committees including the Burdekin Shire Council Local Disaster Management Group, Burdekin Cultural Complex Board, Aerodrome Advisory Committee and Burdekin Community Coordinated Transport Advisory Committee.

She is also a member of Council's Enterprise Bargaining Committee, Burdekin Shire Rivers Improvement Trust and the Burdekin Be Active Advisory Committee.

Cr. McLaughlin represents the Burdekin Shire on numerous regional based organisation including North Queensland Regional Organisation of Council, North Queensland Regional Development Strategy Group, Ministerial Regional Communities Forum, North Queensland Sports Foundation and the Burdekin Regional Advisory Group.



CR. MARK HAYNES

Cr. Haynes is the Deputy Mayor and is also a member of the Burdekin Cultural Complex Board, Ayr Chamber of Commerce and the Burdekin Neighbourhood Centre.



CR. MARK CASTELANELLI

Cr. Castelanelli is a member of the Aerodrome Advisory Committee.

Cr. Castelanelli is also a Council representative on a number of external organisations including the North and South Burdekin Water Boards, North Queensland Sports Foundation and the Regional Management Committee for Rural Water Use Efficiency.



CR. PIERINA DALLE CORT

Cr. Dalle Cort is a member of the Quality Improvement Team, Equal Employment Opportunity Committee, PCYC Organising Committee and Pest Management Working Group.

Cr. Dalle Cort is also a member of the Ayr Chamber of Commerce and the Building Safer Communities Action Team.



CR. ROSS GAMBINO

Cr. Gambino is a member of the Enterprise Bargaining Committee.

Cr. Gambino is also a Council representative on the Tourism Advisory Committee to the Townsville Enterprise Ltd., the Burdekin Landcare Group and the Regional Arts Development Fund Committee.



CR. JIM GIST

Cr. Gist is a member of the Enterprise Bargaining Committee and Internal Audit Committee.

Cr. Gist is also a member of the Home Hill Chamber of Commerce.



CR. ROSS LEWIS

Cr. Lewis is Chairman of the Burdekin Road Safety Advisory Committee.

Cr. Lewis is also a Council representative on the Burdekin Shire Council Disaster Management Group, Workplace Health & Safety Committee and Internal Audit Committee.



CR. TREENA LIST

Cr. List is a member of the Burdekin Cultural Complex Board, Brandon Heritage Precinct Steering Committee, Regional Arts Development Fund Committee and Health and Environmental Services Regional Organisation of Councils (HESROC).

Cr. List is also Chairman of the Carols in the Park Sub-Committee Meeting.



CR. LOU LOIZOU

Cr. Loizou is currently a member of the Burdekin Shire Council Disaster Management Group, Burdekin Shire Rivers Improvement Trust and Burdekin Crimestoppers.



CR. ROBERT MARRIOTT

Cr. Marriott is a member of the Workplace Health & Safety Committee and the Aerodrome Advisory Committee.

Cr. Marriott is also a Council representative on the Burdekin Cultural Complex Board and the Burdekin Bowen Integrated Flood Plain Management Advisory Committee (BBIFMAC).



CR. LYNDY MCCATHIE

Cr. McCathie is a member of the Burdekin Cultural Complex Board, Local Authority Waste Management Advisory Committee (LAWMAC) and the Burdekin Community Association.

Cr. McCathie is the Chairperson of the Education Training Advisory Group (TAFE) and is a member of the Institute Council for Barrier Reef Institute of Tafe and the Ayr Chamber of Commerce.

Council's Mission and Values

Mission Statement

"The role of the Burdekin Shire Council is to strive to make the Burdekin district the best rural community in Australia in which to live."

Values

How we achieve our mission is as important as the mission itself. Fundamental to success for the Council are these basic values.

Commitment to the Organisation – a commitment by Councillors, management and employees to achieving the objectives of the Council.

Openness, Honesty and Trust – to provide an organisational culture that expects openness, honesty and trust and engenders these principles in its work with the community.

Best Practice, Productivity, Innovation and Continual Learning– a commitment to ongoing development of skills and knowledge of Councillors, management and employees to deliver outcomes underpinned by continuous improvement, best practice and innovation.

Teamwork – to recognise the importance of maintaining a stable work environment in which Councillors, management and employees work constructively together in a spirit of teamwork, trust and loyalty.

Customer Focus – to recognise and value the importance of our customers and to deliver excellence in services provided to both our external and internal customers.

Community Awareness and Wellbeing – to respond to the realistic and prioritised needs of the community and to embrace the principles of community wellbeing linked to ecological sustainable development and regard resource management as resource stewardship for the future, to help build an integrated, accessible community.

Fairness, Equity and Ethical Behaviour – to recognise that fairness, equity and ethical behaviour should underpin all decisions made by Council, management and employees in dealings with internal and external customers and is based on respect for others.

Valuing People – to recognise our ratepayers, citizens and employees as our greatest asset and to value their contribution and commitment to the Burdekin Shire.

Corporate Governance

Corporate Governance

The Australian National Audit Office has defined Corporate Governance as follows:-

“Corporate Governance is about formalising and making clear and consistent the decision making processes in the organisation. An effective system of corporate governance will help facilitate decision-making and appropriate delegation of accountability and responsibility within and outside the organisation. This should ensure that the varying needs of the stakeholders are appropriately balanced; that decisions are made in a rational, informed and transparent fashion; and that those decisions contribute to the overall efficiency and effectiveness of the organisation.”

The Council is committed to high standards of corporate governance and accountability and seeks continuous improvement in this area.

Local Government Act 1993

The Local Government Act 1993 is the legislation under which the Burdekin Shire Council is constituted and contains detailed reporting and operational requirements, which the Council has a duty to comply with.

The governance framework, applicable to Local Government, is generally more complex than in the private sector. Local Government tends to have broad objectives with wide reaching impacts on the community as distinct from private organisations where the overriding obligation is to maximise the return to shareholders. Local Government must recognise the wider public interest issues associated with the delivery of public services while still ensuring the efficient and effective delivery of services.

In common with the private sector, Local Government has to respond to a complex set of stakeholder and legal requirements, particularly regarding financial reporting. In addition, Local Government has to satisfy public accountability requirements.

The Local Government Act 1993 clearly distinguishes between the role of the elected members of the Council and the Chief Executive Officer. The separate roles of the elected members and the Chief Executive Officer are more fully described in the Local Government Act.

Committees and reporting structures

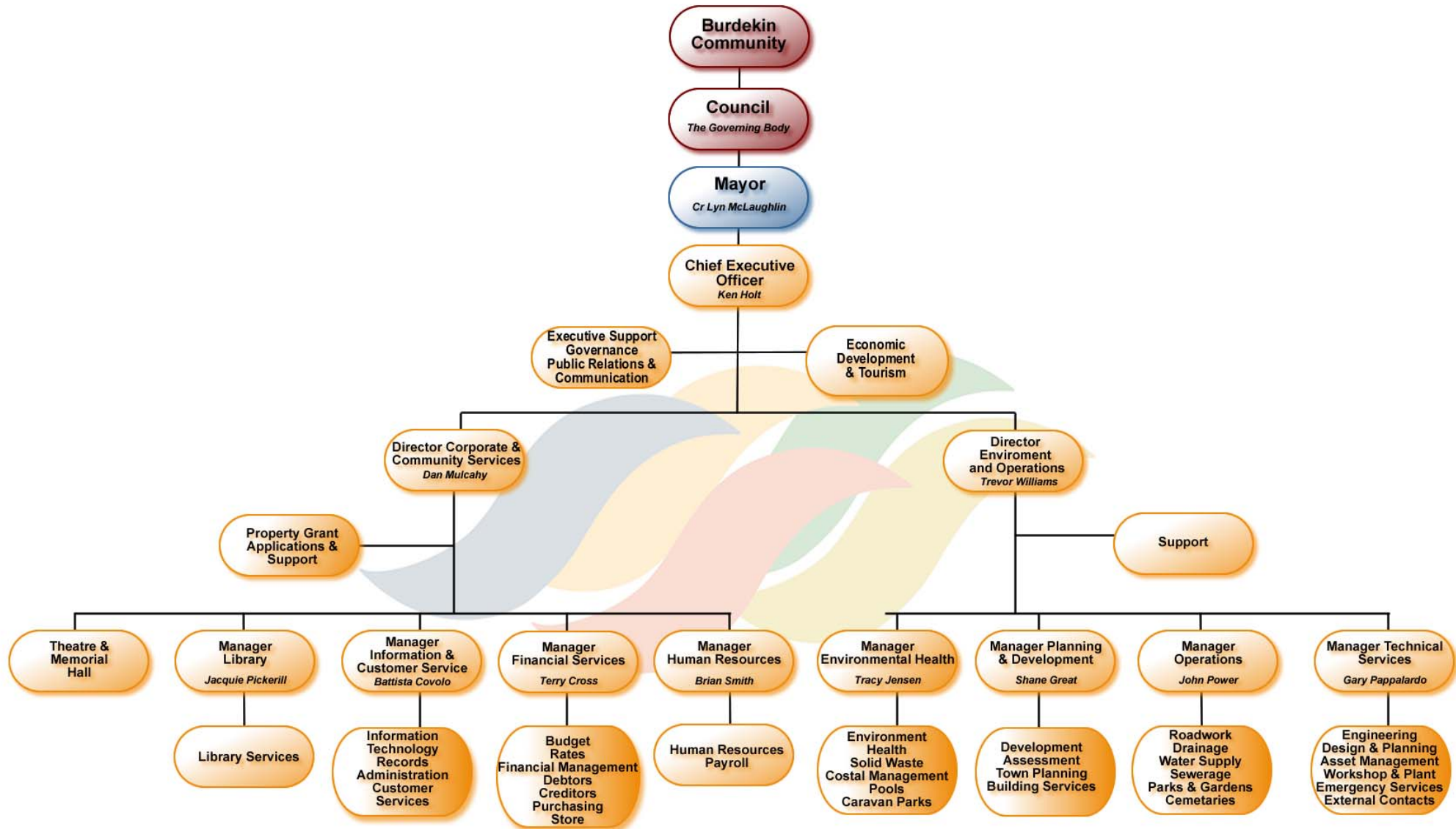
The Council has the following basic meeting structure for managing its business:

- Ordinary Council meetings – generally on the 2nd, 3rd and 4th Tuesday of each month.

Other advisory committees have also been established. Any changes to meeting times and dates are advertised in the local media. All Council and Committee meetings are open to the public.

Organisational Structure

The Organisational Structure as at 30th June 2007



Elected Members & Senior Executive Officers

Elected Members & Senior Executive Officers as at 30th June, 2007



Back (L to R) - Cr. J. Gist, Cr. R. Lewis, Cr. L. Loizou, Cr. M. Castelanelli, Cr. R. Marriott, Cr. R. Gambino,
 Front (L to R) - Cr. T. List, Cr. M. Haynes (Deputy Mayor), Cr. L. McLaughlin (Mayor), Mr. K. Holt (Chief Executive
 Officer), Cr. L. McCathie, Cr. P. Dalle Cort.

<p>MAYOR Cr. Lyn McLaughlin M.S 54, Ayr (Telephone 4782 6954)</p>		<p>Cr. Mark Haynes (Deputy Mayor) 74 Hillier Street, Brandon (Telephone 4782 5223)</p>
<p>Cr. Mark Castelanelli P.O Box 648, Ayr (Telephone 4782 6783)</p>	<p>Cr. Pierina Dalle Cort 19 Sydney Street, Ayr (Telephone 4783 4495)</p>	<p>Cr. Ross Gambino 11 Cameron Street, Ayr (Telephone 4783 3939)</p>
<p>Cr. Jim Gist 80 Ninth Avenue, Home Hill (Telephone 0427 101 392)</p>	<p>Cr. Treena List P.O Box 550, Ayr (Telephone 4783 6636)</p>	<p>Cr. Lou Loizou Daniel Road, Home Hill (Telephone 4782 0141)</p>
<p>Cr. Robert Marriott P.O Box 290, Home Hill (Telephone 4782 2961)</p>	<p>Cr. Ross Lewis P.O Box 528, Ayr (Telephone 0418 180 274)</p>	<p>Cr. Lyndy McCathie 130 Wilmington Street, Ayr (Telephone 4783 2932)</p>

In addition to the above formal meeting structure, the Council at its discretion will appoint sub-committees of Councillors and staff to examine particular issues and/or consult with external stakeholders in relation to particular matters. Recommendations from these sub-committees are then brought to the Council for consideration.

Furthermore, the Chief Executive Officer also schedules executive meetings comprising of Directors and Managers to discuss organisational issues.

Leadership and strategy

Elected Members as representatives of residents and ratepayers provide community leadership and guidance and facilitate communication between the community and the Council. The Mayor must ensure the carrying out of the local government's decisions and may provide advice to the Chief Executive Officer on the implementation of Council decisions.

A number of documents collectively guide the organisation. These are:

- **Corporate Plan**
This plan has a five-year timeframe covering all of the major activities of the Council. It is influenced by the general community, elected members and staff views in setting medium term objectives. The Corporate Plan is reviewed annually by the Council.
- **Annual Budget**
This document expresses the objectives, plans and resources associated with the first year of the Corporate Plan. The Budget is adopted each year by Council.

Support for Elected Members

The Chief Executive Officer, through an effective support process provided by the Local Government Association of Queensland, ensures Elected Members understand their roles and responsibilities and are able to add value and bring independent, informed and objective judgements to bear on the governance and decision making process of the Council. An induction programme is provided to all new Councillors on appointment.

The Council's Budget enables elected members to attend conferences, seminars and/or workshops in order to improve their knowledge in the various areas that make up Local Government.

Ethics and values

A Code of Conduct for Councillors was adopted by Council on 1 March, 2006. In addition a draft Code of Conduct for Employees was prepared.

The Chief Executive Officer and employees are required to follow all policies and guidelines adopted by Council, as well as the requirements of the Local Government Act. An important area for corporate governance and in the relationship between the Council and its stakeholders is in the area of purchasing, which the Council has a detailed policy to guide all employees in relation to procurement activities.

The Chief Executive Officer maintains Material Personal Interest Registers for all Councillors and designated senior officers. In addition, there is a register of gifts maintained to record any gifts offered to Councillors and staff.

Monitoring and review

The Council has a number of instruments in place to ensure that performance is continually monitored and reviewed and that corrective action is taken where required.

- **Financial Reporting**
Accrual based financial reports are normally prepared and submitted to Council on a monthly basis to satisfy financial accountability requirements. The Annual Budget is revised at least twice per year.
- **Operational Plan Reporting**
Operational Plans are firstly adopted by the Council to reflect programmes, priorities and projects included in the Annual Budget. The operational plan is then reported on at quarterly intervals to the Council.
- **Annual Report**
An Annual Report, which includes financial and activity statistics, as well as a full set of the audited financial statements, are produced for the Council and other interested parties.

Risk Management and Internal Control

Council meetings are held regularly and elected members are given adequate notice of meetings, which comply with the prescribed statutory requirements. Where ever possible, agenda items and relevant material are provided prior to the meetings to enable informed discussion by the elected members. Minutes of meetings accurately reflect the decisions taken by the Council.

The Council has implemented other strategies and/or is developing other strategies to achieve effective risk management and internal control including the following:

- Limits of authority are delegated and appropriate processes are outlined in respect of purchasing.
- Position Descriptions are established for all staff positions.
- Policies are currently being documented in a policy register, which is accessible on the Intranet for all staff. Older policies require periodic review to determine their currency.
- An audit committee has been established to review external audit reports and monitor appropriate internal control frameworks.
- An auditor appointed by the Queensland Auditor-General audits Council annually. The Council's current auditor is Moore Stephens. This provides a statutory mechanism for an external review of Council's financial operations and other corporate matters affecting the sound management of the organisation.
- The adequacy of Council's insurance coverage is checked on an annual basis in consultation with our insurance brokers.
- The Council is a member of the QLD Local Government Workcare Scheme, which is a self insurance scheme for workers compensation claims. To remain a member of the scheme, the Council is committed to implement a Workplace Health & Safety Management Program titled SafePlan.
- A Workplace Health & Safety Committee made up of employees and Councillor representation, monitors incidents in the workplace and recommends preventative action.

Legislative Administration and Compliance

Legislative Responsibility

The Council must comply with all of its statutory obligations, not only of the Local Government Act but also of the many other legislative requirements which impact on its activities. Examples of such legislation include elections, workplace health and safety, GST, fringe benefits tax, planning and building, freedom of information, employment and environmental legislation to name just a few.

Local Government has such a broad range of legislative requirements, more complex than the private sector or more narrowly focused organisations, so it is important Council can be assured compliance is taking place.

Industry bodies such as the Local Government Association of Queensland and the Department of Local Government play a significant role in communicating legislative requirements and changes.

Activity Statistics

The following indicators have been selected as a guide or measure of the activities of the Council.

	2006/07	2005/06
Average Net Rates Per Residential Property (<i>Excluding Fire Levy</i>)		
- Ayr	\$1,660	\$1,546
- Home Hill	\$1,381	\$1,229
- Brandon	\$1,598	\$1,463
- Giru	\$1,108	\$1,043
Level of Gross Rates Arrears (<i>Excluding Fire Levy</i>)	\$275,671	\$546,940
Number of Building Approvals	361	464
Dollar Value of Building Approvals	\$17,613,036	\$11,440,439
Number of Building Approvals (Private Certifiers)	88	30
Dollar Value of Building Approvals	\$5,701,364	\$2,151,747
Number of Building Approvals (other Local Government Areas).	720	425
Dollar value of Building Approvals.	\$44,442,624	\$28,825,793
Number of Material Change of Use Impactment Assessment	11	13
Number of Material Change of Use Code Assessments	22	10
Number of Reconfiguration Applications	70	39

Performance Indicators

The following ratios and performance indicators have been calculated from the 2006/2007 Financial Statements.

Financial

	2006/2007	2005/2006
Revenue Ratio The percentage of council's total operating income derived from rates and charges. Indicates Councils dependence on rates and charges revenue.	74.3%	73.3%
Working Capital Ratio Council's ability to meet current commitments	4.1:1	3.9:1
Debt Servicing Ratio The percentage of total operating income used to service debt	9.7%	11.4%
Borrowing Ratio The relationship between total borrowing and total operating income	39.3%	43.6%
Rates Arrears Ratio The effectiveness of council's collections of rates and charges	1.3%	2.7%
Capital Expenditure Ratio Ratio of capital expenditure to depreciation	123.9%	100.6%
Unfunded Depreciation Ratio Percentage of annual depreciation expense not funded from current revenue	0%	0%
Change in Community Equity Ratio Percentage change in council's net wealth	6.4%	53.2%

The following ratios and performance indicators have been submitted for the 2006/2007 Comparative Performance Information prepared by the Department of Communication, Information, Local Government, Planning and Sport.

Personnel

	2006/2007	2005/2006
Number of employees per 100 capita	1.15	1.06
Wages and Salaries as a percentage of total operating expenditure	47.47%	49.43%
Number of employees per \$1,000,000 total operating expenditure	9.37	9.97
Percentage of work time lost due to accident	0.15%	0.20%

Waste Management Services

	2006/2007	2005/2006
Waste collection costs per property serviced	\$128.52	\$117.73
Total tonnage of refuse collected per property serviced	0.63	0.60
Total tonnage of refuse collected per bin serviced	0.55	0.52

Road Maintenance Services

	2006/2007	2005/2006
Road Maintenance expenditure per laned kilometre – sealed roads		
Urban	\$1,302	\$1,329
Rural	\$614	\$451
Total	\$764	\$623
Road maintenance expenditure per laned kilometre – unsealed roads	\$1364	\$1,240
Percentage of sealed roads 'resealed'		
Urban	5.7%	11.07%
Rural	6.27%	8.05%
Total	6.14%	8.64%

Parks and Gardens

	2006/2007	2005/2006
Cost of maintaining parks and gardens per hectare maintained	\$26,283	\$19,891

Burdekin Shire recognises achievers at Australia Day Celebrations on Wednesday, 26th January, 2007

The Burdekin community celebrated Australia Day at a ceremony held at the Burdekin Memorial Hall, Home Hill and acknowledged the achievements, dedication and outstanding service of some of its prominent citizens and community groups.

Norm Perry - Citizen of the Year
Jarrod Rossato – Young Citizen of the Year
Daniela Tama – Young Citizen of the Year
Carol Betteridge – Senior Sports Award
Michael Coppo – Junior Sports Award
Brienne Rossato - Junior Sports Achievement Award
Branden Holt - Junior Sports Achievement Award
Ray Coppo – Sports Administrator Award
Merle Turner – Senior Cultural Award
Matthew Derlagen – Junior Cultural Award
Nathan Winn – Junior Cultural Achievement Award
Delta Iron Works Centenary Celebrations – Community Event of the Year
Twelve & Under State Primary Tennis Championships – Community Event of the Year Achievement Award



Mayor Lyn McLaughlin and 2007 Citizen of the Year, Norm Perry

Citizen of the Year

The 2007 Australia Day Citizen of the Year, Norm Perry was nominated for his outstanding contribution to the local community through the Ayr Rotary Club and various other groups including the Burdekin Water Festival, Church Groups and the Tourism Association. He has been a member of the Ayr Rotary Club since 1977 and has been recognised as a Paul Harris Fellow for Club service and community involvement.

If there is a community building needing painting – he is the first there to do his bit. If there is a community event – he will be there to man the Barbecue stall or sell tickets. If Meals on Wheels are short of a volunteer, they know they can call him anytime to man the kitchen or deliver meals. He has walked the streets participating in Door Knock Appeals for many organisations.

He is a man who rises to the occasion whenever there is a need, quietly and unceremonially, and always with a smile. His example of involvement in the community teaches all ages there is value in putting others before yourself. He continues to give unselfishly to his community in an astonishing number of ways, even though he has entered his eighth decade.

He is an inspiration to all older folk who can learn that a person does not give up life in retirement but can find many ways to be active and a valuable member of the community. As a dedicated husband, father, grandfather and great grandfather he is certainly a role model for the younger generation. This day was a special day for him, not only because he was the recipient of this Award, but also because he and his wife celebrated 50 years of marriage.

Young Citizen of the Year

This year due to the high standard of nominations, the judges awarded the honour of being named Australia Day Young Citizen of the Year to two remarkable young people very worthy of this recognition.

The first recipient, Jarrod Rossato contributed to the local community in a number of ways namely through sport, cultural activities and community services. He continues to be a good role model to his peers by unselfishly giving of his time to serve the community. He has attended leadership camps (at both branch and state levels) as an assistant leader for the last three years for the lifesaving movement and attended a special Palm Island Holiday Camp for indigenous youth.

He was heavily involved in his school and wider community in many areas and showed commendable leadership qualities. He sets a good example to others to get up and have a go at a wide range of activities, being recognised by his school with the Senior Cultural Award, Rotary Community Service Award and the Caltex Best all Rounder Award. He was also the district's winner of Lions Youth of the year for 2006.



Daniela Tama (Young Citizen of the Year), Mayor Lyn McLaughlin and Jarrod Rossato (Young Citizen of the Year)

The second recipient, Daniela Tama has been very active in the area of citizenship over the past year making a strong contribution to the Burdekin community through various activities. She has been a very active member of her school community through a number of committees and fundraising projects.

She inspired many of her peers to become involved in fundraising activities that benefit the local and global community. This was all done with little fuss and genuine enthusiasm that others find infectious. Many of her acts of citizenship come from her enjoyment of cultural activities and her desire to share this love with others. She was also 2006 Youth Mayor for the Burdekin Shire Youth Council.



Carol Betteridge (Senior Sportsperson of the Year) and Mayor Lyn McLaughlin

Senior Sports Award

The 2007 Australia Day Sports Award recipient, Carol Betteridge was nominated for her outstanding achievement in the sport of clay target shooting.

Her achievements include:

- Second in grade in the Northern Zone Point Score Championship at the zone carnival held in Townsville in January 2006.
- Won grade in the Northern Zone Double Rise Championship at the zone carnival held in Townsville in January 2006.
- Selected in the Northern Zone Women's team to represent the zone at the State Carnival in 2007.
- Had the highest score in the women's competition at the Northern Zone Carnival held in January 2006.
- Won the grade high gun at the Northern Zone Carnival in January 2006.
- Won the National Double Barrel Championship at the National Championships held in Wagga Wagga in April 2006. There were 81 women competing in this event.
- Second in the National Single Barrel Championship at the National Championships in April 2006 and was placed fourth in the Grade Section in this event. There were 79 women competitors in this event and 234 competitors in the Grade Section.
- Placed 20th overall in the Women's Section for the Championships of a possible 87 shooters.
- A member of the Women's Australian McIntosh team in 3rd position of five. This team determines the placings for the Australian Shoulder to Shoulder Team to shoot the World Championships.
- Selected in the Women's Australian B Team for the World Championships held at Wagga Wagga in April 2006.

Junior Sports Award

The 2007 Australia Day Junior Sports awardee, Michael Coppo was nominated for his participation and success in the sport of soccer. He has been competing in Burdekin, North Queensland and Queensland representative teams since the age of nine. At age thirteen he played in the U18 Colts Townsville Competition with special clearance obtained from the North Queensland Director of Coaching to play in a senior competition. He is the Captain of the Burdekin Colts Team and was awarded the 2006 Burdekin Colts player of the year.

Also in 2006 he played for the Burdekin Premier League Side in the Open Men's Townsville Competition (one of the youngest players ever to play at the highest senior level). In 2006 he was also selected in the Burdekin Invitational team to play against Queensland Roar at Burdekin International Park with players being selected from Mackay, Townsville and Burdekin.

Other achievements include:

- 2005 - Queensland Academy of Sport Scholarship Holder – Regional Training Programme
- 2006 – North Queensland Sport Development Bursary Awardee
- 2006 – Member of Queensland Football Tour of United Kingdom

He also coaches the St. Francis "Saints" U13/14/15 soccer team competing in the local competition. This team was Premiership and Grand Final winners for 2006. His aim in passing on his knowledge from his representative duties is to encourage young players to keep on playing the game to a senior level.



Branden Holt (Junior Sports Achievement Awardee), Brianne Rossato (Junior Sports Achievement Awardee), Mayor Lyn McLaughlin and Michael Coppo (Junior Sports Person of the Year)

Junior Sports Achievement Award

The Australia Day Council made provisions for Council to present an Achievement award to an individual who has made a significant contribution to their community or given exceptional service to the community. This year the Judges decided to present two achievement awards in the Junior Sports Category.

The recipient of the first achievement award, Brianne Rossato was nominated for her hard work, commitment and high achievements in a wide range of sporting endeavours including Life Savers, Swimming and Athletics. She is a good role model for her peers by showing good sportsmanship and displaying a never say die attitude. She always encourages others to participate fully and always give their best, as she herself does.

Records she has set during the past year include:

Local School level – Cross Country; Athletics – Shotput, 800m; Swimming – Freestyle, Butterfly, Breaststroke.

A-School level – 800m

Burdekin Schools level– Cross Country; 800m

Athletics North Queensland level – 1500m

Club Athletics level – Shotput, Triple Jump, 1500m, 800m, 400m.

Swimming Club – 100m butterfly, 100m Individual Medley and 100M Breaststroke. She is a remarkable all round Junior Sports person.

The recipient of the second achievement award, Branden Holt was nominated for his contribution to the community by representing the Burdekin district in a number of sports both at school and club level. He has represented Burdekin and North Queensland in touch football, swimming, track and field, and soccer.

In 2006 he concentrated on his soccer and set his sights on selection in the Queensland Country team. In September last year as a Queensland Country player he represented his state at Coffs Harbour for the National Titles. He has been an inspiration to a lot of younger soccer players who wish to follow in his footsteps by representing the Burdekin, North Queensland and possibly their State. He is a quiet achiever who gives 110% for whomever he may be representing in sport.



Ray Coppo (Sports Administrator Awardee) and Mayor Lyn McLaughlin

Sports Administrator Award

The 2007 Australia Day Sports Administrator Awardee, Ray Coppo was nominated for his outstanding contribution and dedication to the sport of soccer.

He is a life member of the Burdekin Soccer Club and has been involved in Soccer in the Burdekin for well over thirty years. He has been a player and administrator with the Burdekin Soccer Club since 1976 and has coached senior and

junior teams at both club and representative level. He has been on a number of committees and at the moment is on the Burdekin Soccer Club Committee as well as the Lando Carnival Sub-Committee and the Delta Cleaners Night Soccer sub-committee. He is the driving force for the amalgamation of senior and junior soccer in the Burdekin and the development of the existing senior complex at International Park to accommodate the Junior players. However it is in the administration of the Night Soccer competition that he has excelled.

He has been responsible for the smooth running of Night Soccer for the last 28 years – a major achievement. The Night Soccer competition started with eight teams in 1979. In 2006 the competition has 52 senior teams and 19 junior teams. Night Soccer is the Burdekin Soccer Club's main fundraising activity of the year and the development of International Park has been carried out entirely with money raised by this competition. International Park is the envy of clubs throughout Queensland and the recipient of this Award has been significant in achieving that. He is a mainstay of soccer in the Burdekin.



Mayor Lyn McLaughlin and Merle Turner (Senior Cultural Awardee)

Senior Cultural Award

The 2007 Senior Cultural Award recipient, Merle Turner has made an outstanding contribution to our local community with her musical talent and happy nature. Her love of music has shone through all phases of her life and even today her name is always linked to music. Two generations of local children have been taught the love of music under her tutelage. She has always given freely of her time and talent whenever asked to do so. She has played at numerous functions over the years and her trusty organ was always ready to go anywhere.

Morning Teas, Lunches and Dinners, playing for Church events, local Cancer fund functions, Lions, C.W.L., and Masonic Functions to mention just a few. She entertains at the Hostel for the Aged in Home Hill and she and her singers give the oldies much pleasure. Many feet can be seen tapping and the residents join in the singing. She also plays for the Dance every Saturday night at St. Helen's Church Hall and the regular attendees will attest to the delight her music brings. She is a much respected member of the Burdekin Community who has given much pleasure to the public through her music over the last fifty years.

Junior Cultural Award

The 2007 Junior Cultural Awardee, Matthew Derlagen was nominated for his regular participation in many community events both as a solo performer and in larger groups. Due to his willing nature he will often be contacted at short notice to perform, and he has responded quickly and professionally in all instances. He has performed in many musical productions since the age of ten. He has participated in Junior Eisteddfod competitions in both the Burdekin and Townsville since 1998, receiving many first and second place awards. Some of his Musical Theatre Experiences include Burdekin Singers and Theatre Co. productions such as "The Three Musketeers", "Back to the 80's", "Honk" and "Disco Inferno".

He has also performed and held the lead role in a number of School Theatre productions for both St. Francis Primary School and Burdekin Catholic High School. Other Achievements include a Pursuit of Excellence Award for Speech and Drama at the Burdekin Junior Eisteddfod, the Burdekin Catholic High School Jason Reichman Memorial Shield for Cultural Pursuits and the Burdekin Interschool Drama Festival Award of Excellence. He is a highly regarded member of the Burdekin community due to his contribution to local community and school based cultural events.



Nathan Winn (Junior Cultural Achievement Awardee), Mayor Lyn McLaughlin and Matthew Derlagen (Junior Cultural Awardee)

Junior Cultural Achievement Award

The recipient of the Junior Cultural achievement award, Nathan Winn, started learning the Drums at the age of eight. At the age of 9 he was accepted as a member of the Lower Burdekin Caledonian Pipe Band and was tutored in the art of playing the Tenor or Side Drum. As a member of this Band, he has participated in numerous Anzac Day Parades (both in Ayr and Home Hill), Bowen Gem of the Coral Coast parades, Water Festival parades, Ingham Maraka processions, Harvest Festival processions, and numerous other local community events.

As a member of the Ayr High School Concert Band and School Stage Band he has participated in many school and community events. He has been the lead drummer of the Stage Band since 2004. His interest in music has grown steadily over the years and he has taught himself (with help from some friends) to play rhythm guitar as well as bass guitar. He is a founding member of the local rock band A14. This band's achievements are highlighted by winning the chance to play as support band for the Triple J One Night Stand concert.

He gives his time to help whenever he can and has also played music for local dancing concerts and also plays the drums for Mass at the Catholic Church occasionally. He is a good role model for the younger members of the community to show what you can achieve with consistent effort.



Mayor Lyn McLaughlin, Mrs. Alison Green and members of the Delta Iron Works Centenary Celebrations organising committee (Community Event of the Year)

Community Event of the Year

The 2007 Community Event of the Year, the Delta Iron Works Centenary Celebrations was held over two days and was the culmination of ten months of planning by a community committee comprising representatives of Delta Iron Works and the Green family, Burdekin Shire Council, Returned Services League (Ayr Sub Branch), Burdekin Machinery Preservationists Society, Brandon Heritage Precinct Steering Committee and Burdekin Family History Association. As part of the event a festival titled "Celebrating 100 years of Industry in the Burdekin" was initiated and hosted by the Delta Iron Works foundry on 23rd September, 2006 to celebrate its 100th year of operation in the township of Brandon.

The most significant part of the project was the creation and installation of a major work of public art in the township of Brandon. The new war memorial, a bronze sculpture of a First World War infantryman, was unveiled by the Chief of Army, Lieutenant General Peter Leahy AO. Media reports estimated the centenary celebration was attended by approximately 1,000 people. Those attending were mainly locals from the Burdekin district, although quite a number had travelled some distance. A large number of returned service members (some of whom had travelled from Townsville) participated in the war memorial unveiling ceremony.

The Burdekin Family History Society researched the families of the soldiers commemorated on the original memorial plinth and located some of their descendants. Community members came forward with old photographs and war stories. The project mobilised people, and as they got involved, old acquaintances were rekindled and community networks were revitalised. The sculpture was extremely well received and the quality of the artwork, the fact that the artist, Jane Hawkins, was born and raised in the Burdekin, and the presence of the Chief of Army to unveil the work were all acknowledged as significant achievements for a small country town.



Mayor Lyn McLaughlin and Mr. Wayne Steel, Organising Committee Member for the 12 & Under State Primary School Tennis Championships (Community Event of the Year Achievement Award)

Community Event of the Year Achievement Award

The achievement award recognises a four day event, the 12 & Under State Primary Tennis Championships, which brought approximately 250 visitors to the district from all areas of the state. This state tournament, run jointly by Education Queensland and the Home Hill Tennis Association, was sanctioned by Tennis Queensland. The organising committee worked tirelessly and co-operatively in planning the event, not only to attract a large number of people to the district as spectators, but also to co-ordinate the activities and competition for a large number of entrants from across Queensland.

The match planning schedule was based on the twelve Home Hill Tennis courts and to ensure that the timelines were met, matches were also scheduled in Ayr. As most of the visitors came from the southeast corner of Queensland and had not visited the Burdekin before, they were amazed by the facilities and the standard of the courts at the tennis clubs. The purpose of the event was to select a team of seven boys and seven girls from ninety-six players to compete at the National titles.

Due to the nature of the event, there was no prize money for the players who achieved selection into the Queensland team or for the recipients of the other awards. Small trophies and medallions were arranged for all the recipients and in many respects the kudos afforded to the juniors far outweighed any monetary awards.

The event made a significant contribution to the community financially by boosting tourism and by raising awareness in the state that small regional communities have the capacity to stage large events and run them very successfully. Tennis Queensland acknowledged the success of the event, short listing it for Tournament of the year at its 2006 Annual Awards Night. The organising committee is to be congratulated on a job well done.

Corporate and Community Services

Administrative & Financial Services

Achievements for the Year

- Establishment of a new Customer Service Centre involving building alterations, telecommunication reprogramming, new hardware installation and significant staff reorganisation. The objective of the Centre is to provide a more efficient and centralised area for service to Council's customers.
- Rating analysis and drafting and adoption of Council's 2007/08 budget, policies and four year forward estimates by 26 June, 2007. This was a first-time achievement of a June budget for Council.
- Achieved a moderate financial sustainability rating with a developing outlook from Queensland Treasury Corporation review of Council's financial capacity to service its current and future obligations.
- Ongoing recognition, valuation and recording of Council's Assets acquired and constructed during the year as well as revaluations for significant assets in the total asset base of \$449M.
- Obtained Federal and State employment grants of \$145,650 in respect of trainees under the Breaking the Unemployment Cycle initiative and continuing apprenticeships.
- Maintenance and repair of various Council-owned public buildings around the Shire including the Brandon Heritage Precinct.
- 102 meetings minuted and 715 invoices issued.
- Designed, registered and hosted Burdekin Theatre domain and website (<http://www.burdekintheatre.com.au/>);
- Converted storage of majority of Council electronic data from individual server storage to storage area network (SAN);
- Implemented new water meter readers and associated software to download into rating system;
- Relocated computer and internet equipment for Burdekin Tourism Association from old Courthouse in Home Hill to refurbished Railway Station building;
- Set up Bpay option for Debtor payments;
- Carried out upgrade of Council's PABX telecommunications system including new handsets, voicemail system and provision of call centre facility;
- Set up PC's for Open Space Technology Workshop supported by the Department of Communities and held at Burdekin Memorial Hall in August, 2006 and set up of PC's and wireless internet access for Burdekin Climate Change Forum & Expo held at Burdekin Memorial Hall in March, 2007.
- Upgraded speed of public internet facilities at the Ayr and Home Hill Libraries to 8MB/s and 1.5MB/s respectively.

- Rating analysis and drafting and adoption of Council's 2006/07 Budget and four-year forward estimates by 22 August 2006. This was a first-time achievement of an annual budget with four-year forward estimates for Council.
- Annual financial statements for 2006/07 achieved an unqualified audit opinion for presenting of a true and fair view of the Council's financial performance and position in accordance with prescribed accounting standards.
- Completion of all State Government financial planning requirements including annual & Five (5) Year Works Programs and 10 Year Cash Forecast to substantiate loan approvals.
- Compiled relevant data for Local Government Department of Finance Review and Comparative Performance Indicators for submission to Department for collation and publication and to gain increasing Commonwealth Grants funds of \$1.7M (\$1.5M 2005/06).
- Prompt and accurate fortnightly processing of creditors accounts throughout the year to in excess of 1500 customers.
- Prompt and ongoing provision of financial services to the Burdekin Cultural Complex Board Inc. staff and board members to support operations at the Burdekin Memorial Hall and Burdekin Theatre.
- Fortnightly salary and wages payments and related staffing matters dealt with accurately and promptly for workforce varying in size from 209 to 219 members including trainees and councillors.
- 50 Staff and workforce vacancies processed through the year.
- Rates arrears of 1.3% (\$275,671) compared with total net levies (\$21.88M) achieved by prompt and effective collection and follow up procedures.
- Annual rates season collections of \$20.3M from a \$21.9M levy of Council rates and State Government fire levies for 8,677 properties with 3,470 properties paid at Council Chambers and 5,057 properties paid at collection agencies.
- 1,533 property transfers processed by Rates staff during the year to maintain Council's rates and property database record.
- Progressive stocktaking procedures achieved more frequent stocktake checks with completion of the full year stocktake cycle by May and minor stock write-off.

Successful Funding Applications and Nominations

- Department of Local Government, Planning, Sport and Recreation's Queensland's 150th Legacy Infrastructure Program
Project : Relocation and Restoration of Burdekin Tractor - \$50,000
- Department of Local Government, Planning Sport and Recreation's Local Sport and Recreation Program
Projects: Shadecover over Marshalling Area – Ayr Pool - \$9,528
and Shadecover over Marshalling area – Home Hill Pool - \$5,266
- Queensland Transport's Regional Airport Development Scheme
Project – Resurfacing runway and erection of animal proof fencing – Ayr Aerodrome - \$163,590.
Project extended to include resurfacing of apron and taxiway areas – Total claim \$178,019

- Department of Emergency Services' State Emergency Service Subsidy Program
Project – Purchase of computers, monitors, printer and whiteboard - \$3,861
- Department of Agriculture, Fisheries and Forestry's Recreational Fishing Community Grants Programme
Project : Upgrade of facilities at Morris Creek Boat Landing - \$44,000
- Emergency Management Australia's Local Grants Scheme
Project : Purchase and installation of generator for community radio station - \$44,266
- Department of Agriculture, Fisheries and Forestry's Recreational Fishing Community Grants Programme
Project : Upgrade of facilities at Jerona Boat Landing Area - \$49,500

Total \$384,440 (excl GST)

Community and Cultural

Achievements for the Year

- Hosting of a major event - Burdekin Bridge 50th Anniversary Celebrations including the Museum, Anniversary Dinner, merchandising and Bridge Walk in June, 2007.
- Co-ordinated the very successful Burdekin labour campaign to address labour shortage issues in the sugar and horticultural industries. The television advertising campaign, which ran for 6 weeks in drought stricken areas of NSW and South West Qld resulted in the employment of 67 workers in the district.
- Civic receptions and community events arranged during the year included the People to People Student Ambassador Programme (over 3 month duration); Australia Day Celebrations; Morning Melodies; Senior Citizens Afternoon Tea; Youth Council Interschool Disco and Come 'n' Try Fitness and Fun Expo.
- Participation in Queensland Country Week in Brisbane on 6 to 8 July, 2007.
- Council has continued with its generous donations to welfare, cultural, sporting and community based organisations. A total of \$574,902 was provided to various organisations in the Shire in the form of cash or provision of services or sewerage charge rebates.
- Maintenance and upkeep was undertaken on the Burdekin Theatre, Memorial Hall, Library and the Support Centre including refurbishment of the bar area and carpet replacement at the Burdekin Theatre.
- Subsidies for sporting and cultural excellence were offered in accordance with Council's policy. Six (6) young people benefited from this subsidy totalling \$1,575.
- SES operations were funded in the amount of \$64,780 net of subsidies and contributions. New funding grants were received from Emergency Management Australia for construction of a joint facility for the Clare SES and Clare Rural Fire Brigade. Further funding is being sourced to finalise planning for this facility.

- Regional Arts Development Fund (RADF) Grants totalling \$19,603 were provided to thirteen (13) individuals or organisations, comprising \$7,841 Council funds and \$11,762 State Government funding.
- \$122,034 net was spent on Development and Tourism which included hosting of the Burdekin Bridge 50th anniversary celebrations; contributions towards the revamped Bountiful Burdekin magazine; and contributions to community events including the Burdekin Barra Rush, Burdekin Auto Festival, Burdekin Water Festival and International Food Fair, Home Hill Harvest Festival, Burdekin Grower Race Day, Clare Emergency Services Motorcycle Enduro, Ayr Show and Craft Spectacular.
- Total number of visits to the Burdekin Library was 63,796. In the Shire, 12,926 Library Members borrowed a total of 175,730 items. A total of 8175 items were purchased for the libraries, including over 1500 new magazines.
- Calico library bags featuring the library logo and website details were designed to further promote the library in the community. The bags have been available from July 2006 and can be purchased from the library as an alternative to plastic bags.
- A promotional CD has been designed by library staff to market library services and particularly lesser-used services. A Computer screen was installed in the foyer of the Burdekin Library in October 2006 to display the CD information during opening hours
- The Library in partnership with the Lower Burdekin Historical Society researched and developed a historical segment for the Shire website.
- Participation in the Heritage Outreach Services Project that involved assisting State Library of Queensland (SLQ) to form a more complete pictorial record of the state, to encourage and empower library staff to digitise local images, and make them available on-line. The Burdekin Library was one of six libraries chosen to participate in this project. The Burdekin Library scanned and indexed 150 local images to SLQ standards for inclusion online via Picture Queensland. This was completed in October 2006 and these local images will also be available via the Library website in the near future.
- A successful RADF grant application was made to engage youth to assist with improvements to the Young Adult area at Burdekin Library. The project was completed in January 2007 with the Burdekin Shire Youth Council co-ordinating the painting, selection of furniture and creating artistic works to be located in the Young Adult area.
- The Burdekin Library participated in Kids Book Biz, in partnership with Zonta and the Burdekin Theatre. Kids Book Biz was held in August to coincide with Children's Book Week. This included a children's art exhibition, based on their favourite books in the theatre and library, and awards presentations in the Music Loft. Approximately 650 children from 28 classes visited the Library for Book Week celebrations.
- 208 children attended 11 holiday activities which were conducted in Ayr and 164 children attended 11 sessions in Home Hill. 10 classes paid visits to the Library (approximately 240 children) while the Children's Librarian made 88 visits to schools, pre-schools and kindergartens during the year (approximately 1900 children).
- Approximately 729 children and 403 carers attended 40 Story Time sessions in Ayr, while 224 children and 142 carers attended 37 sessions in Home Hill.



Book Week Celebrations at the Burdekin Library - August 2006



Come n' Try – Fitness & Fun Expo
held in Anzac Park on Sunday 20th May, 2007



Members of the 2007
Burdekin Shire Youth Council



The New Customer Services Centre

Environment and Operations

Council's organisational structure changed in January 2007. The Environment & Operations Division was created from the previous divisions of Development & Environment and Engineering Services. Environment & Operations include the departments of Planning & Development, Environment & Health, Operations and Technical Services.

Planning & Development

Achievements for the Year

- 2006/2007 year has been a year of significant change in the Development department. The year saw a number of new appointments in the area of Plumbing Inspection, Building Certification and Development. As new officers were appointed the level of service from the relevant departments has improved considerably.
- Expert training of the new staffing resource has commenced and once new staff members are fully trained it will mean that the organisation can expect continual improvement in service delivery. Overall, there have been minimal complaints about service delivery in this high public contact area and the commitment of staff is to be congratulated.
- Independent departments such as building and plumbing are achieving the goals and objectives associated with Council's Operational and Corporate Plans.
- Council's Town Planning Department has continued with the implementation of Council's new IPA Planning Scheme. Adopted in 2006, an amendment to this scheme has begun and is nearing the adoption stage. This change to the original scheme will ensure that new residential areas are able to be developed to accommodate for the unprecedented demand the Burdekin Shire is currently experiencing in providing additional areas for future residential expansion. Once adopted, the planning scheme amendments will offer a clearer direction as to identifying future growth corridors for the urban areas of Ayr.
- Council provided planning and development services to its customers. 449 building applications (including 88 applications from external Certifiers) were processed with a dollar value of \$23.3M compared to \$13.6M in 2005-06. Private Building Certifier Services continued to be offered in other Local Government areas, with 720 building applications processed with a dollar value of \$44.4M compared with \$28.8M in the previous year.
- Within the Planning area, 33 material change of use and 70 reconfiguration applications were processed.

Environment & Health

Achievements for the Year

- Continued working with the Burdekin Dry Tropics Board with the two fully funded project officers within Council. These two officers have been helping Council with the development of improved Coastal Management and in planning for the future impacts of Climate Change.
- Continued the trial using a landfill compactor at the Kirknie Road Landfill. Results continue to indicate up to 50% saving in landfill space which will increase the life of this site and improve environmental outcomes.

- Implemented interim management arrangements for both the Ayr and Home Hill Swimming pools following the withdrawal of the contractor.
- Completed a review of the shire's Pest Management Plan. This involved working with a stakeholder group and promoting the key pests for the shire.
- Undertaking weed harvesting operations with Burdekin Dry Tropics for the removal of floating aquatic weeds on waterway systems in the Burdekin.
- Undertaking mosquito trapping and control trials to improve the effectiveness of the mosquito control program.
- Carried out regular patrols and investigation for problem animals to minimise the impact on the community.
- Undertook several school based education programs on responsible pet ownership.
- Successfully applied for Blueprint For The Bush funding for two projects. Removal of Prickly Acacia from two properties in the Home Hill area and the Coordinated Wild Dog and Feral Pig program throughout the HESROC region.
- The continued turnover and shortage of staff has impacted on the departments' ability to undertake all aspects of the Environment and Health program activities. Council has continued to advertise to try and fill vacant positions.

Council's own Envirolevy again saw a number of programmes that resulted in positive benefits to the local environment. Funds were provided supporting the following projects:-

• Herbicide subsidy scheme	\$37,355
• Waterways	\$26,736
• Lower Burdekin Landcare – Burdekin Delta Tree Guide	\$20,000
• Ellrott Plough Landholder Project – Yellow Gin Creek	\$17,750
• Fish restocking	\$10,000
• Sheepstation Creek	\$ 8,000
• Finance Cost Refuse Restoration	\$ 2,716
• Burdekin Dry Tropics Board Coastal & Natural Resource	\$ 2,358
• BBIFMAC support - Climate Change Forum & Expo	\$ 1,818

Operations

Achievements for the Year

- Council completed approximately \$6.3 M in new roadworks, reseals and road maintenance in the 2006/2007 financial year.
- Operated and maintained Council's Parks, Gardens, Cemeteries and Public Conveniences to a high standard. Street cleaning is also included in this operation
- Operated and maintained Council's Water Supply Systems for Ayr/Brandon, Home Hill, Giru and Mount Kelly with a high level of compliance with the Australian Drinking Water Guidelines.
- Operated and maintained the Wastewater Systems for Ayr/Brandon and Home Hill within the requirements of Environmental Licence.
- Both Water Supply and Wastewater Systems performed in compliance with adopted Customer Service Standards.

- External Audit of Water Supply and Wastewater Strategic Asset Management Plans (SAMP) successfully completed.
- Maintained and updated Water Supply and Wastewater System Total Management Plan, meeting regulatory review requirements. A ten year financial plan that ensures ongoing viability for the systems is included as part of this plan.
- Ongoing work on the telemetry SCADA equipment to the water and wastewater operating area to improve monitoring and data collection for these systems.
- Continued program of property inspection and facilitated installation and maintenance of private landholder trade waste infrastructure. Updating of Council's Trade Waste Policy completed.
- Maintenance and inspection of sewers continued using Council's high pressure cleaner and CCTV equipment

Major projects completed include:-

Bitumen Widening Program

- Completed the first year of the 4 year program to bitumen widen all urban streets with existing kerb and channel and gravel shoulders. Areas widened included Clare, Millaroo, Giru and parts of Ayr and Home Hill. Approximately \$1 million was spent on this work.

Roads to Recovery 2

- The Federal Government has allocated just over 1.67 million in a four year package under the Roads to Recovery 2 Program, and an additional \$318,000 in a R2R supplementary (one-off) program. Council constructed the following five projects in these programs:-
 - Breen Street (bitumen construction).
 - Chippendale Street (bitumen widening, drainage and kerb and channel).
 - Trent Road (bitumen construction).
 - Sandhills Road (bitumen construction).
 - Upper Haughton Road (bitumen widening).

Drainage

- Continuation of the Horseshoe Lagoon Drainage Scheme with the construction of new drainage channels to the value of \$203,000.
- Drainage maintenance of almost \$50,000 was carried out throughout the shire.

Footpath and Bikeway Construction

- Footpath construction in Chippendale Street from Queen Street to Airdmillan Road.
- Bitumen Construction and Reconstruction, Widening and Kerbing and Channelling was a major part of the works performed. Sections of Drysdale Street, Beach Road, Jerona Road, and Aivu Avenue were upgraded to improve standards in these areas.
- Carried out reseals to the Shire roads to the value of approximately \$940,000.
- Carried out general maintenance to roads to the value of \$2.17 million

Parks & Gardens.

- Completed installation of solar lights in Anzac Park in the vicinity of the skate park.
- Completed upgrades/installations of irrigation systems in Anzac, Coutts and Brolga Parks.

Water & Wastewater

- Completed installation of replacement sewerage pumps as required.
- Completed replacement of sewer manholes in Ayr due to sulphide attack.
- Sewerage system in Spelta Street area commenced.
- Completed the modification of the Bypass Holding Pond at the Home Hill Sewerage Treatment Plant to enable correct and safe storage and retrieval of sewage during major maintenance of the Plant.
- Ongoing replacement/refurbishment of components at Sewage Treatment Plants.
- Completed replacement of remaining gaseous chlorine with liquid chlorine installations at water supply treatment sites.



Sandhills Road (bitumen construction)



Chippendale Street (kerb and channel works)



Jerona Road (drainage works)



Solar Lights (Anzac Park Skate Park)

Technical Services

Achievements for the Year

- Successful external audit of the Works Division Quality Assurance System (ISO 9001, 2000). The principal aim of quality assurance is to improve productivity and reduce waste and rework. It also is required for external works, including for State Government Departments.
- Council has continued its Maintenance Contract with the Department of Main Roads. The RMPC services a total of 186 km covering sections of the Bruce Highway, Kirknie, Dalbeg and Ravenswood Roads. Almost \$1.09 million worth of maintenance works was carried out during the 2006/2007 financial year.
- All profits derived from contract works and the RMPC have been returned to Council for distribution and fund such areas as Shire roadworks, purchase of plant and equipment, and training.

Bio Fuels

- E 10 Fuel – Ethanol blend - Council's light vehicle fleet continued to use E10 fuel in all of its petrol engine cars and utilities.
- Bio Diesel - Council's diesel powered light and heavy trucks have been trialing B 100 and B20 blended bio diesel fuels and will continue to monitor this use with a view to all diesel powered trucks and plant using this type of fuel.

Burdekin River Bridge 50th Anniversary Celebrations 11th – 17th June, 2007

On Sunday, June 17, 2007, thousands of people came together in a sea of red to celebrate a major milestone in the Burdekin's rich history – the 50th anniversary of the bridge that opened up the north.

The re-enactment of the official opening of the Burdekin River Bridge attracted about 6,000 people from the Burdekin and beyond. Overcast skies on the morning of the big event had little impact on the crowd. Not only did people come in great numbers, but they came in great spirit. Most also answered the organisers' call to wear red to create a visual spectacle for media cameras during the mass walk across the bridge.

The official ceremony and mass walk was the grand finale in a nine-day program of events which included the opening of the Silver Link Interpretive Centre, an open-air church service, fun run, old-time movie show, youth concert and historic machinery display.

While the Burdekin Shire Council took a lead role in coordinating the anniversary celebrations, dozens of individuals, organisations and community groups were involved in planning and staging the various events.

The council would like to pay tribute to all of those people who worked behind the scenes, as well as the sponsors whose generous contributions made it possible to stage the various events.

Tribute is also paid to the people of the Burdekin, who turned out to the events in such great numbers and with such great community spirit. Their participation made the Burdekin River Bridge 50th anniversary celebrations an unqualified success.

Burdekin River Bridge - 50th Anniversary Celebrations

10th - 17th June, 2007



Hon. Craig Wallace MP, Hon. Robert Swarten MP, Premier Peter Beattie, Mayor Lyn McLaughlin, Rosemary Menkens MP & Hon. Lindy Nelson-Carr MP - Cutting the Ribbon at the Official Ceremony



Combined Burdekin & Thuringowa Brass Band leading the parade across the Burdekin Bridge



Burdekin Shire Youth Council Band Fest



Rev. Dway Goon Chew of the Anglican Church at the 'Bridging the Gap' Church Service



Noel Rumble (Qld Transport), Paul Smith (Dept. of Main Roads), Mayor Lyn McLaughlin & Ian Rose (Dept. of Main Roads) - At the Official Dinner

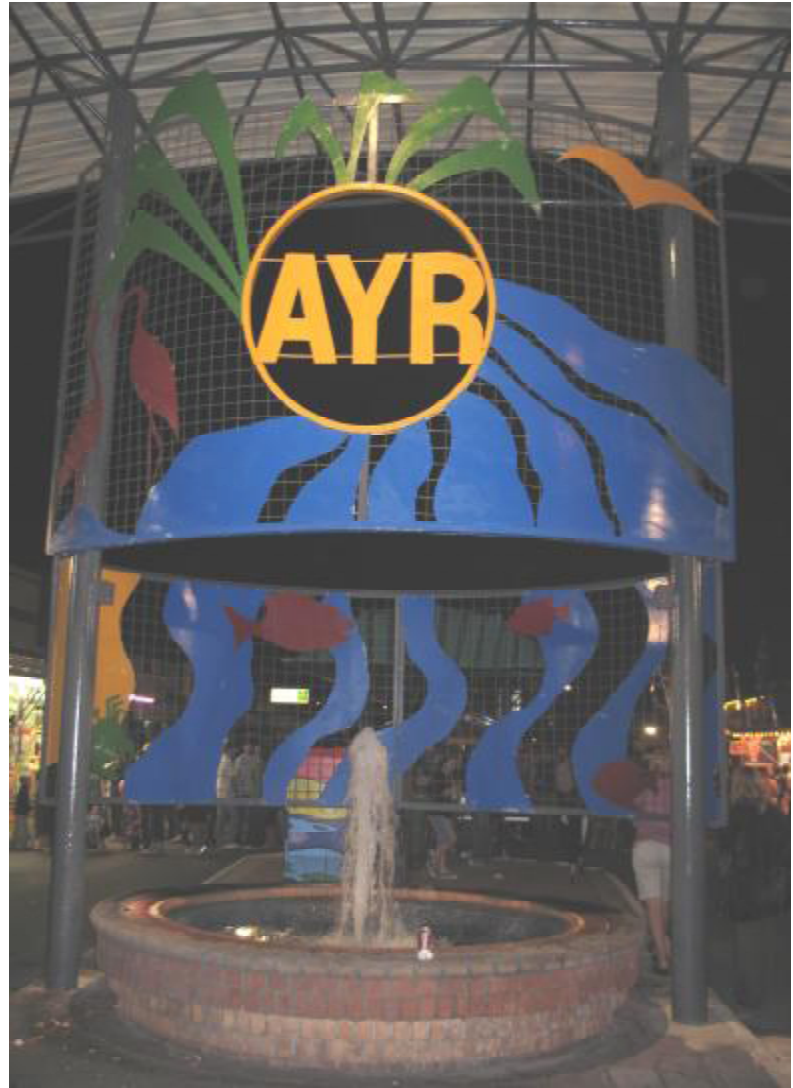


Harvey Norman, Ayr - Participating in the Shop Window competition as part of the Burdekin River Bridge 50th Anniversary celebrations.

Annual Report Photographs



Home Hill Railway Station



Ayr Bicentennial Arch at Night



Tano Buono receiving the Individual Outstanding Accomplishment Award for NQ as part of the 2007 Tidy Towns



Theatre Forecourt Upgrade



Theatre Bar Refurbishment



Theatre Greenroom Access



Brandon Heritage Precinct

Financial Summary

Community Financial Report

INTRODUCTION

This community financial report is a simplified summary and analysis of Council's financial performance and position for the financial year ended 30 June 2007.

Keeping Council's finances in good shape is similar to managing any home or business budget.

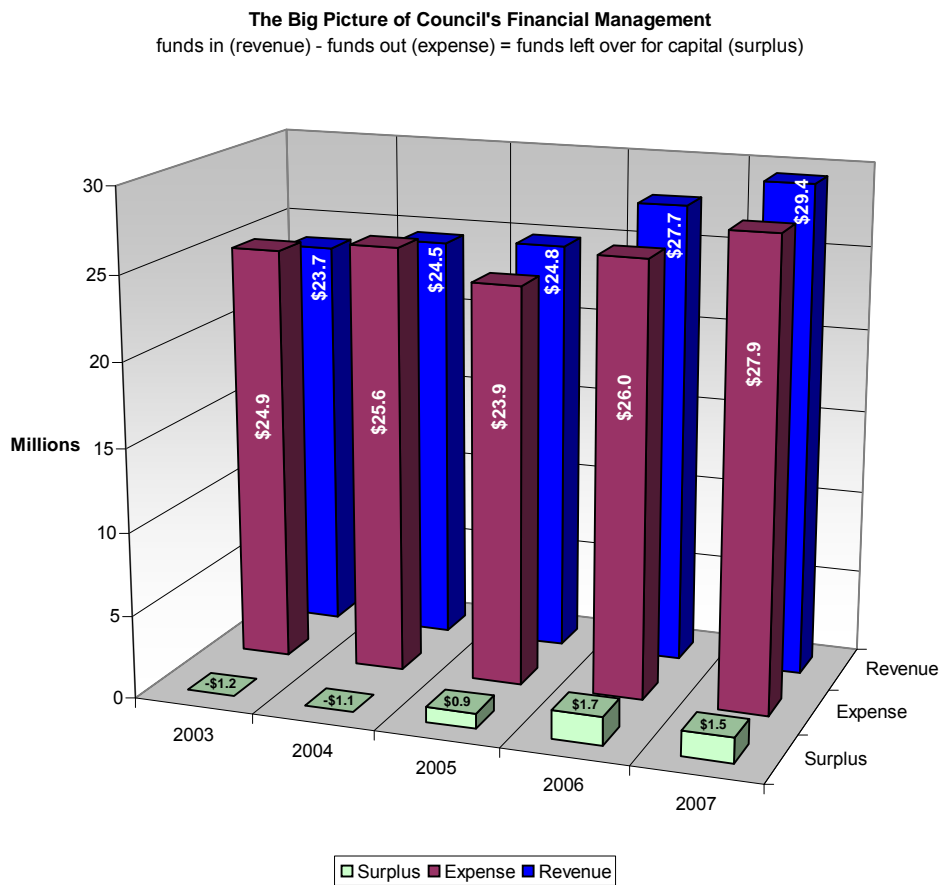
Money has to be earned, bills have to be paid and savings need to be set aside for future needs.

This is how the Council's financial picture fits together.

THE BIG PICTURE OF COUNCIL'S FINANCIAL MANAGEMENT

During the 5 years from 2003 to 2007 Council has moved into surplus to provide for future shire needs.

We achieved this by reassessing the asset depreciation expense which is fully funded for future upkeep of the community's infrastructure.



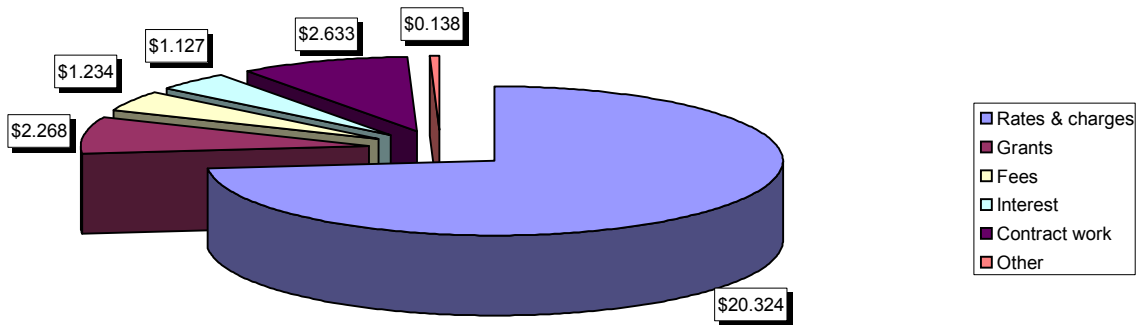
WHERE OUR MONEY COMES FROM

General rates as well utility charges for water, sewerage and garbage are our main source of income.

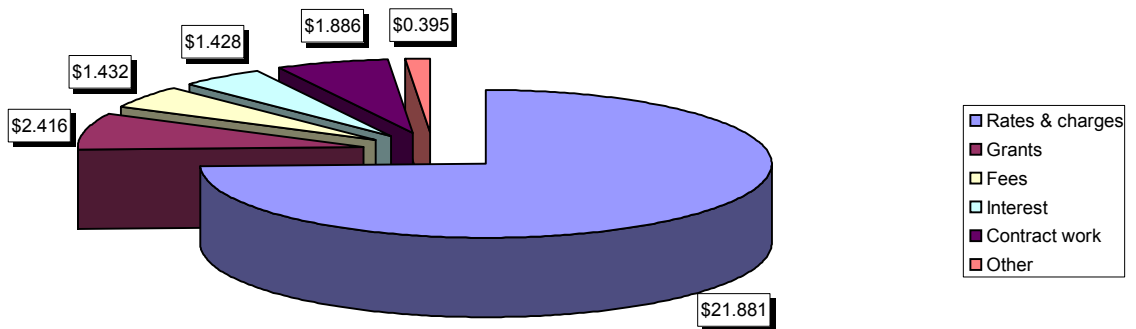
Federal and State governments provide grants to assist in improving services and facilities and we perform contract road works for the State government.

As the amount of money we have invested grows, so does the amount of interest we earn from it.

OUR 2006 INCOME \$27.7 Millions



OUR 2007 INCOME \$29.4 Millions



WHERE OUR MONEY IS SPENT

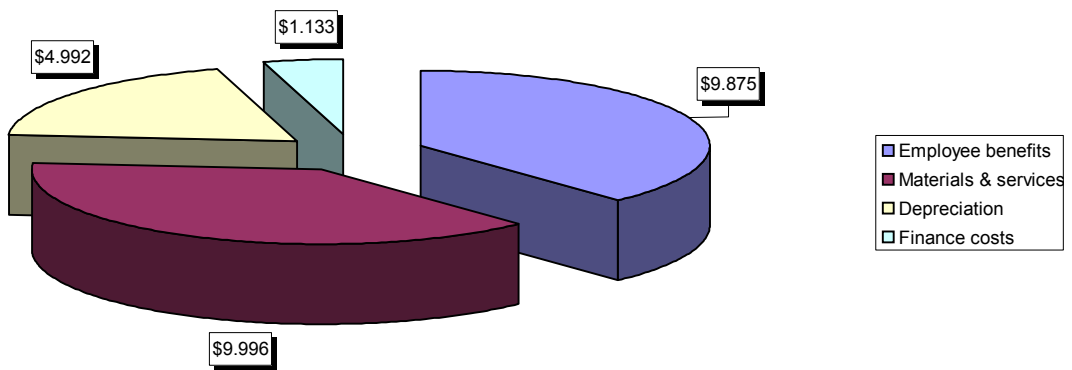
Council provides a wide range of services to the community.

This work is done by our employees and by contractors.

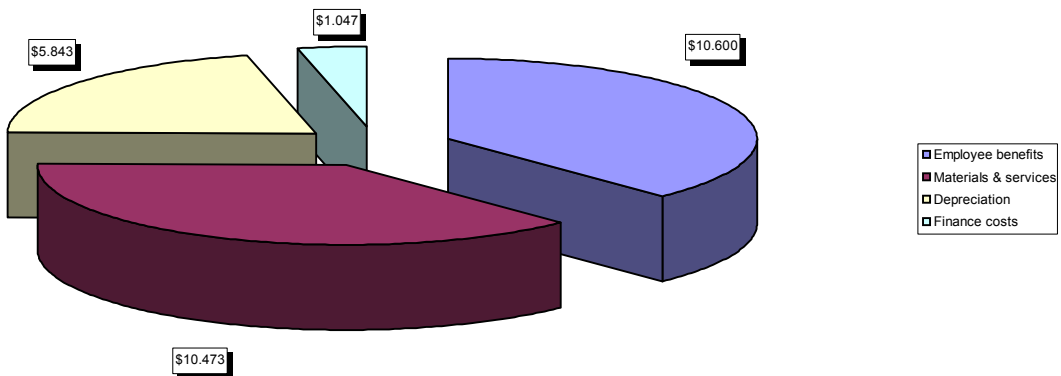
Wherever possible, we use local suppliers and contractors, so the money flows back into our local economy.

A significant part of our expense is 'depreciation'. This funds the refurbishment of assets on a yearly basis and the future replacement of assets when they are worn out.

OUR 2006 EXPENSES \$26.0 Millions



OUR 2007 EXPENSES \$27.9 Millions



WHAT OUR COMMUNITY OWNS

The value of community assets increases steadily as new infrastructure is built and existing infrastructure is renewed to provide services for our population.

Roads, drainage, water and sewerage need upgrading as the assets age and where demand increases.

Standards change which require the improving or rehabilitation of facilities such as refuse sites to meet community expectations for the environment.

The value of assets also increases by revaluation which we did for all assets across 2006 and 2007.

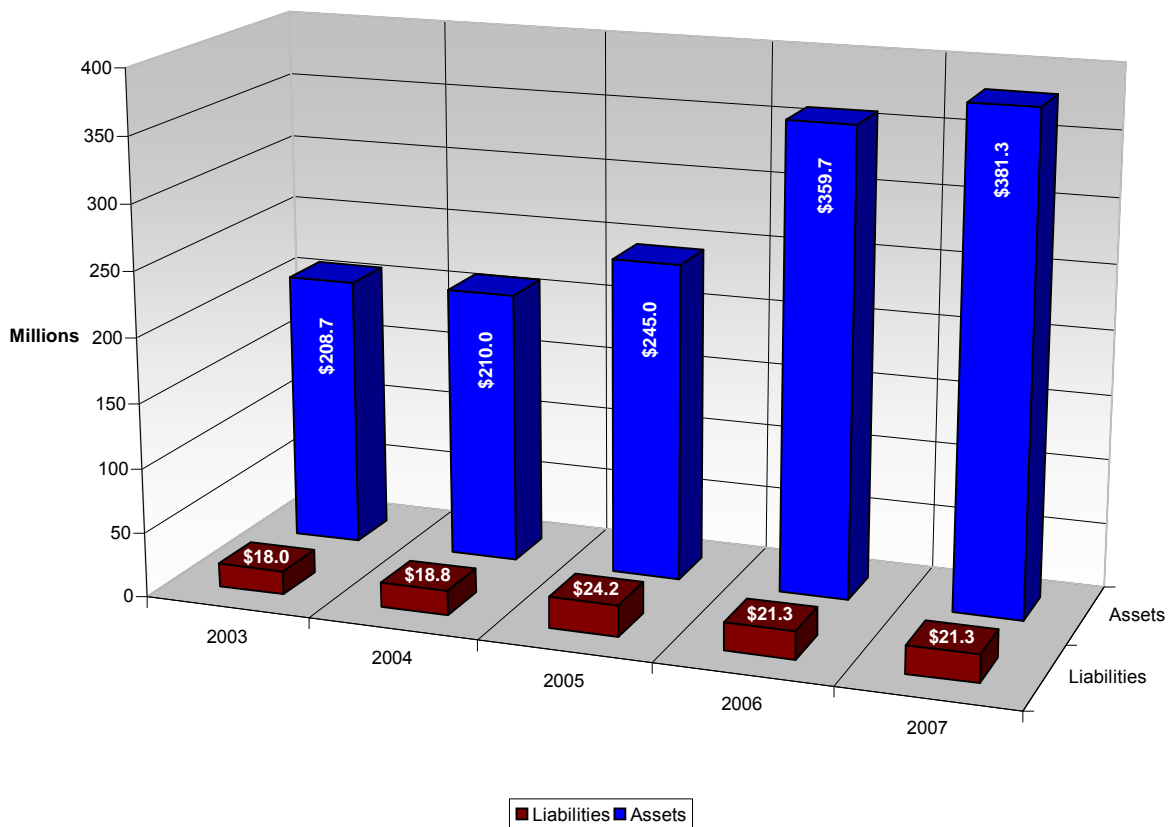
WHAT OUR COMMUNITY OWES

Council is no different from householders and businesses.

We must live within our means.

Our liabilities include loans, outstanding amounts payable to suppliers and contractors and amounts owing to employees for leave entitlements.

OUR ASSETS & LIABILITIES



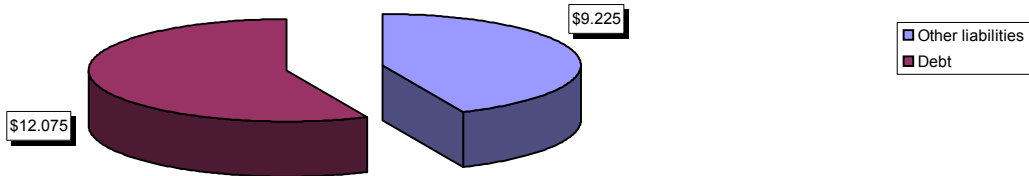
MANAGING OUR DEBT

No new borrowings were required in 2006.

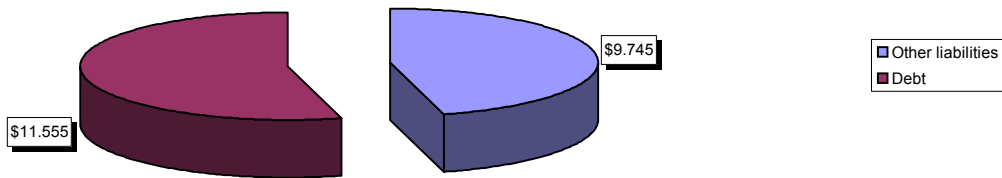
We manage our debt level to ensure a sound balance between the use of Council's own money and loans.

Our debt level is sound and we are in the strong position of having more funds in the bank than we owe.

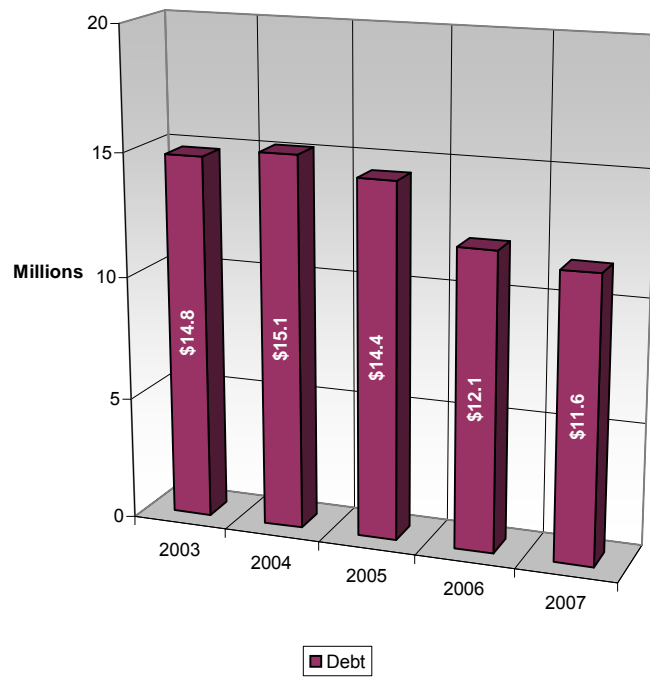
OUR 2006 OTHER LIABILITIES COMPARED WITH DEBT
Millions



OUR 2007 OTHER LIABILITIES COMPARED WITH DEBT
Millions



OUR DEBT

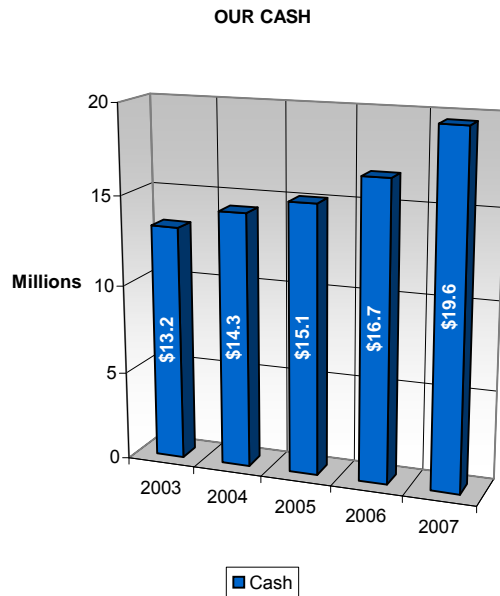


OUR CASH

This is our ability to pay our bills and have some money left over for the future.

The money remaining in Council's bank account is mainly invested for the refurbishment or replacement of infrastructure assets.

As well as borrowing when needed, Council saves for the future and receives interest on its savings.

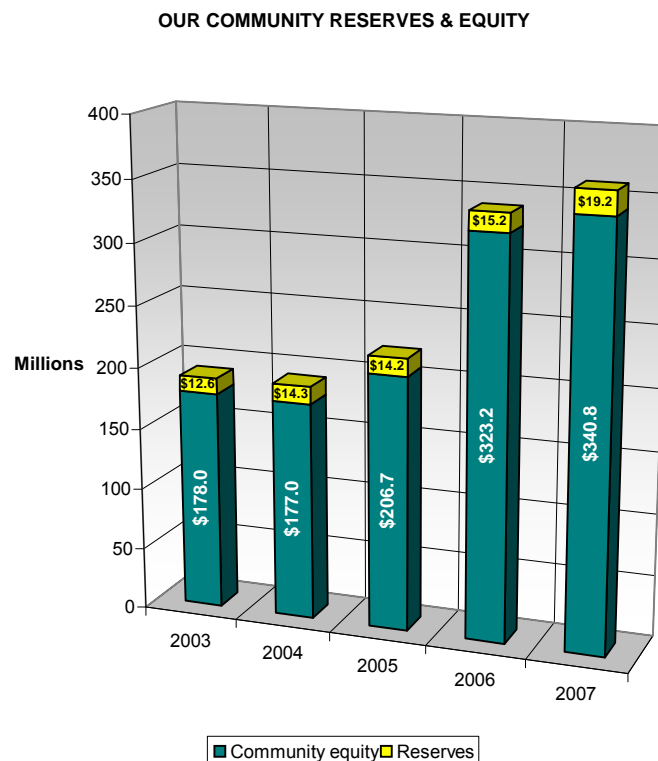


WHAT WE ARE WORTH

Our community's net worth or equity (what we own less what we owe) has continued to grow.

This is comparable to your home or business (an asset) and your home or business loan (a liability) and the difference is your net wealth.

The Council's net wealth grows in a similar way including by asset revaluation which was done for all assets across 2006 and 2007 for an increase of \$130M.



What Did We Achieve 2006/2007

The Council's Budget was again focused towards road works with approximately \$6.3M incurred on new roads, roads maintenance and reseals.

2006-07 saw the completion of the first year of a four (4) year program to bitumen widen all urban streets with existing kerb and channel and gravel shoulders. Approximately \$1M was spent to widen streets in Clare, Millaroo, Giru and parts of Ayr and Home Hill.

Under the Roads to Recovery Programme, the Council constructed five (5) projects, being Breen and Chippendale Streets and Trent, Sandhills and Upper Haughton Roads. Bitumen construction and reconstruction, widening and kerbing and channelling were a major part of works performed. Sections of Drysdale Street, Beach Road, Jerona Road and Aivu Avenue were upgrade to improve standards in these areas.

Drainage works included the continuation of the Horseshoe Lagoon Drainage Scheme with the construction of new drainage channels to the value of \$203,000. In addition, drainage maintenance of almost \$50,000 was carried out throughout the shire.

The Council has continued its maintenance contract with the Department of Main Roads. Almost \$1.09M worth of maintenance works was carried out during the 2006/07 financial year.

Council again retained its Quality Assurance status, to ISO 9001 (2000), in the Works Division, which is a pre-requisite for external works for State Government.

Council's Water Supply Systems for Ayr/Brandon, Home Hill, Giru and Mount Kelly were operated and maintained with a high level of compliance with the Australian Drinking Water Guidelines. The Wastewater (Sewerage) Systems for Ayr/Brandon and Home Hill were also operated and maintained within the requirements of their Environmental Licences.

The sewerage system in Spelta Street, Ayr was commenced. Ongoing refurbishment and replacement of assets occurred in the water and sewerage treatment plants and systems.

Both Water and Sewerage Systems performed in compliance with adopted Customer Service Standards. The Water and Sewerage Systems Total Management Plan was maintained and updated, meeting regulatory review requirements. A ten year financial plan that ensures ongoing viability for the systems is included as part of this plan. In addition, an external audit of the Water and Sewerage Strategic Asset Management Plans (SAMP) was successfully completed.

Council continued its environmentally friendly and proactive role in encouraging use of bio fuels. Council's light fleet continued to use E10 in all petrol engine sedans and utilities. Council's diesel powered light and heavy trucks have been trialling B100 and B20 blended bio diesel fuels.

Natural Resource Management is again highlighted as an important responsibility for Council. The Shire's Pest Management Plan has been reviewed and Council carried out aquatic weed harvesting operations with Burdekin Dry Tropics on waterway systems in the Burdekin. Council continued working with the Burdekin Dry Tropics Board with the development of improved Coastal Management and in planning for the future impacts of Climate Change. A landfill compactor is being trialled at the Kirknie Road Landfill which may indicate savings in landfill space and improved environmental outcomes.

Council's own Envirolevy again saw a number of programmes that resulted in positive benefits to the local environment. Funds of \$126,760 were provided to support a number of projects. The Parks and Gardens staff continued to operate and maintain parks, gardens, round-a-bouts, cemeteries and public conveniences to a high standard. Upgrades and installation of irrigation systems occurred in Anzac, Coutts and Brolga Parks.

Council provided planning and development services to its customers. 449 building applications (including 88 applications from external Certifiers) were processed with a dollar value of \$23.3M compared to \$13.6M in 2005-06. Private Building Certifier Services continued to be offered in other Local Government areas, with 720 building applications processed with a dollar value of \$44.4M compared with \$28.8M in the previous year.

Within the Planning area, 33 material change of use and 70 reconfiguration applications were processed.

An amendment to the Council's new IPA Planning Scheme was initiated to ensure that new residential areas are able to be developed to accommodate for the unprecedented demand the Burdekin Shire is currently experiencing in providing additional areas for future residential expansion.

Council's organisational structure changed in January 2007. The Environment & Operations Division was created from the previous divisions of Development & Environment and Engineering Services. Consistent with the current labour market, Council suffered from lack of access to qualified staff. Staff shortages in the environmental, engineering, planning and building areas impacted on Council's ability to deliver services and outcomes.

Financially, the Council drafted and adopted its 2007-08 budget in June, 2007, a first time achievement for the Council.

Within the Local Government Reform Agenda of the State Government, Burdekin Shire Council achieved a moderate financial sustainability rating with a developing outlook from a Queensland Treasury Corporation review of Council's financial capacity to service its current and future obligations.

Within Council's administration, a new Customer Service Centre was developed and established involving building alterations, telecommunication reprogramming, new hardware installation and significant staff reorganisation. The objective of the Centre is to provide a more efficient and centralised area for service to Council's customers.

This year saw the planning and hosting of the Burdekin Bridge 50th Anniversary Celebrations including the Museum, Anniversary Dinner, merchandising and Bridge Walk in June, 2007. Many other community events took place including the People to People Student Ambassador Programme which runs for about 3 months.

Maintenance and repair of various Council owned buildings was undertaken including refurbishment of the bar area and carpet replacement at the Burdekin Theatre.

The Council continued with its generous donations to welfare, cultural, sporting and community based organisations with a total of \$574,902 provided in the form of cash, provision of services or sewerage charge rebates. Successful funding applications totalled \$384,440 (ex GST).

The Ayr and Home Hill Libraries continue to be well patronised with membership of 12,926 and borrowings of 175,730 items. Large numbers of children, parents and carers attended the Libraries for holiday activities, story time sessions and Book Week celebrations.

A partnership of the Library and the Lower Burdekin Historical Society researched and developed a historical segment for the Shire website. The Library was one of six libraries chosen to participate in the Heritage Outreach Services Project that involved assisting State Library of Queensland (SLQ) to form a more complete pictorial record of the state, to encourage and empower library staff to digitise local images, and make them available on-line. The Burdekin Library scanned and indexed 150 local images to SLQ standards for inclusion online via Picture Queensland. This was completed in October 2006 and these local images will also be available via the Library website in the near future.

Revenue Policy for Year 2006/2007

1. PURPOSE

The purpose of the Council's Revenue Policy is to set out details of the principles applied by the Council for the following:

- a) Making of rates and charges;
- b) Levying of rates and charges;
- c) Exercising powers to grant rebates and concessions; and
- d) Recovery of unpaid rates and charges.

2. MAKING OF RATES AND CHARGES

Revenue

In making general rates and charges, Council shall raise an amount of revenue it sees as being appropriate to maintain and improve assets and provide services to the Shire as a whole. In deciding how that revenue is raised, Council shall take into account the following factors –

- The rateable value of land, including valuation relativities between land, and the rates which would be payable if only one general rate was adopted; and
- The level of services provided and/or available to that land and the cost of providing the services compared to the rate burden that would apply under a single general rate; and
- The use of the land in so far as it relates to the extent of utilisation of Council services; and
- Location and access to services.
- With an increasing road network, particularly in rural areas of the Shire and demands on Council to upgrade the standard of roads for harvesting, transporting of rural product and processing associated with the sugar, grazing and horticulture industries, Council considers those areas benefiting from access to improved road and infrastructure standards should contribute appropriately to Council's revenue base to maintain the high level of road services expected.

In the case of sugar milling operations, Council has taken into account that the increased costs of infrastructure associated with maintaining and upgrading roads including tramway corridors, cane sidings and other infrastructure associated with these operations, contribute to Council's costs in maintaining and upgrading the standards of roads within the Burdekin Shire.

In the case of commercial water supply business, Council has taken into account that the existence of (predominately) above-ground water delivery and drainage infrastructure within or adjacent to road reserves impacts directly on Council roads and associated drainage, and contributes particularly to Council's costs in maintaining and upgrading the standard of roads and drainage.

At the same time, Council acknowledges and again has taken into account that improved services including recreation and sporting, swimming pools, community, cultural, library,

and welfare services, public halls, environmental health services and amenities, parks and playgrounds, cemeteries, Council's public buildings, Council's industrial land, Council's economic development initiatives, improvements and development work in the Council's principal towns are Local Government services which should be met by the whole community.

Valuations and General Rates

- (i) The Council has formed the opinion following the release of the Department of Natural Resources and Mines valuations of land report which become effective on 1st July 2006, that the valuations would lead to rating inequities and a distortion of relativities in the amount of rates paid in various areas of the Shire, if only one general rate was adopted. This outcome is reinforced in the particular case of the unimproved valuations issued for lands used for purposes of and incidental to the Burdekin-Haughton Water Supply Scheme, because those valuations are significantly lower than the valuations for similarly located and otherwise comparable rural land, thus leading to an unfair result in terms of equitable sharing of the overall revenue burden unless these lands are subject to differential rating treatment;
- (ii) Such an outcome is unacceptable to Council;
- (iii) For these reasons, the Council is of the opinion that a system of differential general rating will achieve a fairer and more equitable distribution of the rating burden, and exhibit the following features:
 - (1) It is flexible so that the Council can adapt its rating system to the economic circumstances of the community as a whole and/or the circumstances of particular sectors or groups of individuals as may arise in the future.
 - (2) It is equitable in relation both to the ratepayers' ability to pay or to the benefit he or she receives from the expenditure of rates;
 - (3) It is simple and easily understood;
 - (4) It is economical to administer relative to the revenue derived; and
 - (5) It ensures that ratepayers in similar situations are treated in a like manner.

Charges

In general, Council will be guided by the principle of user pays and equitable taxing in the making of charges to minimise the impact of rating within the local economy.

Council will have regard to the principles of:

- Transparency in the making of charges;
- Having in place a charging regime that is simple and inexpensive to administer;
- Equity by taking into consideration the capacity to pay within the local economy; and
- Flexibility to take into account of local economic conditions.

Council has resolved to charge for water services under a consumption based two-part pricing policy. The outcomes of this form of water supply demand management are aimed at community benefit from:

- Establishment of a charging system more closely aligned to equitable full cost pricing principles (user pays);

- Reduced water consumption resulting in:
 - reduced operational costs,
 - deferment of future augmentation works for water treatment plants and delivery systems, and
 - an improved environmental balance of ground water reserves for future generations.

Council has resolved to eliminate any concessions for any section of the community in respect of consumption based charging.

Council is moving towards full cost recovery, including a reasonable return on capital, as the basis for utility charges.

3. THE LEVYING OF RATES AND CHARGES

In levying rates and charges Council will apply the principles of:

- Making clear Council's and each ratepayer's responsibility to the rating regime;
- Making the levying system simple and inexpensive to administer; and
- Equity through flexible payment arrangements for ratepayers with a lower capacity to pay.

4. EXERCISING POWERS TO GRANT REBATES AND CONCESSIONS

In considering the application of concessions under Chapter 14, Part 6 of the Local Government Act, Council will be guided by the principles of:

- Equity by having regard to the different levels of capacity to pay within the local community;
- The same and consistent treatment for ratepayers receiving concessional rating; and
- Transparency by making clear the requirements necessary to receive concessions.

In accordance with the above principles, Council has developed policies in respect of the following:

- Periodic Payments
- Application for Relief on the Grounds of Hardship
- Remission of Rates and Charges for Pensioners

Council accepts that certain classes of pensioners have contributed rates over a period of time and/or are restricted by a fixed income and should be afforded a concession in respect of rates and charges.

Council also recognises that there are organisations which operate for the general benefit of the community with limited financial resources including private schools, churches, welfare, youth organisations and sporting organisations. Such organisations may receive a donation based on their sewerage charges.

5. RECOVERY OF UNPAID RATES AND CHARGES

Council will exercise its rate recovery powers in order to treat all ratepayers equitably. It will be guided by the principles of:

- Transparency by making clear the obligations of ratepayers and the processes used by Council in assisting it to meet its financial obligations;
- Making the processes used to recover outstanding rates and charges clear, simple to administer and most effective;
- Capacity to pay in determining appropriate arrangements for ratepayers; and
- Equity by treating all ratepayers in the same way.

In accordance with the above principles, Council has developed a policy for the recovery of rates and charges.

Policies on Rebates and Concessions

The Council's Policy on remission of rates and charges for pensioners and donations to churches, sporting bodies and not for profit organisations is identified in Part 4 of the Revenue Policy.

Particulars of Rebates and Concessions Allowed in Respect of Rates and Charges

Council Remissions

Rates and Charges Remitted to Pensioners.....	\$279,879
Number of Applications.....	862

Donations

Standing Donations to Churches, Sporting Bodies etc	\$76,768
Number of Applications.....	50

Library Statistics

Statistics.

	2006/2007	2005/2006
Membership	12,926	11,396
Membership as % of population	70%	61.5%
Total book stock	54,424	52,281
AV Sound (spoken word, music)	1,528	1,319
AV Videos	1,483	1,572
CD Roms	89	75
DVD's	1,398	889
Annual circulation – Issues (excluding renewals)	175,730	181,937
Discarded library stock - sale receipts	\$2,048	\$1,279

Elected Members' Meeting Attendances

Councillor	Ordinary and Special Meetings Held	Ordinary and Special Meetings Attended	Meetings absent whilst on Council business	Leave of Absence
L.A. McLaughlin	44	42	1	1
M.A. Castelanelli	44	38	4	-
P.M. Dalle Cort	44	44	-	-
R.J. Gambino	44	43	1	-
J.R. Gist	44	43	-	-
M.J. Haynes	44	40	1	1
R.H. Lewis	44	36	-	8
T.P. List	44	42	-	1
L. Loizou	44	43	-	1
R.J. Marriott	44	42	1	-
L.D. McCathie	44	40	1	3
<p>Meetings for period 1/07/06 to 30/06/07</p> <p>Councillors also attend other miscellaneous meetings as part of their duties.</p>				

Resolution on Elected Members' Remuneration

Pursuant to section 379 of the Local Government Act 1993, the Council at its meeting held on 21st March 2006 recorded a resolution fixing the remuneration of Councillors. The resolution authorises the payment to Councillors of remuneration for their services in respect of the following:

- Council Meetings.
- Committee Meetings.
- Meetings concerning Local Government and community matters.
- Deputations, inspections, conferences, training and educational seminars in relation to duties as Councillors.
- Dealings with constituents and attendance at community meetings.
- Degree of responsibility and judgement required to act as a Councillor.
- All other matters relating to the carrying out by Councillors of their duties.

The full text of the resolution is available for perusal at the office of the Chief Executive Officer.

At the Council Meeting held on 21st March 2006 it was further resolved that remuneration to Councillors shall be paid by comparing the duties of a Councillor with the role, duties and responsibilities with those of other Queensland Local Governments and Members of the Legislative Assembly, Queensland. The basic annual salary payable to an MLA will include any variations approved by the Queensland Parliament. At 1st July 2006 the annual salary for an MLA was \$118,450.

Allowances and meeting fees for 2006/2007 were as follows:

Mayor Allowance	\$82,915 p.a.
Deputy Mayor	\$ 8,291 p.a.
Councillor	\$26,059 p.a.
Annual Allowance – Councillors including Mayor	\$ 2,369 p.a.

Total Remuneration and Superannuation Contributions Paid to Councillors

1st July 2006 – 30th June 2007

Councillor	Mayor's Allowance \$	Meeting and Acting Mayor's Allowance \$	Car Allowance \$	Total \$	Council's 12% Superannuation Contributions Paid \$
MCLAUGHLIN, L.A.	85,284.16	-	-	85,284.16	10,234.10
CASTELANELLI, M.A.	-	28,370.51	477.42	28847.93	3,461.80
DALLE CORT, P.M.	-	28,127.46		28127.46	3,375.37
GAMBINO, R.J.	-	28,428.14		28428.14	-
GIST, J.R.	-	28,428.14	719.40	29147.54	-
HAYNES, M.J.	-	36,719.02		36719.02	4,406.24
LEWIS, R.H.	-	15,462.25		15462.25	3,317.38
LIST, T.P.	-	27,024.96		27024.96	3,243.06
LOIZOU, L.	-	28,428.14	1,697.13	30125.27	3,615.07
MARRIOTT, R.J	-	28,428.14	83.93	28512.07	-
MCCATHIE, L.D.	-	15,106.90	477.42	15106.90	3,232.12
TOTAL	\$85,284.16	\$264,523.66	\$2,977.88	\$352,785.70	\$34,885.14

For period 1/07/06 to 30/06/07

Changes to Tenders

List of Action taken under Section 488(2) - Changes to Tenders during the Year

There were no decisions to invite tenderers to change their tender to take account of a change in the tender specifications.

Calling for Expressions of Interest

List of all Resolutions during the Year under Section 489(1) - Short Listing after Calling for Expressions of Interest

The Council did not resolve to invite expressions of interest before inviting tenders.

Equal Employment Opportunity

The Council has a strong commitment to EEO. To support Council's aim of becoming an employer of choice, Council and its employees will act in a manner that instils confidence in all who come into contact with it that they will be treated fairly. Council is committed to :

- Ensuring selection for employment and promotion is undertaken on the basis of merit alone;
- Eliminating issues of harassment and discrimination in any form;
- Ensuring opportunities to learn and develop are open to all employees equally; and
- Improving the awareness and understanding of employees in relation to EEO issues.

Borrowings Policy

2006/2007, 2007/2008, 2008/2009, 2009/2010 & 2010/2011 FINANCIAL YEARS

Legislation

In accordance with S521 of the Local Government Act 1993 and S7 of the Local Government Finance Standard 1994 the following is a statement of the Burdekin Shire's Policy about borrowings.

New Borrowings

New borrowings from Queensland Treasury Corporation planned for the current financial year and the next four financial years are as follows:-

2006/2007	1,675,000	Asset acquisition and replacement
2007/2008	1,878,000	Asset acquisition and replacement
2008/2009	2,465,000	Asset acquisition and replacement
2009/2010	2,030,000	Asset acquisition and replacement
2010/2011	1,395,000	Asset acquisition and replacement

The proposed borrowings are planned to be repaid over a notional term of ten (10) years as part of Council's consolidated debt with the Queensland Treasury Corporation.

Existing Borrowings

Council's existing borrowings are held in debt pool accounts as follows:-

- § Four 3 year debt pool account (expected repayment terms from 1.375 to 4.625 years)
- § Four 6 year debt pool accounts (expected repayment terms from 4.625 to 7.625 years)
- § Three 9 year debt pool accounts (expected repayment terms from 7.625 to 10.625 years)
- § Three 12 year debt pool accounts (expected repayment terms from 10.625 to 13.625 years)

As at 30th June 2006, the expected terms for repayment of Council's debt were:-

- § 2.13, 2.56, 2.58 and 4.19 years for the three year debt pool
- § 5.03, 5.74, 6.23, and 6.38 years for the six year debt pools
- § 7.44, 7.84, and 8.20 years for the nine year debt pools
- § 10.72, 10.80 and 11.92 years for the twelve year debt pool

Donations - Other

The Council makes various donations through the year to assist in community development. The table below summarizes the extent of donations made during 2006/07. These donations are in addition to the rebates and concessions allowed in respect of rates and charges.

Donations - Welfare Associations	\$ 48,932
Donations - Cultural Activities	\$ 35,530
Donations - Burdekin Cultural Complex Board	\$304,600
Donations - Sporting Clubs/Associations	\$ 12,316
Donations - Life Saving/Beach Patrol	\$ 7,668
Donations & In Kind - Economic Development, Tourism and Promotions	\$ 57,814
Donations & In-kind - Community Assistance	\$ 34,274

Revenue Assistance Policy

The Council has a Revenue Assistance Policy whereby funds are allocated to meet the costs of improvements on land owned or controlled by the Council or for the purchase of appropriate large items of specialised plant greater than \$5,000. Funds are provided usually to sporting and community based organisations in the form of interest free loans repayable over an agreed period of time.

No allocations were made during the 2006/07 financial year.

Current funds allocated to sporting bodies and community based organisations and to be repaid as at 30th June, 2007 total \$119,710.

Grants for Excellence in Sports & Cultural Activities

The Council has a small fund from which to allocate subsidies to those individuals under the age of 18 years selected to represent the State or Nation in a sporting or cultural event. Certain criteria must be met.

Recipients in 2006/2007 are as follows:

Michael Coppo 15/16 Years' Queensland Football Team for 2006 – United Kingdom	\$300
Travis Heron 15/16 Years' Queensland Football Team for 2006 – United Kingdom	\$300
Callum Toohey 15/16 Years' Queensland Football Team for 2006 – United Kingdom	\$300
Branden Holt Queensland Country Under 14 Years Soccer Team –Coffs Harbour	\$225
Kazzia Lammon 2006 Under 13 Years Queensland Hockey Team – Canberra	\$225
Joel Lewty 2006 Greg Norman Junior Masters – Coolangatta & Tweed Heads Golf Club.	\$225

Special Rates & Charges

Wunjunga SBS Translator Special Charge

A special charge for the Wunjunga SBS Translator Supply was levied during 2006-07 on a benefited area comprising of landowners in the Wunjunga area. Funds from the special charge are used to meet the ongoing cost of repairs and maintenance and electricity supply to the SBS television translator. Funds expended during 2006-07 were \$807-00.

Mount Kelly Rural Fire Brigade Special Charge

A special charge was levied on a benefited area comprising of landowners serviced by the Mount Kelly Rural Fire Brigade. Funds collected are used for the purpose of contributing to the purchase and maintenance of equipment and infrastructure by the Brigade. The levy is based on the requirements of the Brigade as set out in its budget and agreed to annually by the Council. Funds expended during 2006-07 were \$5,005-00.

Land and Reserves

Burdekin Shire Council has control of:

1. 1,206 km of constructed roads excluding 269 km of constructed roads not controlled by the Council.
2. 2,628 hectares of land that is a reserve under the Land Act 1994 of which the Council is the Trustee.

Expenditure on Consultants

During the year \$xxx was expended on consultancy services in the following areas of Council operations:

Managerial	\$ 3,025
Asset Management	\$ 10,000
Environmental	\$ 19,566
Tourism Sport & Recreation Plan	\$ 70,200
Swimming Pool condition reports	\$ 19,119
Drainage	\$ 49,281

	\$171,191
	=====

The Local Government Finance Standard defines a *consultant* as an entity that gives advice or makes recommendations to the Council about a new concept, process or other matter the Council intends to implement and is engaged for a fixed period and at an agreed rate of payment.

Expenditure on Entertainment and Hospitality Services

During the year \$37,116 was spent on entertainment and hospitality services. This amount included refreshments for community and council meetings, community functions, visitor's luncheons, civic receptions and morning tea expenses. This amount excluded meals that were part of conference registration fees and/or charged together with travel and accommodation.

Expenditure on Advertising

During the year \$92,565 was advertising by the Council. This included general operational advertising such as public notices, job vacancies, tenders/quotations and specific advertising related to development and tourism such as a labour market campaign and events.

Expenditure on Grants to Community Organisations

Council's policy on grants to community organisations covers expenditure in three (3) areas:

- § direct cash grants
- § in kind support
- § concessions e.g. rates and charges remitted.

Details of concessions allowed in respect to rates and charges are shown separately in this report. During the year \$384,717 was expended on grants to community organisations as follows:

Cash Grants

Burdekin Cultural Complex Board	\$304,600
Burdekin Community Association Inc	\$ 19,012
Burdekin Neighbourhood Centre	\$ 8,880
Burdekin Race Club Inc	\$ 7,000
Giru State School P&C Association	\$ 5,200
Burdekin Water Festival Inc.	\$ 5,200
Burdekin Tourism Association	\$ 3,693
Burdekin Junior Eisteddfod Inc	\$ 3,000
Burdekin Road Runners and Walkers	\$ 3,000
Fuller Masonic Lodge – Fishing Competition	\$ 2,631
Ayr Pastoral, Agricultural & industrial Ass'n	\$ 1,600
Clare Rural Fire Brigade	\$ 1,500
Burdekin Brass Band	\$ 1,500
Lower Burdekin Caledonian Pipe Band	\$ 1,500
Uniting Church	\$ 1,364
Burdekin Cruisers Car Club Inc	\$ 1,158
Home Hill Harvest Festival	\$ 1,200
Burdekin Art Society	\$ 1,000
Cancer Council of Queensland	\$ 1,000

Endeavour Pro Ability	\$ 1,000
Giru QCWA	\$ 400
QCWA	\$ 335
Giru Agricultural, Horticultural & Industrial Society Inc	\$ 300
Lower Burdekin Caledonian Ass'n	\$ 250
St. Andrews Meals on Wheels	\$ 250
Sun Fish (NQ) Branch Inc	\$ 250
Burdekin Recreational Sport Fishing Club	\$ 250
Variety Club of Queensland	\$ 135

	\$377,208
	=====

In kind Support

Burdekin Race Club Inc	\$2,842
Burdekin Water Festival	\$2,473
Home Hill Harvest Festival	\$1,492
Returned Services League (Anzac Day)	\$ 702

	\$7,509
	=====

Expenditure on Overseas Travel

No expenditure was incurred for overseas travel by a councillor or employee during 2006-07.

Code of Conduct

In accordance with the Local Government Act, the Council adopted a Code of Conduct for Councillors effective from 1 March, 2006.

During the year Council received no complaints in relation to the Councillor Code of Conduct. This included no complaints made to the ombudsman during the year about decisions made in relation to enforcement of its code of conduct.

A draft Code of Conduct for Employees will be considered during 2007-08.

Business Activities

Code of Competitive Conduct

In previous years the Council has resolved to apply the Code of Competitive Conduct to each of the business activities listed below in accordance with Section 766 of the Local Government Act. No decision was made to apply the Code of Competitive Conduct to the business activities listed below for the 2006-07 financial year.

Other Roads	Roads (Tendered MRD)
Recoverable Works	Refuse Management
Water & Sewerage	Workshop
Caravan park	Plant Management

Department of Main Roads

In respect of recoverable works carried out for the Department of Main Roads, costs incurred, whilst conducting contract works, are claimed in the form of unit rates and lump sum items and are inclusive of an overhead component. This component is derived to reflect the full cost of the projects being performed for the department. Following a negotiation process, the Department of Main Roads confirms the acceptance of the contracts. The overhead recovers costs on a proportional basis, for such items as, salary components for executives, supervision, survey and design, financial and expenditure services, workplace health & safety, information technology, environmental management, administration and associated plant. Cost recovery also includes a percentage for software upgrade, floor area, electricity, telephone, stationery and insurance. A profit component is included in the final agreed rates.

Building Certification Business Activity

Council undertook a building certification business activity as defined in Section 761 of the Local Government Act during 2006-07.

COAG Water Reform

The Council resolved to implement a two part tariff from 1 July, 2002.

Council resolved that the following pricing structure be adopted for water supply for 2006/07:

Access Charge - \$288 for zero allocation
Consumption Charges - 12 cents per kilolitre for usage from 0 to 1,000 kls
60 cents per kilolitre for usage over 1,000 kls

Council's volumetric charges are above the marginal cost of production, because the fixed (access) charge does not recover all of the fixed costs. Previous reports indicate a fixed charge of \$300 compared to the adopted access charge of \$288 and marginal cost is just below 10c per kilolitre.

It is considered that the short term marginal costs are the same as long term marginal costs as no demand driven augmentation is required at this time. Augmentation proposed is basically for security of supply.

Identification of Cross Subsidies

The Local Government Finance Standards require the local authority in its Annual Report to state the amount of cross-subsidies between the different classes of consumers for water and sewerage provided. It has been determined that there are no water cross-subsidies between the different classes of consumers for water, in accordance with Queensland Government Guidelines.

Complaints About Business Activities

During the year Council received no complaints by affected persons about failure to comply with the competitive neutrality principles applying to the various business activities subject to the Code of Competitive Conduct.

Registers Kept Open for Inspection

- Register of Local Laws (S895)
- Register of Subordinate Local Laws (S895)
- Register of Fees and Charges (S975)
- Register of Councillors' Material Personal Interest (S247) - Access is subject to the provisions of S248
- Register of Councillors' Gifts and Hospitality Benefits (S248-5B)
- Register of Councillors' Membership of Organisations (S248-5B)
- Register of Delegation by Local Government (S472)
- Register of Delegation by Chief Executive Officer (S1201)
- Register of Enterprises (S501)
- Register of Roads (S921)

Burdekin Shire Council



Financial Statements and Notes to the Accounts for the financial year 2006/07

BURDEKIN SHIRE COUNCIL

Financial Report

For the year ended 30 June 2007

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BURDEKIN SHIRE COUNCIL

Financial Report

For the year ended 30 June 2007

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Addendum to the financial statements

The following unaudited statements and reports are attached to provide additional information that the Council considers will provide the reader with more useful information in the process of interpreting these financial statements. These additional reports are not required under the Australian Accounting Standards and therefore do not form part of the audited financial statements.

- Statement of Operating Performance
- Financial Ratios of the Accounts
- Statement of Actual Results by Program
- Analysis of Cash Holdings

BURDEKIN SHIRE COUNCIL**Income Statement**

For the year ended 30 June 2007

		2007	2006
		Actual	Actual
	Note	\$	\$
Income			
Revenue			
Recurrent Revenue			
Rates and levies	3 (a)	21,880,979	20,323,748
Fees and charges		1,432,144	1,233,745
Interest received	3 (b)	1,427,729	1,127,557
Sales of contract and recoverable works	3 (c)	1,886,239	2,633,316
Other recurrent income	3 (d)	395,042	137,843
Grants, subsidies and contributions	4 (i)	2,416,808	2,268,226
Total recurrent revenue		<u>29,438,941</u>	<u>27,724,435</u>
Capital revenue			
Grants, subsidies and contributions	4 (ii)	3,138,231	1,904,511
		<u>3,138,231</u>	<u>1,904,511</u>
Total revenue		<u>32,577,172</u>	<u>29,628,946</u>
Capital income	5	45,382	390,608
Total income		<u>32,622,554</u>	<u>30,019,554</u>
Expenses			
Recurrent expenses			
Employee benefits	7	(10,599,803)	(9,874,924)
Materials and services	8	(10,473,274)	(9,995,725)
Finance costs	9	(1,047,232)	(1,133,018)
Depreciation and amortisation	10	(5,843,214)	(4,992,308)
Total recurrent expenses		<u>(27,963,523)</u>	<u>(25,995,975)</u>
Capital expenses	11	(814,277)	(4,372)
Total expenses		<u>(28,777,800)</u>	<u>(26,000,347)</u>
Net result attributable to council		<u><u>3,844,754</u></u>	<u><u>4,019,207</u></u>

The above statement should be read in conjunction with the accompanying notes and Summary of Significant Accounting Policies.

BURDEKIN SHIRE COUNCIL**Statement of Appropriations**

For the year ended 30 June 2007

		2007	2006
		Actual	Actual
	Note	\$	\$
Retained surplus (deficiency) from prior years		451,818	(267,142)
Net result attributable to council for the period		3,844,754	4,019,207
		<u>4,296,572</u>	<u>3,752,065</u>
Transfers (to) from capital account:			
Transfer of capital income	5	(45,382)	(390,608)
Transfer of capital expenses	11	814,277	4,372
General revenue used for capital funding purposes	CFS*	(961,290)	-
Transfer from / (to) capital to adjust the working capital cash		<u>321,315</u>	<u>25,373</u>
Net capital account transfers		<u>128,920</u>	<u>(360,863)</u>
Transfer from (to) the constrained works reserve	30 (i)	(3,136,731)	(1,884,511)
Transfer from (to) the grants, subsidies and contributions reimbursed reserve	30 (ii)	<u>(1,500)</u>	<u>-</u>
Retained surplus (deficiency) available for transfer to reserves		1,287,261	1,506,691
Transfers (to) from reserves for future capital funding purposes:			
Water reserve	30 (iii)	(467,779)	210,403
Sewerage reserve	30 (iv)	(950,575)	722,742
Capital maintenance reserve	30 (v)	-	(20,000)
Carryover capital works reserve	30 (vi)	-	(1,007,000)
Transfers (to) from reserves for future general funding purposes:			
Recurrent maintenance reserve	30 (b)	188,411	(961,018)
Retained surplus (deficit) at period end		<u>57,318</u>	<u>451,818</u>

*CFS - Denotes Capital Funding Statement

The above statement should be read in conjunction with the accompanying notes and Summary of Significant Accounting Policies.

BURDEKIN SHIRE COUNCIL**Balance Sheet**

As at the 30 June 2007

		2007	2006
		Actual	Actual
	Note	\$	\$
Current Assets			
Cash assets and cash equivalents	13	19,611,822	16,695,433
Trade and other receivables	14 (a)	2,679,125	1,800,287
Inventories	15	904,083	821,448
Other financial assets	16 (a)	323,994	212,439
		<u>23,519,024</u>	<u>19,529,607</u>
Non-current Assets			
Trade and other receivables	14 (b)	90,818	119,078
Other financial assets	16 (b)	-	488
Investment property	17	-	103,715
Property, plant and equipment	18 (a)	355,517,800	338,703,390
Capital works in progress	19	1,627,703	692,734
Other intangible assets	21	534,209	547,109
		<u>357,770,530</u>	<u>340,166,514</u>
TOTAL ASSETS		<u>381,289,554</u>	<u>359,696,121</u>
Current Liabilities			
Trade and other payables	22	2,745,618	2,378,939
Borrowings	23	2,352,203	2,245,233
Other	25	397	1,219
		<u>5,098,218</u>	<u>4,625,391</u>
Non-current Liabilities			
Trade and other payables	22	1,475,303	1,464,944
Borrowings	23	9,203,292	9,830,392
Provisions	24	5,505,063	5,355,210
		<u>16,183,658</u>	<u>16,650,546</u>
TOTAL LIABILITIES		<u>21,281,876</u>	<u>21,275,937</u>
NET COMMUNITY ASSETS		<u>360,007,678</u>	<u>338,420,184</u>
Community Equity			
Investment in capital assets	26	136,496,440	136,072,339
Capital cash reserves	27	6,888,117	5,246,351
Asset revaluation reserve	28	204,262,591	186,683,651
Retained surplus (deficiency)	29	57,318	451,818
Other reserves	30	12,303,212	9,966,025
TOTAL COMMUNITY EQUITY		<u>360,007,678</u>	<u>338,420,184</u>

The above statement should be read in conjunction with the accompanying notes and Summary of Significant Accounting Policies.

BURDEKIN SHIRE COUNCIL

Statement of Changes in Equity

For the year ended 30 June 2007

	Total		Retained surplus (deficit)		Other reserves		Councils Capital Equity comprises					
							Restricted capital cash reserves		Asset revaluation reserve		Council Capital	
			Note 29		Note 30		Note 27		Note 28		Note 26	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Balance at beginning of period	338,420,184	220,856,221	451,818	(267,142)	9,966,025	8,616,776	5,246,351	5,610,944	186,683,651	74,485,311	136,072,339	132,410,332
Corrections to opening balances	163,800	1,346,416									163,800	1,346,416
Net result for the period	3,844,754	4,019,207	3,844,754	4,019,207								
Transfers to capital			-	(360,863)							-	360,863
Transfers to general reserves			(4,635,531)	(3,893,585)	4,635,531	3,893,585						
Transfer of funds expended					(2,030,987)	(1,590,135)	(57,925)	(364,593)			2,088,912	1,954,728
Transfers from capital			128,920	-			1,699,691	-			(1,828,611)	-
Transfers from general reserves			267,357	954,201	(267,357)	(954,201)						
Asset revaluation adjustments:												
Revaluations and impairments	17,578,940	112,198,340							17,578,940	112,198,340		
Balance at end of period	360,007,678	338,420,184	57,318	451,818	12,303,212	9,966,025	6,888,117	5,246,351	204,262,591	186,683,651	136,496,440	136,072,339

The above statement should be read in conjunction with the accompanying notes and Summary of Significant Accounting Policies.

BURDEKIN SHIRE COUNCIL**Cash Flow Statement**

For the year ended 30 June 2007

	Note	2007 \$	2006 \$
Cash flows from operating activities :			
Receipts			
General rates and utility charges		22,076,009	20,334,772
Rental and levies, fees and charges		315,111	1,529,837
Grants, subsidies and contributions		2,416,808	2,268,226
Interest received		1,427,729	1,127,557
Other income		2,270,853	2,792,881
GST received		1,645,466	1,326,299
Payments			
Payments to suppliers		(10,397,142)	(10,470,872)
Payment to employees		(10,588,170)	(10,168,948)
Interest expense		(655,581)	(808,291)
GST paid		(1,575,899)	(1,392,020)
Net cash inflow (outflow) from operating activities	36	<u>6,935,184</u>	<u>6,539,441</u>
Cash flows from investing activities:			
Payments for property, plant and equipment		(7,213,881)	(5,023,110)
Payments for intangible assets		(26,540)	-
Proceeds from sale of investment property		51,253	153,469
Proceeds from sale of property plant and equipment	6	515,573	341,764
Net movement in loans and advances		<u>36,699</u>	<u>8,897</u>
Net cash inflow (outflow) from investing activities		<u>(6,636,896)</u>	<u>(4,518,980)</u>
Cash flows from financing activities:			
Grants, subsidies and contributions for capital acquisitions:	4		
Commonwealth government grants		1,667,989	908,321
State Government subsidies & grants		1,458,059	852,301
Capital contributions		12,183	143,889
Proceeds from borrowings	23	1,675,000	-
Repayment of borrowings	23	(2,195,130)	(2,350,105)
Net cash inflow (outflow) from financing activities		<u>2,618,101</u>	<u>(445,594)</u>
Net increase (decrease) in cash held		<u>2,916,389</u>	<u>1,574,867</u>
Cash at beginning of reporting period		<u>16,695,433</u>	<u>15,120,566</u>
Cash at end of reporting period	13	<u><u>19,611,822</u></u>	<u><u>16,695,433</u></u>

BURDEKIN SHIRE COUNCIL**Capital Funding Statement**

For the year ended 30 June 2007

	Note	2007	2006
		\$	\$
Sources of capital funding			
General revenue used for capital purposes		961,290	-
Other capital revenue sources:			
Loan monies expended		1,732,925	4,550
Funded depreciation and amortisation		4,143,523	5,283,297
Proceeds from the sale of capital assets	6	566,826	495,233
Constrained grants, subsidies and contributions		2,029,487	1,252,995
Grants, subsidies and contributions reimbursed reserve		1,500	-
Capital maintenance reserve		-	110,115
Carryover capital works reserve		-	227,025
		<u>9,435,551</u>	<u>7,373,215</u>
Application of capital funding			
Non current capital assets :			
Buildings		387,019	115,437
Plant and equipment at cost		1,283,615	1,317,172
Road and bridge network		3,585,737	3,763,049
Water		52,881	12,280
Sewerage		46,681	299,107
Drainage		85,933	136,709
Other assets		837,046	144,115
Movement in capital work in progress		934,969	(764,759)
Intangible assets		26,540	-
		<u>7,240,421</u>	<u>5,023,110</u>
Principal loan redemptions :			
Other Bank Loans		94,565	90,062
Queensland Treasury Corporation		2,100,565	2,260,043
		<u>2,195,130</u>	<u>2,350,105</u>
		<u>9,435,551</u>	<u>7,373,215</u>

The above statement should be read in conjunction with the accompanying notes and Summary of Significant Accounting Policies.

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

1 Summary of Significant Accounting Policies

1.A Basis of Preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards and complies with the requirements of the Local Government Act 1993 and the Local Government Finance Standard 2005.

1.B Statement of Compliance

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). Because the Council is a not-for-profit entity and the Australian accounting standards include requirements for not-for-profit entities which are inconsistent with International Financial Reporting Standards (IFRS), to the extent these inconsistencies are applied this Report does not comply with IFRS. The main impact is in refuse site restoration provision, intangible assets and employee benefits.

This financial report has been prepared under the historical cost convention except for the revaluation of certain non-current assets.

1.C Early adoption of new Accounting Standards.

The following Australian Accounting Standards, issued on the dates shown, are not mandatory for the financial year 2006-07 but, as permitted, have been applied in preparing this report where applicable:

AASB7 (August 2005)
AASB8 (February 2007)
AASB101 (October 2006)
AASB119 (April 2006)
AASB1048 (March 2007)
AASB1049 (September 2006)
AASB2005-10 (September 2005)
AASB2007-1 (February 2007)
AASB2007-2 (February 2007)
AASB2007-3 (February 2007)

None of these Standards makes a material difference to the information reported.

1.D Currency

The Council uses the Australian Dollar as its functional currency and its presentation currency.

1.E Constitution

The Burdekin Shire Council is constituted under the Queensland Local Government Act 1993 and is domiciled in Australia.

1.F Date of authorisation

The financial report was authorised for issue on the date it was submitted to the Auditors for final signature. This is the date the management certificate is signed.

The Local Government has the power to amend the Financial Report after it is authorised for issue until the adoption of the report by the Local Government as part of the Annual Report.

1.G Changes to Accounting Policies

Unless otherwise stated, accounting policies are the same as for the previous year.

The accounting policy has been changed in respect of Assets arising from Restoration Provisions (see notes 38 and 1.X)

1.H Rates, Grants and Other Revenue

Rates, Grants and Other Revenue are recognised as revenue on receipt of funds or earlier unconditional entitlement to the funds.

(i) Rates

Where rate monies are received prior to the commencement of the rating period, the amount is recognised as revenue in the period in which they are received.

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

(ii) Grants and Subsidies

Where the Council has an obligation to use a grant or subsidy in a particular manner the amount is recognised as revenue on receipt. An equivalent amount is placed in the constrained works reserve until the obligation is satisfied.

(iii) Non-Cash Contributions

Non-cash contributions in excess of the recognition thresholds set out in note 1.O, in value, are recognised as revenue and as non-current assets. Non-cash contributions below the thresholds are recorded as revenue only.

(iv) Other Revenue Including Contributions

Other revenue is recognised as a receivable when it is probable that it will be received and the amount is known, otherwise the amount is recognised upon receipt.

1.I Cash and Cash Equivalents

For the purposes of the Balance Sheet and the Cash Flow Statement, cash assets include all cash and cheques received but not banked as well as deposits at call with financial institutions. It also includes bank overdrafts and liquid investments with short periods to maturity that are readily convertible to cash at the Council's option without penalty and that are subject to a low risk of changes in value.

The Council considers all its term deposits, being for periods of less than one year to be cash equivalents.

1.J Receivables

Trade debtors are recognised at the nominal amounts due at the time of sale or service delivery, settlement on trade debtors being generally required within 30 days from the invoice date.

The collectability of receivables is assessed periodically with provision being made for impairment. All known bad debts were written-off at 30 June.

Loans and advances are recognised at cost. Terms are usually a maximum of ten years with no interest charged. Security is not normally obtained.

1.K Other Financial Assets

Other Financial Assets are recognised at cost.

1.L Inventories

Stores and raw materials are valued at the lower of cost and net realisable value and include, where applicable, direct material, direct labour and an appropriate portion of variable and fixed overheads. Costs are assigned on the basis of weighted average cost.

Inventories held for distribution are:

- goods to be supplied at no, or nominal charge, and
- Goods to be used for the provision of services at no, or nominal charge.

These goods are valued at the lower of cost and replacement cost.

1.M Investments

Financial institution deposits at call and term deposits are treated as cash equivalents

Interest and dividend revenues are recognised on an accrual basis.

1.N Investment Property

Investment property, which is property held for the primary purpose of earning rentals and/or capital appreciation. Property which is held for future development and sale, and property held by the Council without any specific purpose (such as land no longer required for its original purpose) is investment property. Refer note 17

Investment property is measured using the fair value model. This means it is initially recognised at cost including transaction costs. Where investment property is acquired at no or nominal cost it is recognised at fair value. Investment property is subsequently carried at fair value at the balance sheet date. Gains or losses arising from changes in the fair value of investment property are included in the income statement for the period in which they arise. Investment property is not depreciated and is not tested for impairment.

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

1.0 Property, Plant and Equipment

Each class of property, plant and equipment is stated at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment loss. Items of plant and equipment with a total value of less than \$5,000, and infrastructure assets, and buildings with a total value of less than \$5,000 are treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised.

(i) Major Plant

The Council has determined that plant which has an individual cost in excess of \$3,000,000 is of high value to the Council. Plant which meets this criteria is major plant which can be prone to a high degree of price fluctuations or in danger of becoming obsolete.

(ii) Acquisition of Assets

Acquisitions of assets are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including freight in, architect's fees and engineering design fees and all other establishment costs.

Non-monetary assets, including property, plant and equipment, received in the form of contributions and assets received in a local government restructure, are recognised as assets and revenues at fair value by Council valuation where that value exceeds the recognition thresholds for the respective asset class. Fair value means the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

(iii) Capital and operating expenditure

Wage and materials expenditure incurred for the acquisition or construction of assets are treated as capital expenditure. Routine operating maintenance, repair costs and minor renewals to maintain the operational capacity of the non-current asset is expensed as incurred, while expenditure that relates to replacement of a major component of an asset to maintain its service potential is capitalised.

(iv) Valuation

Land, buildings, major plant and equipment, infrastructure and heritage and cultural assets are measured on the revaluation basis, at fair value, in accordance with AASB 116 Property, Plant and Equipment and the Local Government Finance Standard 2005. All other non-current assets, principally plant and equipment and intangibles, are measured at cost.

Non-current physical assets measured at fair value are revalued where required so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This revaluation may involve the application of a suitable index to the cost elements of each asset, or may involve an independent assessment of the value. Only those assets, the total values of which are material, compared to the value of the class of assets to which they belong, are comprehensively revalued.

Details of valuers and methods of valuations are disclosed in Note 18 (b).

Plant and equipment, other than major plant and equipment, are measured at depreciated cost. The carrying amounts for plant and equipment measured at depreciated cost should not differ materially from their fair value.

(v) Depreciation

Land is not depreciated as it has an unlimited useful life. Depreciation on land improvements and other property, plant and equipment is based on the pattern in which the asset's future economic benefits are expected to be consumed. This may vary from asset to asset, but where appropriate, is calculated on a straight-line basis so as to write-off the net cost or revalued amount of each depreciable asset, less its estimated residual value, progressively over its estimated useful life to the Council.

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and commissioned ready for use.

Where assets have separately identifiable components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate. Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to the Council.

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

Major spares purchased specifically for particular assets that are above the asset recognition threshold are capitalised and depreciated on the same basis as the asset to which they relate.

The depreciable amount of improvements to or on leasehold land is allocated progressively over the estimated useful lives of the improvements to the Council or the unexpired period of the lease, whichever is the shorter.

The estimated useful lives of property, plant and equipment are reviewed annually. Details of the range of useful lives for each class of asset are shown in note 18 (a).

(vi) Funding of Depreciation

It is the policy of Council to allocate sufficient unrestricted funds, after meeting all other operating expenses, to the full funding of the annual depreciation expense. This will not apply to depreciation on capital assets that the Council has resolved not to replace on their ultimate demise. If insufficient funds are available, the Council may recover the shortfall in the next years budget allocation or resolve to unfund that portion of the depreciation expense that cannot be funded from available funding sources. Such a resolution will include the proposed steps that will be taken to correct the shortfall in depreciation funding.

1.P Intangible Assets

Only intangible assets which have a cost exceeding \$5,000 are recognised as intangible assets.

Expenditure on internally generated intangible assets is recognised from the date of the approval by the Council of a capital expenditure authorisation for the acquisition or development of the asset. This approval is taken to indicate that the project meets the criteria for recognition in AASB138.57

Expenditure on internally generated assets, up to the decision to generate the asset in a particular form, is research expenditure and is not capitalised.

It has been determined that there is not an active market for any of the Council's intangible assets. Therefore, the assets are recognised and carried at cost less accumulated amortisation and accumulated impairment losses.

1.Q Capital Work in Progress

The cost of property, plant and equipment being constructed by the Council includes the cost of purchased services, materials, direct labour and an appropriate proportion of labour overheads.

1.R Biological Assets

The Council operates a nursery to produce bedding plants and trees for its own use. In view of the immaterial nature of this operation the accounting procedures related to biological assets have not been applied. The costs incurred in this operation are included in Council's general operations as they are incurred.

1.S Impairment of Non Current Assets

All non-current physical and intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the Council determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

The asset's recoverable amount is determined as the higher of the asset's fair value less costs to sell and depreciated replacement cost.

An impairment loss is recognised immediately in the Income Statement, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation reserve of the relevant class to the extent available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.T Leases

Leases of plant and equipment under which the Council assumes substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are classified as finance leases. Other leases, where substantially all the risks and benefits remain with the lessor, are classified as operating leases.

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

(i) Finance leases

Finance leases are capitalised in that a lease asset and a liability equal to the fair value of the leased property (or the present value of the minimum lease payments, if lower) are recorded at the inception of the lease. Lease liabilities are reduced by repayments of principal. The interest components of the lease payments are charged as finance costs. The asset is accounted for on the same basis as other assets of the same class. Contingent rentals are written off as an expense in the accounting period in which they are incurred.

(ii) Operating leases

Payments made under operating leases are expensed in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property.

1.U Payables

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price net of applicable discounts other than contingent discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

1.V Liabilities - Employee Benefits

Employee benefits are accrued for such items as wages and salaries, annual leave and long service leave in respect of services provided by the employees up to the reporting date. Liabilities for employee entitlements are assessed at each reporting date. Where it is expected that the leave will be taken in the next twelve months the liability is treated as a current liability. Otherwise the liability is treated as non-current.

(i) Salaries and Wages

A liability for salaries and wages is recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date. This liability is treated as a payable and not as a provision.

(ii) Annual Leave

A liability for annual leave is recognised. The current portion is based on current wage and salary levels and includes related employee on-costs. The non current portion is based on projected future wage and salary levels and related employee on-costs, discounted to present values. This liability is treated as a payable and not as a provision.

(iii) Sick Leave

Sick leave taken in the future will be met by future entitlements and hence no recognition of sick leave has been made in these financial statements.

(iv) Superannuation

The superannuation expense for the reporting period is the amount of the contribution the local government makes to the superannuation plan which provides benefits to its employees.

Details of those arrangements are set out in Note 34.

(v) Long Service Leave

A liability for long service leave is measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The interest rates attaching as at the reporting date, to Commonwealth Government guaranteed securities are used to discount the estimated future cash outflows to their present value. The value of the liability was calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. This liability is treated as a payable and not as a provision.

1.W Borrowings

Loans payable are measured at amortised cost. Interest is recognised as it accrues.

Borrowing costs are treated as an expense, as assets constructed by the council are generally completed within one year and therefore are not considered to be qualifying assets.

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

1.X Restoration Provision

A provision is made for the cost of restoration of assets and other future restoration costs where it is probable the Council will be liable, or required, to incur such a cost on the cessation of use of the facility. Details can be found in note 24.

The provision is measured at the expected cost of the work required and discounted to current day values using an appropriate rate. The current QTC lending rate is considered an appropriate rate.

(i) Restoration on land not controlled by Council

Where the restoration site is on State reserves which the council does not control, the cost of the provisions for restoration of these sites has to be treated as an expense in the year the provision is first recognised. Changes in the provision not arising from the passing of time are treated as an expense or income.

(ii) Restoration on land controlled by Council

Where the restoration site is on Council controlled land, the cost of the restoration provision is added to the cost of the land as an improvement and amortised over the expected useful life. Changes in the provision not arising from the passing of time are added to or deducted from the asset revaluation reserve for land. If there is no available reserve, increases in the provision are treated as an expense and recovered out of future decreases if any.

Changes to the provision resulting from the passing of time (the unwinding of the discount) are treated as a finance cost.

1.Y Shire capital

Shire capital is the carrying value of the council's capital assets less the amount of capital debt at the reporting date. It represents the net investment of the council funds in assets purchased to deliver future services to the community. Where the council has accumulated unspent depreciation for the purchase of future assets, this forms part of the capital account. It represents capital cash held pending investment into physical assets.

1.Z Asset Revaluation Reserve

The asset revaluation reserve comprises adjustments relating to changes in value of property, plant and equipment that do not result from the use of those assets. Net incremental changes in the carrying value of classes of non-current assets since their initial recognition are accumulated in this reserve.

Increases and decreases on revaluation are offset within a class of assets.

Where a class of assets is decreased on revaluation, that decrease is offset first against the amount remaining in the asset revaluation reserve in respect of that class. Any excess is treated as an expense.

When an asset is disposed of the amount in the reserve in respect of that asset is retained in the reserve.

1.AA Reserves held for future capital expenditure

These are cash backed reserves and represent funds that are accumulated within the Council to meet anticipated future capital assets needs. In each case the amount relates to a perceived future requirement which is not currently a liability.

Constrained works reserve

This reserve is credited with all grants, subsidies and contributions of monetary revenue received during the reported period and constrained for the purpose of funding specific capital expenditure. As the expenditure is incurred on specified capital assets the equivalent funds are transferred to the capital account. The closing balance reported at the period end represents funds not yet expended and must be retained until expended in the manner specified by the contributor.

Grants, subsidies and contributions reimbursed reserve

This reserve is credited with all grants, subsidies and contributions of monetary revenue received during the reported period which the council has identified as being a reimbursement of capital expenditure incurred in a prior reporting period and have allocated for this purpose.

Water reserve

This reserve was created and holds funds to contribute to the future replacement of the Council's water infrastructure and to provide a contingency amount to offset any major unforeseen water supply works as required.

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

Sewerage reserve

This reserve was created and holds funds to contribute to the future replacement of the Council's sewerage infrastructure and to provide a contingency amount to offset any major unforeseen sewerage works as required.

Capital maintenance reserve

This reserve was created to contribute to the future replacement of Council's general infrastructure such as aerodrome, buildings, swimming pools, etc.

Carryover capital works reserve

This reserve was created to hold carryover revenue funds for capital works yet to be completed.

1.AB Reserves held for funding future recurrent expenditure:

These are cash backed reserves and represent funds that are accumulated within the Council to meet anticipated future recurrent or operating expenditure needs. In each case the amount relates to a perceived future requirement which is not currently a liability.

Recurrent maintenance reserve

This reserve was created to contribute to future funding for operational and recurrent expenditure across Council and to provide a contingency amount to offset any major unforeseen operational expenditures as required.

1.AC Retained surplus

The retained surplus represents that part of the Council's net funds that are not required to meet specific future funding needs. The balance of this account at the end of each financial year represents the accumulative amount available to Council that may be used to offset against expenditure in the following year or, if a deficit, the additional amount of revenue required to be raised to achieve a balanced funding position. In accordance with the Queensland Local Government Finance Standards all Councils must demonstrate the ability to recover retained deficits in future years through the budget process.

1.AD Rounding and Comparatives

Amounts included in the financial statements have been rounded to the nearest \$1 or, where that amount is \$0.50 or less, to zero.

Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period.

1.AE Financial Risk Management

The Council minimises its exposure to financial risk in the following ways:

Investments in financial assets are only made where those assets are with a bank or other financial institution in Australia and are for a period of less than one year.

The Council does not invest in derivatives or other risky investments.

When the Council borrows, it borrows from the Queensland Treasury Corporation unless another financial institution can offer a more beneficial rate, taking into account any risk.

Details of financial instruments and the associated risks are shown at note 40.

1.AF Trust Funds Held for Outside Parties

Funds held in the Trust Account on behalf of outside parties include those funds from the sale of land for arrears in rates, security deposits lodged to guarantee performance and unclaimed monies paid into the Trust Account by the Council. The Council performs only a custodian role in respect of these monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements.

The monies are disclosed in the notes to the financial statements for information purposes only.

1.AG Taxation

Income of local authorities and public authorities is exempt from Commonwealth taxation except for Fringe Benefits Tax and Goods and Services Tax ('GST'). The net amount of GST recoverable from the ATO or payable to the ATO is shown as an asset or liability respectively.

BURDEKIN SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2007

2 Analysis of results by function

(a) Revenue, expenses and assets have been attributed to the following functions :

Functions	Income		Total income	Total expenses	Net result for period	Assets
	Grants	Other				
	2007 \$	2007 \$	2007 \$	2007 \$	2007 \$	2007 \$
Administration Services	1,211,775	16,460,153	17,671,928	4,925,241	12,746,687	40,763,610
Community & Cultural Services	263,546	157,321	420,867	2,262,109	(1,841,242)	13,903,609
Development Services	-	596,218	596,218	593,359	2,859	-
Environmental Services	45,690	2,442,786	2,488,476	5,753,018	(3,264,542)	8,542,925
Engineering Services	3,812,968	2,071,916	5,884,884	10,612,478	(4,727,594)	272,683,039
Sewerage	-	2,900,319	2,900,319	2,257,392	642,927	27,045,360
Water	-	2,659,862	2,659,862	2,374,203	285,659	18,351,011
Total	5,333,979	27,288,575	32,622,554	28,777,800	3,844,754	381,289,554

Prior Year

Functions	Income		Total income	Total expenses	Net result for period	Assets
	Grants	Other				
	2006 \$	2006 \$	2006 \$	2006 \$	2006 \$	2006 \$
Administration Services	1,011,768	15,401,386	16,413,154	4,936,130	11,477,024	32,770,825
Community & Cultural Services	186,707	75,828	262,535	1,998,562	(1,736,027)	12,817,280
Development Services	-	368,510	368,510	526,367	(157,857)	-
Environmental Services	4,724	2,241,529	2,246,253	5,299,487	(3,053,234)	5,974,563
Engineering Services	2,734,704	2,779,216	5,513,920	9,301,886	(3,787,966)	266,306,298
Sewerage	-	2,996,326	2,996,326	1,915,781	1,080,545	22,978,668
Water	-	2,218,856	2,218,856	2,022,134	196,722	18,848,487
Total	3,937,903	26,081,651	30,019,554	26,000,347	4,019,207	359,696,121

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

2 (b) Components of council functions

The activities relating to the Council's components reported on in Note 2. (a) are as follows :

Administration Services

Includes recruitment, training and development, employee relations, public relations, computing services, secretarial and minutes support, records management, quality assurance, Council properties management, economic development, revenue, purchasing, creditors, payroll, debtors, stores, budgeting, financial reporting, debt management, taxation, financial, asset and systems management.

Community & Cultural Services

Includes libraries, theatre, memorial hall, art and cultural activities, recreation and sport facilities, area promotion and welfare.

Development Services

Includes integrated planning administration, town planning, subdivision, building inspections and plumbing inspections.

Environmental Services

Includes health administration, health inspection, by-law enforcement, animal control, immunisation, refuse services, waste disposal, parks, caravan parks, street cleaning, public conveniences, beach restoration, cemeteries, CBD beautification and swimming pools.

Engineering Services

Includes roads and drainage construction and maintenance, road reseals, bicycle ways, aerodrome, boat ramps, recoverable works (including Queensland Transport), depot and workshop operations, plant management, engineering technical support, works estimating, drafting services, counter disaster co-ordination, flood forecasting and asset management.

Sewerage

Includes treatment, sewers and rising mains, pumping and reticulation, asset management.

Water

Includes treating, pumping, reticulation, connections, metering and asset management.

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

	2007	2006
	Actual	Actual
Note	\$	\$
3 Revenue analysis		
(a) Rates and levies	1.H (i)	
General rates	17,115,923	16,088,817
Separate rates	241,854	241,499
Environmental levy	128,462	127,231
Water	2,539,194	2,166,487
Sewerage	2,782,315	2,993,899
Garbage charges	1,829,215	1,277,053
Rates and utility charge revenue	24,636,963	22,894,986
Less: Discounts	(2,261,570)	(2,082,585)
Less: Pensioner remissions	(494,414)	(488,653)
Net rates and utility charges	<u>21,880,979</u>	<u>20,323,748</u>
(b) Interest received		
Investments	1,403,576	1,101,801
Over due rates and utility charges	24,153	25,756
	<u>1,427,729</u>	<u>1,127,557</u>
(c) Sales of contract and recoverable works		
Revenue	1,886,239	2,633,316
	<u>1,886,239</u>	<u>2,633,316</u>
<p>The amount recognised as revenue from contract works during the period is the amount receivable in respect of invoices issued during the period.</p> <p>There are no contracts in progress at the year end.</p> <p>The contract work carried out is not subject to retentions.</p>		
(d) Other recurrent income		
Other Income	395,042	137,843
	<u>395,042</u>	<u>137,843</u>
4 Grants, subsidies and contributions	1.H (ii)	
(i) Recurrent - grants and subsidies, and other contributions are analysed as follows:		
General purpose grants	1,051,473	881,834
State Government subsidies & grants	1,156,458	1,295,447
Contributions	208,877	90,945
Total recurrent revenue	<u>2,416,808</u>	<u>2,268,226</u>
(ii) Capital - grants and subsidies, and other contributions are analysed as follows:		
Commonwealth government grants	1,667,989	908,321
State Government subsidies & grants	1,458,059	852,301
Contributions	12,183	143,889
Total capital revenue	<u>3,138,231</u>	<u>1,904,511</u>

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

	Note	2007 Actual \$	2006 Actual \$
(iii) Conditions over contributions			
Grants and contributions which were recognised as revenues during the reporting period and which were obtained on the condition that they be expended in a manner specified by the contributor but had not been expended at the reporting date			
Grants for infrastructure		1,352,193	633,808
Contributions for infrastructure		1,500	3,273
		<u>1,353,693</u>	<u>637,081</u>
Grants and contributions which were recognised as revenues during a previous reporting period and were expended during the current reporting period in accordance with the Council's obligations			
Grants for infrastructure		223,176	4,824
Contributions for infrastructure		3,273	-
		<u>226,449</u>	<u>4,824</u>
5 Capital income			
Gain on the sale of capital assets	6	-	47,141
Reduction in rehabilitation provision due to the change in the estimated future cost on land not controlled by council	1.X(i)&38	45,382	343,467
		<u>45,382</u>	<u>390,608</u>
6 Gain (loss) on the disposal of capital assets			
(a) Proceeds from the sale of property, plant and equipment		515,573	341,764
Less: Book value of property, plant and equipment sold		(612,571)	(361,383)
		<u>(96,998)</u>	<u>(19,619)</u>
(a) Proceeds from the sale of investment property		51,253	153,469
Less: Book value of investment property sold		(29,025)	(86,709)
		<u>22,228</u>	<u>66,760</u>
Total gain (loss) on the disposal of capital assets	5 & 11	<u>(74,770)</u>	<u>47,141</u>
7 Employee benefits			
Total staff wages and salaries		8,242,397	7,885,170
Councillors' remuneration		387,263	309,023
Annual, sick and long service leave entitlements		1,587,083	1,122,553
Superannuation	34	1,041,534	975,415
		<u>11,258,277</u>	<u>10,292,161</u>
Other employee related expenses		291,416	279,265
		<u>11,549,693</u>	<u>10,571,426</u>
Less : Capitalised employee expenses		(949,890)	(696,502)
		<u>10,599,803</u>	<u>9,874,924</u>

Councillor remuneration represents salary, and other allowances paid in respect of carrying out their duties.

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

		2007	2006
		Actual	Actual
	Note	\$	\$
		2007	2006
Total Council employees at 30 June :			
Elected members		11	11
Administration staff		91	86
Depot and outdoors staff		117	112
Total full time equivalent employees		219	209
8 Materials and services			
Audit services		33,394	36,896
Other material and services		10,439,880	9,958,829
		10,473,274	9,995,725
9 Finance costs			
Finance costs charged by the Queensland Treasury Corporation		650,853	799,063
Finance costs relating to other bank loans		4,728	9,228
Bank charges		31,152	29,366
Impairment of receivables		38,959	(2,564)
Other finance costs		225	214
Refuse sites - change in PV over time		321,315	297,711
		1,047,232	1,133,018
10 Depreciation and amortisation			
	1.O (v)		
(a) Depreciation of non-current assets			
Land and improvements		10,541	10,540
Buildings		787,661	776,462
Plant and equipment at cost		607,923	494,513
Road and bridge network		2,779,336	1,910,881
Water		421,388	441,860
Sewerage		720,158	784,113
Drainage		215,209	205,144
Other assets		261,558	328,533
		5,803,774	4,952,046
(b) Amortisation of intangible assets			
Computer software		39,440	40,262
Total amortisation of intangible assets		39,440	40,262
Total depreciation and amortisation		5,843,214	4,992,308
11 Capital expenses			
Loss on the sale of capital assets	6	74,770	-
Loss on write-off of non-current assets	12	739,507	4,372
Total capital expenses		814,277	4,372

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

		2007	2006
		Actual	Actual
	Note	\$	\$
12 Write off of capital assets			
Plant and equipment at cost		1,989	4,372
Road and bridge network		505,149	-
Water		183,995	-
Sewerage		43,422	-
Drainage		1,250	-
Other assets		3,702	-
		<u>739,507</u>	<u>4,372</u>
13 Cash assets and cash equivalents	1.I		
Cash in other banks and on hand		415,146	3,511,055
Deposits and investments at fixed interest rates		<u>19,196,676</u>	<u>13,184,378</u>
Balance per statement of cash flows		<u>19,611,822</u>	<u>16,695,433</u>
Externally imposed expenditure restrictions at the reporting date relate to the following cash assets:			
Unspent government grants and subsidies	30 (i)	1,762,825	633,808
Unspent developer contributions	30 (i)	49,500	71,273
Unspent loan monies		<u>621,249</u>	<u>679,174</u>
Total unspent restricted cash for capital projects		<u>2,433,574</u>	<u>1,384,255</u>
14 Trade and other receivables	1.J		
(a) Current			
Rateable revenue and utility charges		275,671	546,940
Water charges yet to be levied		421,211	344,972
Fees and charges		1,654,707	555,945
GST recoverable		280,053	285,426
Other debtors		41,848	32,242
Less: Impairment provision		<u>(22,625)</u>	<u>(1,937)</u>
		<u>2,650,865</u>	<u>1,763,588</u>
Loans and advances to community organisations		<u>28,260</u>	<u>36,699</u>
		<u>2,679,125</u>	<u>1,800,287</u>
(b) Non-current			
Loans and advances to community organisations		<u>90,818</u>	<u>119,078</u>
		<u>90,818</u>	<u>119,078</u>

Interest is charged on outstanding rates at a rate of 11% per annum. No interest is charged on other debtors. There is no concentration of credit risk for rates and utility charges, fees and other debtors receivable.

All loans and advances relate to loans made to various community bodies. These loans arise from time to time and are subject to negotiated interest rates. The credit risk on these loans is considered low.

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

		2007	2006
		Actual	Actual
	Note	\$	\$
15 Inventories	1.L		
Current			
Inventories for distribution:			
Stores and raw materials		904,083	821,448
		<u>904,083</u>	<u>821,448</u>
Inventory for distribution is valued at the lower of cost and replacement cost			
16 Other financial assets			
(a) Current			
Prepayments		323,994	212,439
		<u>323,994</u>	<u>212,439</u>
(b) Non-current			
Prepayments		-	488
		<u>-</u>	<u>488</u>
17 Investment property	1.N		
Land for development and future sale		-	103,715
		<u>-</u>	<u>103,715</u>
Fair value at end of period		<u>-</u>	<u>103,715</u>
Movement in assets during the reporting period:			
Land for development and future sale			
Opening balance		103,715	190,424
Value of land sold in the period		(29,025)	(86,709)
Internal transfers (to) from other asset categories		(74,690)	-
		<u>-</u>	<u>103,715</u>

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

18 (a) Property, plant and equipment

	Land and improvements	Buildings	Plant and equipment at cost	Road and bridge network	Water	Sewerage	Drainage	Other assets	Total
Basis of measurement	Valuation	Valuation	Cost	Valuation	Valuation	Valuation	Valuation	Valuation	
	2007	2007	2007	2007	2007	2007	2007	2007	2007
Asset Values	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening gross value at valuation	6,091,386	42,295,875	9,835,602	276,840,963	32,516,551	44,468,616	12,217,024	7,180,868	431,446,885
Additions at cost	-	387,019	1,283,615	3,585,737	52,881	46,681	85,933	837,046	6,278,912
Disposals	-	-	(1,123,423)	-	-	-	-	-	(1,123,423)
Write-offs	-	-	(120,925)	(665,392)	(567,093)	(582,836)	(1,298)	(4,328)	(1,941,872)
Revaluation adjustment to the ARR	3,604,277	(1,016,239)	-	2,839,244	(394,992)	7,871,342	77,868	1,300,577	14,282,077
Internal transfers	74,690	(172,613)	874,072	(779,490)	-	-	728,641	(650,610)	74,690
Minor correction to asset balance	-	-	234,000	-	-	-	-	-	234,000
Closing gross value	9,770,353	41,494,042	10,982,941	281,821,062	31,607,347	51,803,803	13,108,168	8,663,553	449,251,269

Accumulated depreciation and impairment

Opening balance	83,910	17,223,399	4,404,345	29,029,763	13,668,064	21,512,405	4,044,333	2,777,276	92,743,495
Depreciation provided in period	10,541	787,661	607,923	2,779,336	421,388	720,158	215,209	261,558	5,803,774
Depreciation on disposals	-	-	(510,852)	-	-	-	-	-	(510,852)
Depreciation on write-offs	-	-	(118,936)	(160,243)	(383,098)	(539,414)	(48)	(626)	(1,202,365)
Revaluation adjustment to the ARR	-	(5,164,393)	-	397,401	(450,018)	3,154,207	5,663	(1,113,643)	(3,170,783)
Internal transfers	-	(99,259)	393,518	(5,211)	-	-	80	(289,128)	-
Minor correction to depreciation balance	-	-	70,200	-	-	-	-	-	70,200
Closing accumulated depreciation and impairment balance	94,451	12,747,408	4,846,198	32,041,046	13,256,336	24,847,356	4,265,237	1,635,437	93,733,469
Net value at 30 June 2007	9,675,902	28,746,634	6,136,743	249,780,016	18,351,011	26,956,447	8,842,931	7,028,116	355,517,800
Residual value	9,675,902	550,114	2,780,236	169,871,138	10,495	4,302	81,637	377,316	183,351,140
Range of estimated useful life in years		30 - 100	3 - 20	10-100	20-80	12-100	10-50	7-100	

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

18 (a) Property, plant and equipment - prior year

	Land and improvements	Buildings	Plant and equipment at cost	Road and bridge network	Water	Sewerage	Drainage	Other assets	Total
Basis of measurement	Valuation	Valuation	Cost	Valuation	Valuation	Valuation	Valuation	Valuation	
Asset Values	2006	2006	2006	2006	2006	2006	2006	2006	2006
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening gross value at valuation	5,764,033	41,356,483	9,547,364	161,111,709	32,466,771	44,169,509	12,049,732	5,924,645	312,390,246
Correction to opening balance	327,353	823,955	-	-	37,500	-	-	1,187,945	2,376,753
Additions at cost	-	115,437	1,317,172	3,763,049	12,280	299,107	136,709	144,115	5,787,869
Disposals	-	-	(923,512)	-	-	-	-	-	(923,512)
Write-offs	-	-	(105,422)	-	-	-	-	(75,837)	(181,259)
Revaluation adjustment to the ARR	-	-	-	112,000,285	-	-	(3,497)	-	111,996,788
Internal transfers	-	-	-	(34,080)	-	-	34,080	-	-
Closing gross value	6,091,386	42,295,875	9,835,602	276,840,963	32,516,551	44,468,616	12,217,024	7,180,868	431,446,885
Accumulated depreciation and impairment									
Opening balance	-	16,054,775	4,573,011	27,248,809	13,223,954	20,728,292	3,839,189	2,215,008	87,883,038
Correction to opening balance	73,370	392,162	-	-	2,250	-	-	309,572	777,354
Depreciation provided in period	10,540	776,462	494,513	1,910,881	441,860	784,113	205,144	328,533	4,952,046
Depreciation on disposals	-	-	(562,129)	-	-	-	-	-	(562,129)
Depreciation on write-offs	-	-	(101,050)	-	-	-	-	(75,837)	(176,887)
Revaluation adjustment to the ARR	-	-	-	(129,927)	-	-	-	-	(129,927)
Closing accumulated depreciation and impairment balance	83,910	17,223,399	4,404,345	29,029,763	13,668,064	21,512,405	4,044,333	2,777,276	92,743,495
Net value at 30 June 2006	6,007,476	25,072,476	5,431,257	247,811,200	18,848,487	22,956,211	8,172,691	4,403,592	338,703,390
Residual value	6,007,476	-	2,648,438	78,093,554	-	-	-	-	86,749,468
Range of estimated useful life in years		30 - 100	3 - 20	10-100	20-80	12-100	10-50	7-100	

Land for development and future sale has been reclassified to investment properties at 1 July 2005

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

	2007	2006
	Actual	Actual
Note	\$	\$
18 (b) Property, plant and equipment valuations were determined by reference to the following:		
Land		
Land has been included at market value as at 30 June 2007 as determined by independent valuations performed by Alfio Ponticello B.Business (RPVA) Registered Valuer of Australia Pacific Valuers Pty Ltd.		
Inventory land held for development and sale is valued at the lower of cost or net realisable value. As at 30 June 2007 Council does not have any such parcels of land.		
Land under infrastructure and reserve land does not have a value for the purpose of a Local Government's financial statements.		
Buildings		
Buildings have been included at their current replacement cost, taking into account any expired portion of the assets useful life as valued by independent valuation performed by Alfio Ponticello B.Business (RPVA) Registered Valuer of Australia Pacific Valuers Pty Ltd as at 30 June 2007. Where a market value exists, this has been used to determine the valuation.		
Plant and Equipment		
Plant and equipment is valued using the cost basis in accordance with the Local Government Finance Standard 2005.		
Infrastructure		
Roads and Drainage have been included at their current replacement cost, taking into account any expired portion of its useful life. The valuation has been undertaken by qualified Council staff as at 30 June 2006 for Roads and 1 July 2006 for Drainage. Roads and Drainage infrastructure acquired or constructed during the financial year are recorded at cost.		
Bridges have been included at their current replacement cost, taking into account any expired portion of the assets useful life. The independent valuations were performed by John Deac B.Eng., of Australia Pacific Valuers Pty Ltd as at 30 June 2007.		
Water and Sewerage infrastructure are recorded at their current replacement cost, taking into account any expired portion of its useful life. The valuations are as at 30 June 2007 as determined by John Deac B.Eng., of Australia Pacific Valuers Pty Ltd and internal valuations undertaken by qualified Council Engineers.		
Other Assets		
Other Assets have been independently valued at current replacement cost taking into account any expired portion of the asset useful life. These have been valued by Alfio Ponticello B.Business (RPVA) Registered Valuer of Australia Pacific Valuers Pty Ltd as at 30 June 2007.		

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

		2007	2006
		Actual	Actual
	Note	\$	\$
19 Capital work in progress	1.Q	1,627,703	692,734
		<u>1,627,703</u>	<u>692,734</u>
20 Intangible assets - rehabilitation costs			
Net carrying value at period end:			
Refuse sites		-	-
		<u>-</u>	<u>-</u>
Movement in assets during the reporting period:			
Refuse sites			
Opening gross carrying value at cost		-	2,663,017
Reclassification on change of accounting policy effective 1st July 2005	38	-	(2,663,017)
		<u>-</u>	<u>-</u>
Accumulated amortisation			
Opening balance		-	2,410,034
Reclassification on change of accounting policy effective 1st July 2005	38	-	(2,410,034)
		<u>-</u>	<u>-</u>
21 Other intangible assets	1.P		
Net carrying value at period end:			
Computer software		534,209	547,109
		<u>534,209</u>	<u>547,109</u>
Computer software			
Opening gross carrying value		628,493	667,396
Acquired at cost		26,540	-
Value of asset write off in the period		-	(38,903)
		<u>655,033</u>	<u>628,493</u>
Accumulated amortisation			
Opening balance		81,384	80,025
Amortisation in the period		39,440	40,262
Amortisation written off in period		-	(38,903)
		<u>120,824</u>	<u>81,384</u>
Net carrying value at the period end		<u>534,209</u>	<u>547,109</u>

Straight line amortisation has been used with no residual value.

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

	2007	2006
	Actual	Actual
Note	\$	\$
22 Trade and other payables		
Current		
Creditors and accruals	1,251,839	918,352
GST payable	124,953	60,759
Employee related tax payable	14,730	14,021
Annual leave	1,036,890	1,079,034
Long service leave	317,206	306,773
	<u>2,745,618</u>	<u>2,378,939</u>
Non Current		
Annual leave	399,908	383,744
Long service leave	1,075,395	1,081,200
	<u>1,475,303</u>	<u>1,464,944</u>

Employee benefit entitlements are calculated at current pay levels and adjusted for inflation and likely future changes in salary level.

These estimates are then adjusted for the probability of the employee remaining in the council's employment or other associated employment which would result in the council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to the present value. Approximately 50% of the non current liability is funded.

23 Borrowings		1.W
Current		
(i) Queensland Treasury Corporation	2,352,203	2,150,668
(ii) Other Bank Loans	-	94,565
	<u>2,352,203</u>	<u>2,245,233</u>
Non Current		
(i) Queensland Treasury Corporation	9,203,292	9,830,392
	<u>9,203,292</u>	<u>9,830,392</u>
Details of movements in borrowings:		
(i) Queensland Treasury Corporation		
Opening balance	11,981,060	14,241,103
Loans raised	1,675,000	-
Principal repayments	(2,100,565)	(2,260,043)
Book value at period end	<u>11,555,495</u>	<u>11,981,060</u>
Classified as :		
Current	2,352,203	2,150,668
Non-current	9,203,292	9,830,392
	<u>11,555,495</u>	<u>11,981,060</u>

The loan market value at the reporting date was \$11,304,054. This represents the value of the debt if the Council repaid it at that date. As it is the intention of the Council to hold the debt for its full term, no provision is required to be made in these accounts.

Borrowings are all in Australian dollars and are underwritten by the Queensland State Government.

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

		2007	2006
		Actual	Actual
	Note	\$	\$
(ii) Other Bank Loans			
Opening balance		94,565	184,627
Repayments		<u>(94,565)</u>	<u>(90,062)</u>
Book value at period end		<u>-</u>	<u>94,565</u>
Classified as :			
Current		<u>-</u>	<u>94,565</u>
		<u>-</u>	<u>94,565</u>
The loans are underwritten by the Queensland State Government.			
24 Provisions	1.X		
Non-Current			
Property restoration:			
Refuse sites	(i)	<u>5,505,063</u>	<u>5,355,210</u>
		<u>5,505,063</u>	<u>5,355,210</u>
Details of movements in provisions			
Refuse sites			
Opening balance		5,355,210	5,472,591
Increase in provision - borrowing cost		321,315	297,711
Increase in provision - change in discount rate		<u>(171,462)</u>	<u>(415,092)</u>
Balance at the end of period		<u>5,505,063</u>	<u>5,355,210</u>
Current portion		-	-
Non-current portion		<u>5,505,063</u>	<u>5,355,210</u>
		<u>5,505,063</u>	<u>5,355,210</u>
This is the present value of the estimated future cost of restoring the refuse sites under the State Government environmental regulations at the end of its useful life.			
The restoration costs are subject to further research to be done during 2007/08 financial year.			
25 Other liabilities			
Current			
Unearned revenue		<u>397</u>	<u>1,219</u>
		<u>397</u>	<u>1,219</u>

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

		2007	2006
		Actual	Actual
	Note	\$	\$
26 Shire Capital			
(i) Calculation of capital value and retained surplus:			
Cash and cash equivalents		19,611,822	16,695,433
Less restricted cash:			
Reserves (excluding the asset revaluation)		(12,303,212)	(9,966,025)
Unspent depreciation capital fund reserve		(6,266,868)	(4,567,177)
Unspent loan capital fund reserve		(621,249)	(679,174)
Revenue received in advance		(397)	(1,219)
Working capital cash at balance date (including employee entitlements)		(362,778)	(1,030,020)
Retained surplus (deficit) available for distribution	29	57,318	451,818
Shire capital	(ii)	136,496,440	136,072,339
Total capital and retained surplus at end of period		<u>136,553,758</u>	<u>136,524,157</u>
(ii) Movement in capital account			
Balance at beginning of period		136,072,339	132,410,332
Adjustment arising from correction of error in property, plant and equipment	39	-	1,346,416
Minor correction to plant and equipment in period	18	163,800	-
Adjustments from (to) retained surplus:			
Transfer from retained surplus capital income in the period		45,382	390,608
Transfer to retained surplus capital expenses in the period		(814,277)	(4,372)
Transfer from the retained surplus revenue expended on capital assets		961,290	-
Transfer from / (to) retained surplus to adjust the working capital cash		(321,315)	(25,373)
Total transfers (to) from retained surplus		<u>(128,920)</u>	<u>360,863</u>
Transfer (to) from the (i) unspent depreciation fund reserve		(1,699,691)	360,043
Transfer (to) from the unspent loan capital fund reserve		57,925	4,550
Transfers from the constrained works reserve		2,029,487	1,252,995
Transfers from the grants, subsidies and contributions reimbursed reserve		1,500	-
Transfers from the capital maintenance reserve		-	110,115
Transfers from the carryover capital works reserve		-	227,025
Total transfers (to) from reserves		<u>389,221</u>	<u>1,954,728</u>
Balance at end of period		<u>136,496,440</u>	<u>136,072,339</u>
27 Capital cash reserves			
These reserves are part of shire capital and represent cash held at the reporting date restricted to the future funding of capital assets.			
(i) Unspent depreciation fund reserve			
Opening balance		4,567,177	4,927,220
Cash unspent (expended) in period		1,699,691	(360,043)
Balance at end of period		<u>6,266,868</u>	<u>4,567,177</u>

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

		2007	2006
		Actual	Actual
	Note	\$	\$
(ii) Unspent loan capital fund reserve			
Opening balance		679,174	683,724
Cash unspent (expended) in period.		(57,925)	(4,550)
Balance at end of period		<u>621,249</u>	<u>679,174</u>
Total capital cash reserves		<u><u>6,888,117</u></u>	<u><u>5,246,351</u></u>
28 (i) Asset revaluation reserve			
	1.Z		
Movements in the asset revaluation reserve were as follows:			
Balance at beginning of period		186,683,651	74,485,311
Net adjustment to non-current assets at end of period to reflect a change in current fair value:			
Land and improvements		3,604,277	-
Buildings		4,148,154	-
Road and bridge network		2,441,843	112,130,212
Water		55,026	-
Sewerage		4,717,135	-
Drainage		72,205	(3,497)
Other assets		2,414,220	-
Change in value of future rehabilitation costs:			
Land and improvements	38	<u>126,080</u>	<u>71,625</u>
Balance at end of the year		<u><u>204,262,591</u></u>	<u><u>186,683,651</u></u>
(ii) Asset revaluation reserve analysis			
The closing balance of the asset revaluation reserve is comprised of the following asset categories:			
Land and improvements		6,498,400	2,768,043
Buildings		12,655,000	8,506,846
Road and bridge network		161,614,377	159,172,534
Water		7,204,225	7,149,199
Sewerage		13,007,317	8,290,182
Drainage		98,611	26,406
Other assets		<u>3,184,661</u>	<u>770,441</u>
		<u><u>204,262,591</u></u>	<u><u>186,683,651</u></u>

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

	2007	2006
	Actual	Actual
Note	\$	\$
29 Retained surplus		
Movement in retained surplus		
Retained surplus (deficit) at the beginning of period	451,818	(267,142)
Net result attributable to council	3,844,754	4,019,207
Transfers (to) from capital account:		
Transfer of capital income	(45,382)	(390,608)
Transfer of capital expenses	814,277	4,372
General revenue used for capital funding purposes	(961,290)	-
Transfer from / (to) capital to adjust the working capital cash	321,315	25,373
Net capital account transfers	128,920	(360,863)
Transfer from (to) the constrained works reserve	(3,136,731)	(1,884,511)
Transfer from (to) the grants, subsidies and contributions reimbursed reserve	(1,500)	-
Retained surplus (deficiency) available for transfer to reserves	1,287,261	1,506,691
Transfers (to) from reserves for future capital funding purposes:		
Water reserve	(467,779)	210,403
Sewerage reserve	(950,575)	722,742
Capital maintenance reserve	-	(20,000)
Carryover capital works reserve	-	(1,007,000)
Transfers (to) from reserves for future general funding purposes:		
Recurrent maintenance reserve	188,411	(961,018)
Retained surplus (deficit) at period end	<u>57,318</u>	<u>451,818</u>
30 Other reserves		
(a) Summary of reserves held for funding future capital expenditure:		
(i) Constrained works reserve	1,812,325	705,081
(ii) Grants, subsidies and contributions reimbursed reserve	-	-
(iii) Water reserve	3,323,343	2,855,564
(iv) Sewerage reserve	3,055,664	2,105,089
(v) Capital maintenance reserve	119,239	119,239
(vi) Carryover capital works reserve	2,367,662	2,367,662
	<u>10,678,233</u>	<u>8,152,635</u>
(b) Summary of reserves held for funding future recurrent expenditure:		
Recurrent maintenance reserve	1,624,979	1,813,390
	<u>1,624,979</u>	<u>1,813,390</u>
Total reserves	<u>12,303,212</u>	<u>9,966,025</u>
Movements in capital reserves are analysed as follows:		
(i) Constrained works reserve		
Balance at the beginning of period	705,081	73,565
Transfer from retained earnings grants, subsidies and contributions received in the period which restricted to specific capital projects	3,136,731	1,904,511
Transfers to the capital account funds expended in the period	(2,029,487)	(1,252,995)
Transfers to retained earnings	-	(20,000)
Balance at end of period	<u>1,812,325</u>	<u>705,081</u>

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

	2007	2006
	Actual	Actual
Note	\$	\$
(ii) Grants, subsidies and contributions reimbursed reserve		
Transfer from retained earnings grants, subsidies and contributions received in the period which are a reimbursement or are uncommitted at time of receipt	1,500	-
Transfer to the capital account funds expended in the period	<u>(1,500)</u>	<u>-</u>
Balance at end of period	<u>-</u>	<u>-</u>
(iii) Water reserve		
Balance at the beginning of period	2,855,564	3,065,967
Transfer from retained earnings for future expenditure	467,779	-
Transfer to retained earnings	<u>-</u>	<u>(210,403)</u>
Balance at end of period	<u>3,323,343</u>	<u>2,855,564</u>
(iv) Sewerage reserve		
Balance at the beginning of period	2,105,089	2,827,831
Transfer from retained earnings for future expenditure	950,575	-
Transfer to retained earnings	<u>-</u>	<u>(722,742)</u>
Balance at end of period	<u>3,055,664</u>	<u>2,105,089</u>
(v) Capital maintenance reserve		
Balance at the beginning of period	119,239	209,354
Transfer from retained earnings for future expenditure	-	20,000
Transfer to the capital account funds expended in the period	<u>-</u>	<u>(110,115)</u>
Balance at end of period	<u>119,239</u>	<u>119,239</u>
(vi) Carryover capital works reserve		
Balance at the beginning of period	2,367,662	1,587,687
Transfer from retained earnings for future expenditure	-	1,007,000
Transfer to the capital account funds expended in the period	<u>-</u>	<u>(227,025)</u>
Balance at end of period	<u>2,367,662</u>	<u>2,367,662</u>
(d) Movements in recurrent reserves are analysed as follows:		
Recurrent maintenance reserve		
Balance at the beginning of period	1,813,390	852,372
Transfer from retained earnings for future expenditure	78,946	962,074
Transfer to retained earnings	<u>(267,357)</u>	<u>(1,056)</u>
Balance at end of period	<u>1,624,979</u>	<u>1,813,390</u>

31 Commitments for expenditure**Contractual Commitments**

Contractual commitments at balance date but not recognised in the financial statements are as follows:

Service contracts over next 1 to 5 years.

1,952,926	3,306,235
<u>1,952,926</u>	<u>3,306,235</u>

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

	2007	2006
	Actual	Actual
Note	\$	\$
Capital Commitments		
Commitment for the construction of the following assets contracted for at the reporting date but not recognised as liabilities are as follows:		
Infrastructure	<u>337,260</u>	<u>-</u>
	<u>337,260</u>	<u>-</u>
These expenditures are payable :		
Within one year	<u>337,260</u>	<u>-</u>
	<u>337,260</u>	<u>-</u>

32 Events after balance date

There were no material adjusting events after balance date

On 27 July 2007 the Local Government Reform Commission reported to the Minister for Local Government. The report recommended that the Burdekin Shire Council not be amalgamated.

33 Contingent liabilities

Details and estimates of maximum amounts of contingent liabilities are as follows:

Various claims are pending against the Council. In the opinion of the Council's solicitors, at this stage in proceedings the potential loss on all claims 30 June 2007 should not exceed:

<u>15,000</u>	<u>15,239</u>
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The Council has disclaimed liability and no provision has been made in the financial statements pertaining to these claims.

Potential excess amounts payable against various insurance claims as at 30 June 2007 should not exceed:

<u>19,476</u>	<u>47,418</u>
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The Burdekin Shire Council is a member of the Queensland local government workers compensation self-insurance scheme, Local Government Workcare.

Under this scheme the Council has provided a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled and there was insufficient funds available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise. The Council's maximum exposure to the bank guarantee is:

<u>177,146</u>	<u>174,718</u>
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The Burdekin Shire Council is a member of the local government mutual liability self-insurance pool, LGM Queensland. In the event of the pool being wound up or it is unable to meet its debts as they fall due, the trust deed and rules provide that any accumulated deficit will be met by the individual pool members in the same proportion as their contribution is to the total pool contributions in respect to any year that a deficit arises. As at June 2006 the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

	2007	2006
	Actual	Actual
Note	\$	\$
34 Superannuation		
<p>The Burdekin Shire Council contributes to the local government superannuation scheme (the scheme). The scheme has two elements referred to as the defined benefits scheme and the accumulation scheme.</p>		
<p>Both these schemes are defined contribution schemes as defined in the Australian Accounting Standard AASB119 Employee benefits. Council has no liability to or interest in the scheme other than the payment of the statutory contributions.</p>		
<p>Any amount by which either scheme is over or under funded would only affect future benefits and is not an asset or liability of the council.</p>		
<p>Accordingly there is no recognition in the financial statements of any over- or under-funding of the scheme.</p>		
<p>The audited general purpose financial report of the scheme as at 30 June 2006 (the most recent available) which were not subject to any audit qualification, indicates that the assets of the scheme are sufficient to meet the accrued benefits.</p>		
<p>The general purpose financial statements disclose that the most recent actuarial assessment of the scheme was undertaken as at the 30 June 2006. The actuary indicated that without improvements to benefit conditions, or other unanticipated events, current contribution rates would be sufficient to meet members benefits as they accrue.</p>		
<p>The Queensland Local Government Superannuation Board, the trustee of the scheme, advised that the local government superannuation scheme was a complying superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation.</p>		
<p>The amount of superannuation contributions paid by Burdekin Shire Council to the superannuation scheme in this period for the benefit of employees was:</p>	<u>1,006,649</u>	<u>955,036</u>
<p>The Burdekin Shire Council also contributes to the scheme for the benefit of elected members. The amount of contributions paid for this benefit during the reporting period was:</p>	<u>34,885</u>	<u>20,379</u>

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

		2007	2006
		Actual	Actual
	Note	\$	\$
35 Trust funds	1.AF		
Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities		1,767	1,673
Security deposits		2,500	7,623
Unclaimed monies		-	150
		<u>4,267</u>	<u>9,446</u>

The Burdekin Shire Council performs only a custodial role in respect of these monies. As these funds cannot be used by the Council, they are not brought to account in these financial statements.

36 Reconciliation of net result attributable to council to net cash flow from operating activities

Net result attributable to council		<u>3,844,754</u>	<u>4,019,207</u>
Non-cash operating items:			
Depreciation and amortisation	10	5,843,214	4,992,308
Change in restoration provisions expensed to finance costs		<u>321,315</u>	<u>297,711</u>
		<u>6,164,529</u>	<u>5,290,019</u>
Investing and development activities:			
Capital income	5	(45,382)	(390,608)
Capital expenses	11	<u>814,277</u>	<u>4,372</u>
		<u>768,895</u>	<u>(386,236)</u>
Financing activities:			
Capital grants, subsidies and contributions	4	<u>(3,138,231)</u>	<u>(1,904,511)</u>
		<u>(3,138,231)</u>	<u>(1,904,511)</u>
Changes in operating assets and liabilities :			
(Increase) decrease in receivables		(887,277)	272,844
(Increase) decrease in inventories (excluding land)		(82,635)	(218,887)
(Increase) decrease in other operating assets		(111,067)	(120,237)
Increase (decrease) in payables		377,038	(408,602)
Increase (decrease) in other liabilities		<u>(822)</u>	<u>(4,156)</u>
		<u>(704,763)</u>	<u>(479,038)</u>
Net cash inflow from operating activities		<u><u>6,935,184</u></u>	<u><u>6,539,441</u></u>

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

	2007	2006
	Actual	Actual
Note	\$	\$
37 Controlled Entity		
Burdekin Shire Council provides representation on the Burdekin Cultural Complex Board Inc. which manages, administers and operates the Burdekin Theatre and Music Loft in Queen Street, Ayr and the Burdekin Memorial Hall in Ninth Avenue, Home Hill pursuant to a written contract with the Council. The membership of the Board consists of five (5) Councillor members including the Mayor as Chairman and four (4) other members appointed at public meetings. As the Chairman of the Board has a constitutional casting vote and because of the existence of the contract between the Council and the Board wherein the Local Government approves the required operating budget of the Board, the Board is a controlled entity. As the Board's financial year, of 1st May 2006 to 30th April 2007, is inconsistent with Council's, the Board's financial results are not consolidated into these statements but are reported by way of note as follows:-		
Income		
Council Contributions	307,090	305,756
Other Income	198,958	195,179
Promotions/Rentals	242,971	222,831
	<u>749,019</u>	<u>723,766</u>
Expenditure		
Administration	121,127	112,941
Operating Expenditure	303,682	315,536
Promotions/Rentals	304,110	279,063
	<u>728,919</u>	<u>707,540</u>
Operating Surplus/(Deficit)	<u>20,100</u>	<u>16,226</u>
Accumulated Funds		
Balance at beginning of period	174,248	158,022
Plus/(less) Surplus/(deficit) for period	20,100	16,226
	<u>194,348</u>	<u>174,248</u>
Represented by		
Assets		
Current	<u>253,475</u>	<u>227,311</u>
Liabilities		
Current	47,381	44,596
Non Current	11,746	8,467
	<u>59,127</u>	<u>53,063</u>
Net Assets	<u>194,348</u>	<u>174,248</u>

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

		2007 Actual \$	2006 Actual \$
38 Change in accounting policy			
Assets arising from restoration provisions			
Previously, assets arising from restoration provisions that were required for sites requiring future restoration expenditure, were treated as intangible assets and amortised over their useful lives. This expenditure complies with the definition of an intangible asset and is the most appropriate treatment, regardless of who controls the land in question.			
On advice received, it would seem that strict interpretation of the Accounting Standards is as follows:			
Restorations sites on land which the council does not control - The cost of the restoration on these sites should be treated as an expense in the year the provision is first recognised.			
Restorations sites on land which the council does control - The cost of the provision for future restoration on these sites is to be added to the land value and the estimated future expenditure is amortised over the useful life of the site. e.g. refuse tip.			
While the council's prior period interpretation of the accounting standard provides a more meaningful result, these changes have had to be made for compliance with the Queensland Audit Office interpretation of the standard. The effect is:			
Opening balance of the asset value for the refuse intangible rehabilitation asset to be reclassified			2,663,017
On reclassification to land and improvements, the asset value written off on closed refuse sites			<u>(2,336,664)</u>
Correction to opening balance of land and improvements gross value	18	326,353	<u>326,353</u>
Opening balance of accumulated depreciation on refuse intangible rehabilitation assets to be reclassified			2,410,034
On reclassification to land and improvements, the accumulated depreciation value written off on closed refuse sites			<u>(2,336,664)</u>
Correction to opening balance of land and improvements accumulated	18	<u>(83,910)</u>	<u>(73,370)</u>
Net increase in opening land and improvements for open sites on Council controlled land		<u>242,443</u>	252,983
Transfer of change in discount rate from a credit to the asset to a credit to the asset revaluation reserve for land and improvements			(71,625)
Transfer of the depreciation expense from intangible asset class to land and improvements			<u>(10,540)</u>
Net adjustment to the refuse intangible asset value at period end			<u>170,818</u>
Increase in the asset revaluation reserve and equity for land and improvements at year ended 30 June 2006, for the change in the discount rate as applicable to future costs on council land	28		<u>71,625</u>
Increase in the value of property, plant and equipment and net community assets for the change in discount rate now credited to the asset revaluation reserve			<u>71,625</u>

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

2007

2006

39 Correction of error

The council undertook a revaluation of its roads infrastructure as at July 1 2006. At the time of publishing the 2006 financial statements the extent of the valuation and impact of this revaluation could not be accurately established. As the only impact on the financial statements was to affect the assets and equity value of the council, it was not considered by council, to materially impact on the financial interpretation by the users of the financial statements at June 30, 2006.

For compliance with the Australian Accounting Standards, the revaluation adjustment constitutes a material misstatement of the roads infrastructure value at the end of the prior period and therefore requires that this adjustment be made retrospectively at June 30 2006.

The effect on the comparative financial statements is as follows:

Increase in property, plant and equipment	112,130,212
Increase in the asset revaluation reserve	<u>112,130,212</u>

In the process of valuing the Council assets at 30 June 2007 it was discovered that certain assets had been omitted (recorded) from previous financial reports in error.

This error has been corrected, as required by the Australian Accounting Standards, by adjusting the opening balances at 1 July 2005 and the comparative amounts for 2005 - 2006.

The effect on the comparative financial statements is as follows:

Increase in property, plant and equipment	1,287,902
(Increase) in equity capital	(1,287,902)
Increase in depreciation charge	58,514
(Decrease) in net result attributable to council	(58,514)

Details of property plant and equipment corrections:

	At 30 June 2006	At 1 July 2005
Gross value of assets adjusted	18 2,050,400	2,050,400
Accumulated depreciation	18 (762,498)	(703,984)
Net value (adjusted to capital)	26 (ii) <u>1,287,902</u>	<u>1,346,416</u>

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements
For the year ended 30 June 2007

40 Financial instruments

(a) Credit risk exposure

The credit risk on financial assets of the Council which have been recognised on the balance sheet other than investments in shares, is generally the carrying amount, net of provision for doubtful debts. The Council has no major concentration of credit risk to any single debtor or group of debtors.

(b) Interest rate risk

The Council's exposure to interest rate risk, which is the risk that the value of a financial instrument will fluctuate as a result of changes in market rates and the weighted average interest rate by maturity periods is set out in the table below. For interest rates applicable to each class of asset or liability refer to individual notes to the financial statements.

Exposure arises predominantly from assets and liabilities bearing variable interest rates as the Council intends to hold fixed assets and liabilities to maturity.

(c) Sensitivity

Because of the structure of the QTC long term debt pool the impact of a change in market interest rates on the net result would not be material.

Financial Instruments	Note	Floating interest rate		Fixed interest rate		Non-interest bearing		Total	Total
		2007	2006	2007	2006	2007	2006	2007	2006
		\$	\$	\$	\$	\$	\$	\$	\$
Financial assets									
Cash assets and cash equivalents	13	-	-	19,196,676	13,184,378	415,146	3,511,055	19,611,822	16,695,433
Trade and other receivables	14	-	-	394,749	702,717	2,375,194	1,216,648	2,769,943	1,919,365
Other financial assets:		-	-	-	-	323,994	212,927	323,994	212,927
Weighted average interest rate		-	-	19,591,425	13,887,095	3,114,334	4,940,630	22,705,759	18,827,725
				6.5%	6.0%				
Financial liabilities									
Trade and other payables	22	-	-	-	-	4,220,921	3,843,883	4,220,921	3,843,883
Queensland Treasury Corporation	23	11,555,495	11,981,060	-	-	-	-	11,555,495	11,981,060
Other Bank Loans		-	-	-	94,565	-	-	-	94,565
Weighted average interest rate		11,555,495	11,981,060	-	94,565	4,220,921	3,843,883	15,776,416	15,919,508
		4.7%	5.8%		4.0%				
Net financial assets		(11,555,495)	(11,981,060)	19,591,425	13,792,530	(1,106,587)	1,096,747	6,929,343	2,908,217

(d) Unused loan facility

The Council has a facility for the general account to be overdrawn up to \$150,000.

(e) Net fair value of financial assets and liabilities

The net fair value of cash, cash equivalents and non-interest bearing monetary financial assets and liabilities of the Council, approximates their carrying amounts.

The net fair value of other monetary financial assets and liabilities is based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for assets and liabilities with similar risk profiles.

The net fair value of non-traded equity investments is an assessment by the Council based on the underlying net assets, future maintainable earnings any special circumstances pertaining to a particular investment.

BURDEKIN SHIRE COUNCIL
ANNUAL FINANCIAL STATEMENTS
For the year ended 30 June 2007

MANAGEMENT CERTIFICATE

For the year ended 30 June 2007

This general purpose financial report has been prepared pursuant to Section 532 of the Local Government Act 1993, the Local Government Finance Standards 2005 (the Standard) and other prescribed requirements.

In accordance with Section 48 of the Standard we certify -

- (i) the requirements under the Local Government Act 1993 for the keeping of the accounts have been complied with in all material respects; and
- (ii) the financial statements for the year ended 30 June 2007 and supporting notes presents the Council's operating results, cash flows and financial position as required by the *Local Government Act 1993*.

Mayor

Chief Executive Officer

Date: ____/____/____

Date: ____/____/____

INDEPENDENT AUDITOR'S REPORT

To the Mayor of Burdekin Shire Council

Matters Relating to the Electronic Presentation of the Audited Financial Report

The audit report relates to the financial report of Burdekin Shire Council for the financial year ended 30 June 2007 included on Burdekin Shire Council's web site. The Council is responsible for the integrity of the Burdekin Shire Council's web site. We have not been engaged to report on the integrity of the Burdekin Shire Council's web site. The audit report refers only to the statements named below. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report, available from Burdekin Shire Council, to confirm the information included in the audited financial report presented on this web site.

These matters also relate to the presentation of the audited financial report in other electronic media including CD Rom.

Report on the Financial Report

I have audited the accompanying financial report of Burdekin Shire Council, which comprises the balance sheet as at 30 June 2007, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies other explanatory notes and certificates given by the Mayor and Chief Executive Officer

The Council's Responsibility for the Financial Report

The Council is responsible for the preparation and fair presentation of the financial report in accordance with the *Local Government Act 1993* and *Local Government Finance Standard 2005* including compliance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. These Auditing Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance whether the financial report is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement in

the financial report, whether due to fraud and error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

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

Independence

The *Financial Administration and Audit Act 1977* promotes the independence of the Auditor-General and QAO authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can only be removed by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Auditor's Opinion

In accordance with the *Local Government Act 1993* I have audited the Council's financial report, and -

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion -
 - (i) the prescribed requirements in respect of the recording and reporting procedures required for the preparation of this financial report have been complied with in all material respects; and
 - (ii) the financial report has been drawn up so as to present a true and fair view, in accordance with the prescribed accounting standards, of the financial performance and cash flows of the Burdekin Shire Council for the financial year 1 July 2006 to 30 June 2007 and of the financial position as at the end of that year.

Ken Pickard
as Delegate of the Auditor-General of Queensland

Townsville

Dated: 31 October 2007

BURDEKIN SHIRE COUNCIL

For the year ended 30 June 2007

**THE FOLLOWING REPORTS DO NOT FORM PART OF THE
AUDITED FINANCIAL STATEMENTS. THEY HAVE BEEN PROVIDED
AS ADDITIONAL MANAGEMENT INFORMATION TO ASSIST THE
READER IN THEIR ANALYSIS OF THE FINANCIAL STATEMENTS**

BURDEKIN SHIRE COUNCIL
Statement of Operating Performance

For the year ended 30 June 2007

	Note	2007 Actual \$	2006 Actual \$
Operating Income			
Rates and utility charge revenue	3 (a)	24,636,963	22,894,986
Less: Discounts		(2,261,570)	(2,082,585)
Less: Pensioner remissions		(494,414)	(488,653)
Net rates and utility charges		21,880,979	20,323,748
Fees and charges		1,432,144	1,233,745
Interest received	3 (b)	1,427,729	1,127,557
Sales of contract and recoverable works	3 (c)	1,886,239	2,633,316
Other recurrent income	3 (d)	395,042	137,843
Grants, subsidies and contributions	4 (i)	2,416,808	2,268,226
Total recurrent revenue		29,438,941	27,724,435
Operating Expenses			
Employee benefits	7	(10,599,803)	(9,874,924)
Materials and services	8	(10,473,274)	(9,995,725)
Finance costs	9	(1,047,232)	(1,133,018)
Depreciation and amortisation	10	(5,843,214)	(4,992,308)
Total recurrent expenses		(27,963,523)	(25,995,975)
Operating surplus (deficit) for the period		1,475,418	1,728,460
Capital revenue			
Grants, subsidies and contributions	4 (ii)	3,138,231	1,904,511
Capital income			
Gain on the sale of capital assets	6	-	47,141
Reduction in rehabilitation provision due to the change in the estimated future cost on land not controlled by council	1.X(i)&38	45,382	343,467
Total capital revenue and income		3,183,613	2,295,119
Capital expenses			
Loss on the sale of capital assets	6	(74,770)	-
Loss on write-off of non-current assets	12	(739,507)	(4,372)
Total capital expenses		(814,277)	(4,372)
Net result attributable to council		3,844,754	4,019,207

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2007

	2007	2006
	Actual	Actual
Financial Ratios of the Accounts	%	%
Change in community equity ratio:		
The percentage change in the net wealth of the Council.	6.4%	53.2%
Interest cover:		
The percentage of interest costs to total recurrent revenue	2.2%	2.9%
Debt servicing ratio:		
The percentage that the Council's total recurrent revenue that is used to service loan interest and principal repayments	9.7%	11.4%
General rate revenue ratio:		
The Council's dependence on general rate revenue as a percentage of total recurrent revenue	58.1%	58.0%
Revenue ratio:		
The Council's dependence on net rates and utility charges as a percentage of total recurrent revenue	74.3%	73.3%
Debt exposure ratio:		
The percentage of Council's capital debt to total community equity	3.2%	3.6%
Working capital ratio:		
The ratio of unrestricted current assets available to meet current liabilities	4.1 : 1	3.9 : 1
Borrowing ratio		
The total capital borrowing as a percentage of total recurrent revenue	39.3%	43.6%
Capital expenditure ratio		
The ratio of capital expenditure to depreciation	123.9%	100.6%
Rate arrears ratio		
The percentage of rates and charges receivable to net rate and charges revenue	1.3%	2.7%
The effectiveness of Council's collection of rates and charges		

BURDEKIN SHIRE COUNCIL

Statement of Actual Results by Program

For the year ended 30 June 2007

	Note	Total on Consolidation	Eliminations on consolidation	Sub-total of all Council Programs	Administration Services	Community & Cultural Services
		Actual	Actual	Actual	Actual	Actual
		\$	\$	\$	\$	\$
Operating revenue						
Rates and utility charges		24,636,963		19,315,454	17,357,777	
Less: Discounts & pensioner remissions		(2,755,984)		(2,200,895)	(1,999,261)	
Fees and charges, rental and levies &		1,432,144		1,254,446	112,455	34,067
Interest		1,427,729		882,321	882,321	
Operational contributions and donations	4	208,877		168,800	12,217	73,700
Operational Govt grants and subsidies for recurrent expenditure	4	2,207,931		2,207,931	1,211,775	117,766
Sales of contract and recoverable works		1,886,239		1,886,239		
Internal service provider revenue			(616,000)	616,000	616,000	
Other operating revenue		395,042		364,464	94,644	48,054
Total operating revenue		29,438,941	(616,000)	24,494,760	18,287,928	273,587
Operating Expenses						
Employee benefits	7	10,599,803		9,260,864	3,571,643	501,291
Goods and services		10,473,274		9,126,811	1,444,896	1,369,074
Internal service provider expenditure			(616,000)	46,000		
Depreciation	10	5,843,214		4,701,668	359,420	391,744
External finance costs		1,047,232		1,040,002	187,450	
Total operating costs		27,963,523	(616,000)	24,175,345	5,563,409	2,262,109
Surplus (deficit) from operations		1,475,418		319,415	12,724,519	(1,988,522)
Capital cash contributions from other sources		12,183		12,183		1,500
Capital cash revenue from government sources		3,126,048		3,126,048		145,780
Other capital income	5	45,382		45,382		
Other capital expenses	11	(814,277)		(586,860)	22,168	
Net result for the period		3,844,754		2,916,168	12,746,687	(1,841,242)
Retained surplus (deficit) brought fwd from prior year		451,818		453,693	510,332	(13,053)
Net result from above		3,844,754		2,916,168	12,746,687	(1,841,242)
From (to) capital - items of capital income & expense		768,895		541,478	(22,168)	
From (to) capital to adjust working capital cash		321,315		321,315		
Transfer (to) capital general revenue expended		(961,290)		(961,290)	329,377	29,354
Other transfers between functions				(264,226)	(264,226)	
Surplus/(deficit) available for transfer to reserves		4,425,492		3,007,138	13,300,002	(1,824,941)
Net transfers from (to) capital reserves	30	(4,556,585)		(3,138,231)		(147,280)
Net transfers from (to) recurrent reserves	30	188,411		188,411	267,006	(69,758)
Retained surplus (deficit) funds at period end		57,318		57,318	13,567,008	(2,041,979)
Capital Funding Sources						
General revenue used (excess funds provided)		961,290		961,290	(329,377)	(29,354)
Disposal proceeds of capital assets	6	566,826		566,826	56,676	
Funded depreciation & amortisation expended		4,143,523		3,924,797	(417,451)	391,744
Government capital grants and subsidies	4	1,997,031		1,997,031		89,159
Developer contributions and capital donations	4	32,456		32,456		
Funds held in capital reserves	30	1,500		1,500		1,500
Loans for capital purposes	23	1,732,925		1,732,925	1,353,751	
Total capital funding sources		9,435,551		9,216,825	663,599	453,049
Capital Funding Applications						
Non-current assets		6,278,912		6,179,350	297,126	226,303
Movement in capital work in progress		934,969		868,513	(3,542)	226,746
Intangible assets		26,540		26,540	26,540	
Total capital asset acquisitions		7,240,421		7,074,403	320,124	453,049
Loan redemptions		2,195,130		2,142,422	343,475	
Total capital applications		9,435,551		9,216,825	663,599	453,049
Reserve balances held at beginning of period						
Capital reserve balances		8,152,635		3,191,982	51,000	66,739
Unspent loans and depreciation cash		5,246,351		1,349,589	970,415	
Recurrent reserve balances		1,813,390		1,813,390	1,498,906	94,722
Total reserve cash held at beginning of the period		15,212,376		6,354,961	2,520,321	161,461
Reserve balances held at the end of period						
Capital reserve balances		10,678,233		4,299,226	51,000	123,360
Unspent loan and depreciation cash held		6,888,117		2,068,535	2,068,535	
Recurrent reserve balances		1,624,979		1,624,979	1,231,900	164,480
Total reserve cash held at the end of the period		19,191,329		7,992,740	3,351,435	287,840

BURDEKIN SHIRE COUNCIL

Statement of Actual Results by Program

For the year ended 30 June 2007

	Development Services	Environmental Services	Engineering Services	Sewerage	Water
	Actual \$	Actual \$	Actual \$	Actual \$	Actual \$
Operating revenue					
Rates and utility charges		1,957,677		2,782,315	2,539,194
Less: Discounts & pensioner remissions		(201,634)		(296,340)	(258,749)
Fees and charges, rental and levies &	594,756	508,575	4,593	98,687	79,011
Interest				272,704	272,704
Operational contributions and donations		75,279	7,604	17,976	22,101
Operational Govt grants and subsidies for recurrent expenditure		1,500	876,890		
Sales of contract and recoverable works			1,886,239		
Internal service provider revenue					
Other operating revenue	1,462	56,007	164,297	24,977	5,601
Total operating revenue	596,218	2,397,404	2,939,623	2,900,319	2,659,862
Operating Expenses					
Employee benefits	507,819	1,689,756	2,990,355	684,329	654,610
Goods and services	85,540	3,383,375	2,843,926	529,483	816,980
Internal service provider expenditure		46,000		280,000	290,000
Depreciation		312,572	3,637,932	720,158	421,388
External finance costs		321,315	531,237		7,230
Total operating costs	593,359	5,753,018	10,003,450	2,213,970	2,190,208
Surplus (deficit) from operations	2,859	(3,355,614)	(7,063,827)	686,349	469,654
Capital cash contributions from other sources		1,500	9,183		
Capital cash revenue from government sources		44,190	2,936,078		
Other capital income		45,382			
Other capital expenses			(609,028)	(43,422)	(183,995)
Net result for the period	2,859	(3,264,542)	(4,727,594)	642,927	285,659
Retained surplus (deficit) brought fwd from prior year		(42,453)	(1,133)		(1,875)
Net result from above	2,859	(3,264,542)	(4,727,594)	642,927	285,659
From (to) capital - items of capital income & expense		(45,382)	609,028	43,422	183,995
From (to) capital to adjust working capital cash		321,315			
Transfer (to) capital general revenue expended		147,843	(1,467,864)		
Other transfers between functions				264,226	
Surplus/(deficit) available for transfer to reserves	2,859	(2,883,219)	(5,587,563)	950,575	467,779
Net transfers from (to) capital reserves		(45,690)	(2,945,261)	(950,575)	(467,779)
Net transfers from (to) recurrent reserves		(8,837)			
Retained surplus (deficit) funds at period end	2,859	(2,937,746)	(8,532,824)		
Capital Funding Sources					
General revenue used (excess funds provided)		(147,843)	1,467,864		
Disposal proceeds of capital assets			510,150		
Funded depreciation & amortisation expended		312,572	3,637,932	113,137	105,589
Government capital grants and subsidies		14,190	1,893,682		
Developer contributions and capital donations			32,456		
Funds held in capital reserves					
Loans for capital purposes		50,000	329,174		
Total capital funding sources		228,919	7,871,258	113,137	105,589
Capital Funding Applications					
Non-current assets		321,016	5,334,905	46,681	52,881
Movement in capital work in progress		(92,097)	737,406	66,456	
Intangible assets					
Total capital asset acquisitions		228,919	6,072,311	113,137	52,881
Loan redemptions			1,798,947		52,708
Total capital applications		228,919	7,871,258	113,137	105,589
Reserve balances held at beginning of period					
Capital reserve balances		139,500	2,934,743	2,105,089	2,855,564
Unspent loans and depreciation cash		50,000	329,174	2,339,068	1,557,694
Recurrent reserve balances		219,762			
Total reserve cash held at beginning of the period		409,262	3,263,917	4,444,157	4,413,258
Reserve balances held at the end of period					
Capital reserve balances		171,000	3,953,866	3,055,664	3,323,343
Unspent loan and depreciation cash held				2,946,089	1,873,493
Recurrent reserve balances		228,599			
Total reserve cash held at the end of the period		399,599	3,953,866	6,001,753	5,196,836

BURDEKIN SHIRE COUNCIL

Analysis of Cash Holdings

For the year ended 30 June 2007

	2007				2006			
	Actual				Actual			
	\$				\$			
CASH HOLDINGS AT PERIOD END	<u>19,611,822</u>				<u>16,695,433</u>			
Represented by :-								
(i) Constrained works reserve	1,812,325				705,081			
(ii) Grants, subsidies and contributions reimbursed reserve	-				-			
(iii) Water reserve	3,323,343				2,855,564			
(iv) Sewerage reserve	3,055,664				2,105,089			
(v) Capital maintenance reserve	119,239				119,239			
(vi) Carryover capital works reserve	2,367,662				2,367,662			
Recurrent maintenance reserve	1,624,979				1,813,390			
	12,303,212				9,966,025			
(i) Unspent depreciation fund reserve	6,266,868				4,567,177			
(ii) Unspent loan capital fund reserve	621,249				679,174			
Other Cash Balances held :-								
Revenue received in advance	397				1,219			
Refunds due								
Retained surplus (deficit) at period end	57,318				451,818			
Cash backing of rehabilitation provisions								
	Cash to date	Provision balance	(Shortfall)	Cash held	Cash to date	Provision balance	(Shortfall)	Cash held
Refuse sites	-	5,505,063	(5,505,063)	-	-	5,355,210	(5,355,210)	-
Movement in Working Capital Cash								
	Actual 2007				Actual 2006			
	Capital A/c	Current Period	Movement		Capital A/c	Current Period	Movement	
Assets	Analysis	Balances			Analysis	Balances		
Trade receivables	557,804	2,650,865	(2,093,061)		557,804	1,763,588	(1,205,784)	
Loans to community assoc.	423,544	119,078	304,466		423,544	155,777	267,767	
Inventories	253,803	904,083	(650,280)		253,803	821,448	(567,645)	
Inventory land for devel. & sale	70,689	-	70,689		70,689	-	70,689	
Other financial assets		323,994	(323,994)			212,927	(212,927)	
Net movement in assets	1,305,840	3,998,020	(2,692,180)		1,305,840	2,953,740	(1,647,900)	
Liabilities								
Creditors and accruals	337,062	1,391,522	1,054,460		337,062	993,132	656,070	
Employee entitle- current	828,901	1,354,096	525,195		828,901	1,385,807	556,906	
Entitlements - non current		1,475,303	1,475,303			1,464,944	1,464,944	
Net movement in liabilities	1,165,963	4,220,921	3,054,958		1,165,963	3,843,883	2,677,920	
Net Assets minus Liabilities	139,877	(222,901)			139,877	(890,143)		
Net working capital cash (deficit) at period end			A - B =	362,778			A - B =	1,030,020
CASH HOLDINGS AT PERIOD END	<u>19,611,822</u>				<u>16,695,433</u>			
Analysis of the Council's Capital A/c								
Non current capital assets	357,679,712				340,046,948			
Add - Unspent capital cash held	6,888,117				5,246,351			
Total capital assets	<u>364,567,829</u>				<u>345,293,299</u>			
Capital loans	11,555,495				12,075,625			
Rehabilitation provisions	5,505,063				5,355,210			
Net debt	<u>17,060,558</u>				<u>17,430,835</u>			
Net capital assets minus net capital debt	X			<u>347,507,271</u>	X			<u>327,862,464</u>
				143,384,557				141,318,690
Asset revaluation reserve	204,262,591				186,683,651			
Total balance of Council capital		Y		<u>347,647,148</u>		Y		<u>328,002,341</u>
Working Capital balance in Capital A/c		Y - X = A		139,877		Y - X = A		139,877