



Burdekin Shire Council

Annual Report 2007-2008



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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 - 18,192 estimated resident population as at 30th June, 2007. (2007 Census)

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

Rateable Assessments - 8,492 as at June, 2008

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 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, and day care centres, as well as a TAFE College and the Burdekin Agricultural College. 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 continuation of the CBD Revitalisation Project has seen the following areas refurbished during the past year:

- ♦ Installation of a new kitchen and alterations to the Burdekin Memorial Hall
- ♦ Revitalisation of the Burdekin Theatre Forecourt
- ♦ Signage for many areas of the Shire to compliment the existing CBD Revitalisation Project signage
- ♦ Installation of lighting over the Bicentennial Arch in Ayr.



Burdekin Shire Council



Corporate Governance

Mayor's Review

It is with much pleasure that I present the 2007-08 Annual Report. The Burdekin Shire Council's Annual Report is much more than a collection of statistical figures. It is a record of how the shire is dealing with an ever-changing environment and reveals the vast extent of the activities and programs this council has delivered over the past 12 months.

On reflecting over the past year, the Queensland local government reforms have caused major structural changes. As you would be aware, the State Government reduced the number of local councils from 157 to 73. Just 37 of these were not subject to any boundary changes. Burdekin Shire Council was one and I believe that the retention of the shire's identity and boundaries is one of the most significant milestones in the history of this council. However, Burdekin Shire did not emerge unscathed from the reform process; its representation was reduced from 10 councillors to six, plus a mayor.

Another significant event was over the past year was the local government elections, held in March. These elections were also historic because constituents were voting for a much smaller council. At this stage, I would like to thank members of the previous council for their dedicated service to the residents of this shire over their four-year term. I would also like to acknowledge their valuable input and support.

Council's annual budget delivered a 3.7 per cent overall rise in rates and charges revenue across the region – below the local government inflation figure and quite low compared with

industry increases. The total operating budget was \$42.4 million with \$10.2 million for capital works. The budget featured big spending on infrastructure, while reducing overall council debt. A record \$7.78 million was allocated to local roadworks. This allowed council to complete several capital projects, including stage two of a four-year bitumen-widening program in urban streets. The budget also allocated about \$200,000 to the construction of walking trails and new picnic areas along the Alva Beach foreshore - work which is now nearing completion.

I would like to extend my appreciation to all employees from the

CEO Ken Holt to the newest recruit for their hard work, commitment, positive attitude and success during the year. I would also like to acknowledge the new council members, who wasted no time in getting up to speed and getting on with the job. Even with the Local Government elections being held in mid-March, the council was able to bring down the 2008-09 budget before the end of June, ensuring funding for projects was available from the 1st July.

The Burdekin's rich natural resources are drawing increasing attention from potential investors, sea changers and tree changers. The challenge for council is to manage investment and change whilst protecting those things that make this shire such a great place to live. I am very proud to be living in the Burdekin as the best is yet to come.

Lyn McLaughlin
Mayor



Councillors



Burdekin Shire Council



CR. LYN MCLAUGHLIN

The Mayor, Cr. McLaughlin is Chairman of a number of Committees including the Burdekin Local Government Counter Disaster Committee; and the Burdekin Cultural Complex Board.

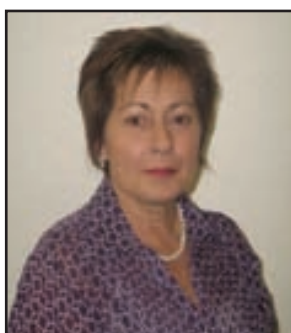
Cr. McLaughlin is also a member of Council's committee formed for performance appraisals of senior executive officers; Burdekin Shire Rivers Improvement Trust; North Queensland Sports Foundation; and the Burdekin Be Active Advisory Committee.

Cr. McLaughlin represents the Burdekin Shire on numerous regional based organisations including North Queensland Regional Organisation of Councils; Regional Planning Advisory Committee; and the Ministerial Regional Communities Forum.



CR. LOU LOIZOU

Cr. Loizou is Deputy Mayor and is also currently a member of the Burdekin Local Government Counter Disaster Committee; Burdekin Cultural Complex Board; Burdekin Shire Rivers Improvement Trust; Burdekin Road Safety Advisory Committee; and Burdekin Crimestoppers.



CR. PIERINA DALLE CORT

Cr. Dalle Cort is a member of the Local Authority Waste Management Advisory Committee; and Pest Management Plan Working Group.

Cr. DalleCort is also a member of Council's committee formed for performance appraisals of senior executive officers.



CR. MARK HAYNES

Cr. Haynes is a member of the Burdekin Cultural Complex Board; Burdekin Road Safety Advisory Committee; Burdekin Landcare Group; and the Burdekin Neighbourhood Centre.



Councillors



CR. ROSS LEWIS

Cr. Lewis is also a Council representative on the Burdekin Local Government Counter Disaster Committee; the North and South Burdekin Water Boards.



CR. TREENA LIST

Cr. List is a member of the Burdekin Cultural Complex Board; Regional Arts Development Fund (RADF) Committee; and Health and Environmental Services Regional Organisation of Councils (HESROC).

Cr. List is also a member of Council's committee formed for performance appraisals of senior executive officers; and Chairman of the Carols in the Park Sub-Committee.



CR. ENNIO GAZZIOLA

Cr. Gazzola is a member of the Burdekin Cultural Complex Board; Burdekin Community Association; Regional Arts Development Fund (RADF) Committee; the Houghton Integrated Catchment Committee.

Councillors - The following councillors served a four year term until March 2008



CR. ROBERT MARRIOTT

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

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

Councillors - The following councillors served a four year term until March 2008



Burdekin Shire Council



CR. LYNDY MCCATHIE

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

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



CR. MARK CASTELANELLI

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

Cr. Castelanelli was 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. JIM GIST

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

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



CR. ROSS GAMBINO

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

Cr. Gambino was 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.

Council's Mission and Values

Mission Statement

"To foster community identity and wellbeing through social, environmental and economic balance."

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.

Leadership – to provide effective and decisive community and organisational leadership through strategic planning and accountable and ethical standards of practice.

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.

Fairness, Equity, Respect 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:

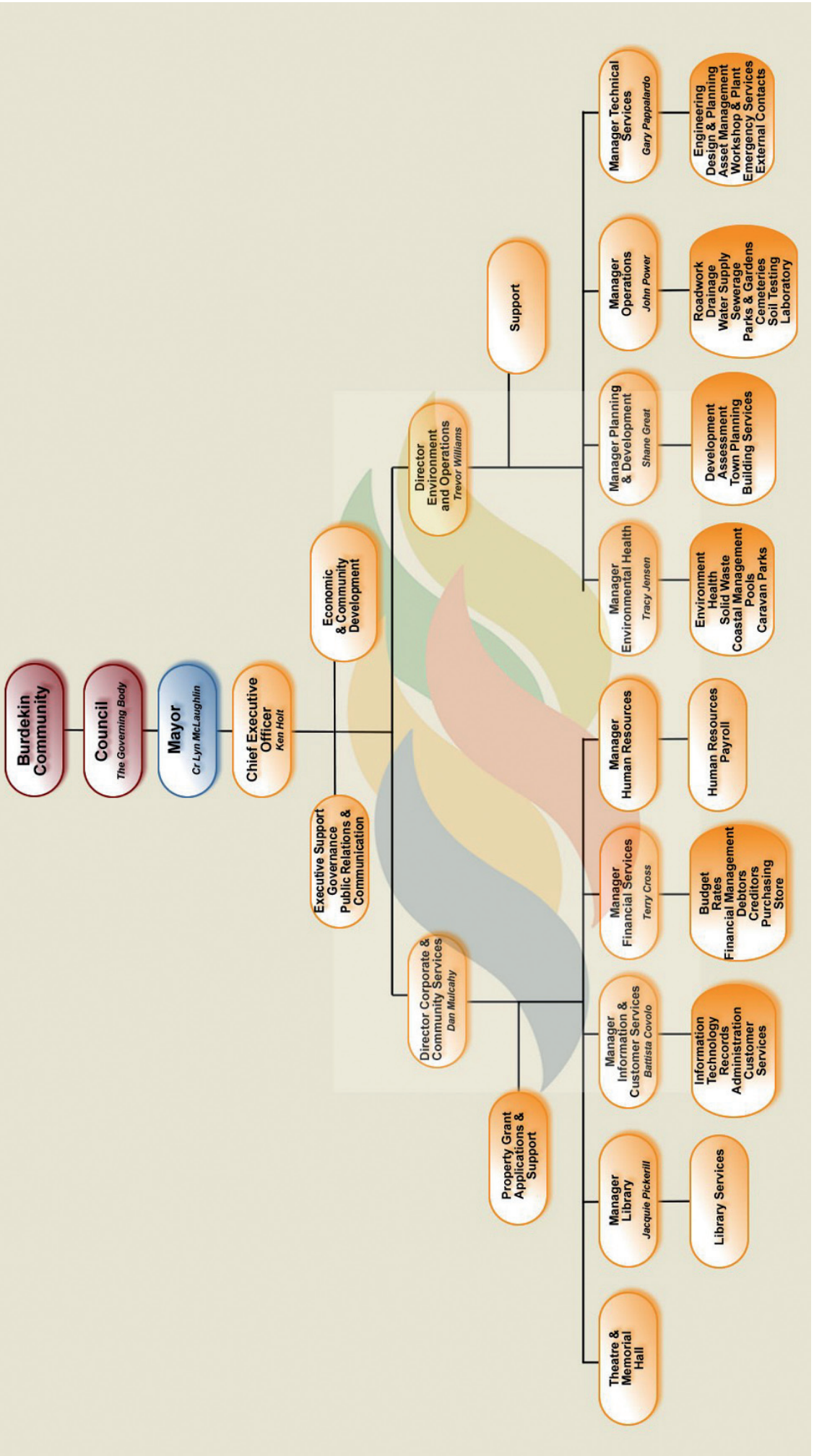
- ◆ Ordinary Council meetings – the 2nd and 4th Tuesday of each month.

Any changes to meeting times and dates are advertised in the local media. All Council and Committee meetings are open to the public.

Council has the power under the Local Government Act to appoint standing committees, special committees and advisory committees. Reports and minutes of these committees must be considered and adopted by Council.

Currently there are three advisory committees established, being the Burdekin Road Safety Advisory Committee; the Workplace, Health & Safety Committee; and the Burdekin Be Active Advisory Committee.





Elected Members & Senior Executive Officers



Burdekin Shire Council

Elected Members as at 30th June, 2008



Back (L to R) - Mr. Trevor Williams (Director Environment & Operations), Cr. Ross Lewis, Cr. Ennio Gazzola, Cr. Mark Haynes, Mr. Dan Mulcahy (Director Corporate & Community Services),
Front (L to R) - Cr. Treena List, Mr. Ken Holt (CEO), Cr. Lyn McLaughlin (Mayor), Cr. Lou Loizou (Deputy Mayor), Cr. Pierina DalleCort.

MAYOR
Cr. Lyn McLaughlin
P.O. Box 954, Ayr
Telephone 4782 6954

Cr. Lou Loizou
(Deputy Mayor)
Daniel Road, Home Hill
(Telephone 4782 0141)

Cr. Pierina Dalle Cort
19 Sydney Street, Ayr
(Telephone 4783 4495)

Cr. Ennio Gazzola
10 Drysdale Street, Giru
(Telephone 47829655)

Cr. Mark Haynes
74 Hillier Street, Brandon
(Telephone 47825223)

Cr. Ross Lewis
P.O Box 528, Ayr
(Telephone 0418 180 274)

Cr. Treena List
P.O Box 550, Ayr
(Telephone 4783 6636)

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.

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 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 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 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.
- ♦ An internal process has been commenced to determine compliance with the Local Government Act requirements.

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.



Council at a Glance

Activity Statistics

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

	2007/08	2006/07
Average Net Rates Per Residential Property (<i>Excluding Fire Levy</i>)		
- Ayr	\$1,729	\$1,660
- Home Hill	\$1,503	\$1,381
- Brandon	\$1,694	\$1,598
- Giru	\$1,215	\$1,108
Level of Gross Rates Arrears (<i>Excluding Fire Levy</i>)	\$479,376	\$275,671
<hr/>		
Number of Building Approvals	313	361
Dollar Value of Building Approvals	\$15,696,111	\$17,613,036
Number of Building Approvals (Private Certifiers)	158	88
Dollar Value of Building Approvals	\$10,623,605	\$5,701,364
Number of Building Approvals (other Local Government Areas).	865	720
Dollar value of Building Approvals.	\$70,395,499	\$44,442,624
<hr/>		
Number of Material Change of Use Impact Assessment	14	11
Number of Material Change of Use Code Assessments	21	22
Number of Reconfiguration Applications	77	70

Performance Indicators



The following ratios and performance indicators have been calculated from the 2007/2008 Financial Statements.

Financial

	2007/2008	2006/2007
Revenue Ratio The percentage of council's total operating income derived from rates and charges. Indicates Councils dependence on rates and charges revenue.	72.0%	74.3%
Working Capital Ratio Council's ability to meet current commitments	4.2:1	4.1:1
Debt Servicing Ratio The percentage of total operating income used to service debt	9.5%	9.7%
Borrowing Ratio The relationship between total borrowing and total operating income	0%	39.3%
Rates Arrears Ratio The effectiveness of council's collections of rates and charges	2.1%	1.3%
Capital Expenditure Ratio Ratio of capital expenditure to depreciation	133.3%	123.9%
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	9.5%	6.4%

The following ratios and performance indicators have been submitted for the 2007/2008 Comparative Performance Information prepared by the Department of Communication, Information, Local Government, Planning and Sport.

Personnel

	2007/2008	2006/2007
Number of employees per 100 capita	1.18	1.15
Wages and Salaries as a percentage of total operating expenditure	50.27%	47.47%
Number of employees per \$1,000,000 total operating expenditure	8.75	9.37
Percentage of work time lost due to accident	0.51%	0.15%

Waste Management Services

	2007/2008	2006/2007
Waste collection costs per property serviced	\$121.63	\$128.52
Total tonnage of refuse collected per property serviced	1.88	0.63
Total tonnage of refuse collected per bin serviced	1.68	0.55



Road Maintenance Services

	2007/08	2006/2007
Road Maintenance expenditure per laned kilometre – sealed roads		
Urban	\$1,607	\$1,302
Rural	\$734	\$614
Total	\$924	\$764
Road maintenance expenditure per laned kilometre – unsealed roads	\$1,095	\$1364
Percentage of sealed roads 'resealed'		
Urban	3.49%	5.7%
Rural	5.74%	6.27%
Total	5.25%	6.14%

Parks and Gardens

	2007/2008	2006/2007
Cost of maintaining parks and gardens per hectare maintained	\$30,109	\$26,283

Our Achievers

Burdekin Shire recognises achievers at Australia Day Celebrations on Saturday, 26th January, 2008

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.

Ellen Lund
Citizen of the Year

David Giffard
Citizen of the Year Achievement Award

Heather Scott
Young Citizen of the Year

Heather Desbois
Senior Sports Person of the Year

Linda Scott
Sports Administrator

Brianne Rossato
Junior Sports Person of the Year

Branden Holt
Junior Sports Achievement Award

Ryan Mottin
Junior Sports Achievement Award

Emma Andrews
Senior Cultural Award

Bobby Gray
Junior Cultural Award

Burdekin River Bridge 50th Anniversary Celebrations
Community Event of the Year

BCHS' Production of 'Disney's High School Musical'
Community Event of the Year Achievement Award



Mayor Lyn McLaughlin presenting the 2008 Citizen of the Year Award to Ellen Lund

Citizen of the Year

The 2008 Australia Day Citizen of the Year, Ellen Lund was nominated for her involvement in many church and community groups. She has been a member of the Catholic Women's League for over 40 years, holding the position of President of the Diocesan CWL for 4 years. She also worked as the Parish secretary for many years and has always been involved in all the church projects within the community.

She has been involved in many church and community groups, although her involvement with the Catholic Church World Youth Day preparations is her latest contribution to the community. She was the driving force behind the fundraising committee for World Youth Day 2008 held in Sydney. The committee's main aim was to raise money to enable youth from the Islands to come to Australia to participate in World Youth Day. Funds were also raised to assist Burdekin youth to attend this event.



Burdekin Shire Council

Over the years she has also volunteered at meals on wheels and taught religion at the State Primary Schools around the Burdekin.

She is an inspirational role model for the community because of the energy she puts into everything she does. She shows that if you put your mind to something, you can achieve it, and you are never too old to fulfil your dreams. There are many people who look up to her for all she has done and achieved in her life. Everyone who knows her would say she will do anything to help you and never hesitates when you ask for her assistance, no matter how busy she may be.

She is always the first to put up her hand to cook, supervise or sell tickets at any event.

She has given unselfishly to the community over many years, while raising a family and being a loving wife for over 50 years.

She is a quiet achiever who is very worthy of this Award.



Mayor Lyn McLaughlin, Senator Ian Macdonald, Terri Lund accepting the award on behalf of 2008 Citizen of the Year, Ellen Lund, Citizen of the Year Achievement Award Winner David Giffard, James Bidgood MP, Rosemary Menkins MP

Citizen of the Year Achievement Award

The recipient of the 2008 Citizen of the Year Achievement Award, David Giffard was nominated in recognition of voluntary work and dedication to the growth and development of Burdekin Radio 97.1 Sweet FM throughout its years of operation.

His hard work and technical know-how has been a major factor in the success of the station and its benefits to the Burdekin Community, not only for its entertainment value, but as an emergency service in time of cyclone, flood and other natural disasters.

His skills and knowledge as a ham radio operator and natural knack at fixing all electronic gadgets and items has built up over the years to the extent that he has ensured the continuation of the radio station's service to the community far into the future.

His dedication is unsurpassed, and his example an inspiration to everyone who comes into contact with him. Like all volunteers within our community he is a quiet achiever who is happy being in the background, never expecting or asking for recognition for his time and efforts.



*Rosemary Menkins MP, James Bidgood MP,
Young Citizen of the Year Heather Scott,
Mayor Lyn McLaughlin and Senator Ian
Macdonald*

Young Citizen of the Year

The 2008 Young Citizen of the Year, Heather Scott was nominated for her contribution to the community through her service to the Ayr Surf Lifesaving Club and her willingness to assist individuals and groups in the community in whatever way she is able.

Her services to the Ayr Surf Lifesaving Club include:

- ◆ Training of Bronze Medallion Squads.
- ◆ Active patrolling member of the Ayr Surf Lifesaving Club.
- ◆ Provision of water safety at Branch Carnivals. (She provides water safety when junior competitors are competing in swimming, board and wade events.)
- ◆ Assists in the registration of new members and updating details on current members.
- ◆ Assists in the nomination of senior and junior Ayr Club members to Branch Carnivals.
- ◆ Participated in the collection of money for the annual Surf Appeal

She was awarded the Kevin Halender Memorial Trophy for "The Club Member for Outstanding Service other than Competition" at the 2007 Ayr Lifesaving Awards Night.

She was elected 2007 School Captain for Ayr State High School. In this role she attended and participated in many school and community events.

She was also involved in the cultural activities at Ayr High School. She participated in the School Musical and was a member of the Ayr High School Concert Band for five years playing the bass clarinet at School and Community functions.

In the sporting field, she was a member of Ayr High's 2007 basketball, touch football and netball teams.

She has achieved Duke of Edinburgh Bronze and Silver Awards and at the time of receiving the young citizen of the year award was working towards her Gold Award.

At the Ayr High School 2007 Annual Awards Night, she was awarded the Principal's Award for Scholastic Effort and the Caltex Best Allrounder Award recognizing participation and excellence in Academic, Leadership, Sporting and Community Service Activities.

She was also a member of the Burdekin Youth Council for three years. She always displays co-operation, initiative, reliability and courtesy in all that she does.

She is a self motivated and mature young adult who displays excellent leadership skills.



Senator Ian Macdonald, Rosemary Menkins MP, Senior Sports Awardee Heather Desbois, Sports Administrator Awardee Linda Scott, Mayor Lyn McLaughlin, James Bidgood MP

Senior Sports Award

The 2008 Australia Day Senior Sports Awardee, Heather Desbois has been involved in the sport of Touch Football for 27 years. The highlights of her playing career have included:

- ◆ Co-Captain of the Australian over 30 Women's Touch Team to tour Singapore, England and Scotland in 2000 – The team was undefeated.
- ◆ Co-Captain of the Australian over 30 Women's Touch Team to tour South Africa, England and Wales in 2002. The team was undefeated.
- ◆ A member of the Queensland State of Origin team since 1996.
- ◆ A member of North Queensland teams since 1986
- ◆ Played in the Townsville "A" grade women's competition since 1993
- ◆ Played in the Burdekin Women's Open competition since 1985.

In 2007 she was Player/Coach of the North Queensland Women's over 40 team. The team was runner-up in both

the State and the National carnivals. She was named player of the final at the National Championships. She was chosen in the Queensland State of Origin squad to play NSW in 2008.

She has refereed in the Burdekin senior competition since 1996. She has also assisted with the juniors since their inception in 1993 with both coaching and refereeing. She has been heavily involved in Primary School Touch Football since 1982.

She is an inspirational trainer who attributes her success to hard work. Through her representative achievements she has acquired a great knowledge of the game and has passed this knowledge on to local players through her coaching and playing.

She has been an inspirational role model to both junior and senior players for many years. She has strived hard to better herself in her chosen sport and has continuously passed on her skills and work ethics to other members of the community.

Sports Administrator Award

The 2008 Australia Day Sports Administrator Awardee, Linda Scott has been involved in the sport of Surf Lifesaving for approximately 10 years. During this time she has worked tirelessly for the Ayr Surf Lifesaving Club in a number of roles.

As an accredited official with Surf Lifesaving Queensland she

participates as an official at every North Queensland Branch Surf Carnival. These carnivals attract competitors from all over North Queensland and can have up to 800 competitors. Her roles at these carnivals include judging, administration and marshalling. She is well respected at these carnivals and is regularly used as a mentor for training of new officials.

At a club level she has been club administrator and club registrar for approximately five years. She will always make that extra effort to ensure that carnival nominations are in on time, members are financial, and that all members are competent to enable them to fulfil their respective roles. She will leave the beach and go door knocking members' houses to ensure they have been nominated for a particular carnival and have paid the relevant fees. She goes way beyond the call of duty to make sure all members are given the best opportunity to get the most out of the sport of Lifesaving.

In addition, the club utilises her skills as a teacher to teach the junior kids surf awareness, first aid and general lifesaving skills.

The collation of all these tasks has meant she has played a major role in ensuring the members of the surf club are not only competent in their chosen sport, but also qualified to the extent they are able to offer the community the service of ensuring that Alva Beach is a safe place to swim during the patrolling season.

The life skills gained within the surf lifesaving movement (eg. surf safety, first aid, marine stinger awareness and beach conservation) are unmatched by any other sport as they contribute towards making the community in which we live a safer place.

She would not expect to be recognised in any way for the work that she does as she enjoys her volunteer work and considers it an enjoyable social experience.



James Bidgood MP, Mayor Lyn McLaughlin, Junior Sports Awardee Brianne Rossato, Kevin Holt (accepting the Junior Sports Achievement Award on behalf of Branden Holt), Ryan Mottin, Rosemary Menkins MP, Senator Ian Macdonald

Junior Sports Award

The 2008 Australia Day Junior Sports Awardee, Brianne Rossato was nominated for her hard work, commitment and high achievements in a wide range of sporting endeavours including Lifesavers, Swimming, Soccer and Athletics.

Her dedication and commitment to training and competition is very commendable. She is tenacious and takes pride in always producing her best effort.

Some of her sporting awards and achievements attained over the past year include:

Lifesavers

Local Club Level

U12 Age Champion; Senior Champion;
Most points scored at Carnivals Award;
and Iron Woman Champion.

Branch Level

U13 Champion Lifesaver at
North Barrier Branch Surf Rescue
Championships

State Titles

Finalist for swim, board
and iron woman

Swimming Club

Local Club Level

12 Years Age Champion

Swimming Australia

Queensland Junior Excellent Program
– Silver Standard

Club Athletics

Local Club Level

Broke records for the following events
– 800m, 1500m, Triple Jump and
Shotput.

Athletics North Queensland Championships

Gold in the 3000m and 1500m – Silver
in Triple Jump, 800m and Javelin –
Bronze in Shot-put and 400m – invited
to Oz Squad

School Sports

Home Hill School Level –

Cross Country
Age Champion and Senior Champion
(Record)

Swimming
Age Champion (two records in freestyle
and backstroke)

Athletics
Age Champion (Record 800m)
Awarded Sportsperson of the Year

Burdekin Level –

Swimming Age Champion

Cross Country
Age Champion (Record)

Athletics Age Champion

She also attended State Championships for Swimming, Cross Country, Netball, Soccer, Touch Football, Softball and Athletics.

She is an inspirational role model for her peers and strives for excellence at all times which is evident by the fact that as well as dedicating an enormous amount of time and energy to her sporting pursuits, she still achieves at a very high standard academically and culturally. She also shows good sportsmanship and leadership qualities and was rewarded by being given the honour of captaining two NQ teams. She sets a good example by always participating fully and giving 100% effort and encouraging others to do the same.

Junior Sports Achievement Award

Due to the High quality of nominees there were two Achievement Awards presented for 2008. The recipient of the first achievement award, Branden Holt was nominated for his contribution to the community by representing the Burdekin district in a number of sports, but especially in the sport of soccer. Over the last four years he has participated in a number of sports both at school level and club level. He has represented the Burdekin and North Queensland in touch football, swimming, track and field, and soccer. He now concentrates on his soccer and in 2007 he represented Burdekin Colts, NQU15 Zone side and Queensland Country U15 State side which competed at the National Titles. He was also invited to travel with Football Queensland to England and Scotland.

In schoolboys soccer he was selected as a shadow player in the North Queensland U18 schoolboy's side which is a great achievement for a fifteen year old player. Other awards he received in 2007 were:

- ♦ Best & Fairest player for Burdekin Colts
- ♦ Third position in the Townsville Colts competition as player of the year
- ♦ North Queensland Sport Development Bursary Recipient
- ♦ Ayr State High School Best and Fairest U15 player in Soccer and Touch Football.

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.

The recipient of the second achievement award, Ryan Mottin was nominated for his achievements in athletics and the sport of soccer.

His sporting achievements include:

- ♦ Age Champion at every Athletics carnival since Year 1
- ♦ Age Champion at every swimming carnival since Year 3
- ♦ Age Champion at every Cross Country since Year 4
- ♦ St. Francis Sportsman of the Year 2004
- ♦ Burdekin Catholic High School Male Champion Athlete in 2005, 2006 and 2007
- ♦ 2006 Burdekin Catholic High School Sportsman of the Year

His achievements in soccer in 2007 include:

- ♦ Burdekin Catholic High School Best and Fairest award for Soccer
- ♦ Nominated in Top 5 for Best and Fairest NQ Colts player
- ♦ Equal second in Golden Boot award at the Under 15 National Titles for highest goal scorers
- ♦ Identified for trial for Queensland Academy of Sport
- ♦ Invited to participate in Football Queensland UK tour 2007
- ♦ As a result of the Queensland Academy of Sport trial he was offered a Regional Scholarship to begin in 2008



James Bidgood MP, Rosemary Menkins MP, Junior Cultural Awardee Bobby Gray, Emma Andrews the Senior Cultural Awardee, Mayor Lyn McLaughlin, Senator Ian Macdonald.

Senior Cultural Award

The 2008 Senior Cultural Awardee, Emma Andrews has always loved music – anything from ACDC to The Phantom of the Opera, which she first saw when she was six years old. Even at three years old she wanted to learn to whistle, which she didn't accomplish very well, even though she and her Pop used to practise for hours.

At five or six she took to the stage in "Hans Christian Andersen" and

brought the house down with her actions. Whilst standing centre stage, she decided to hitch up her stockings. To achieve this she had to throw her skirt up over her head and start hitching. Mrs. Nuttall was not impressed.

She has gone on to perform in several other local productions and sing and dance through each and every one.

She has been a member of school bands in Primary and Secondary school. At East Ayr State School she was a member of the flute band through Years 5, 6 and 7.

She has completed Grade 6 for piano and has played in the High School Big Band and Concert Band. She has had four years of singing training and has even cut her own CD.

She has just completed her final Grade 8 year for speech with a distinction, and attained Grade 8 (Advanced Foundation) in Classical Ballet. She also dances tap, modern and contemporary and is now teaching the junior children at her dance school.

She has participated in Eisteddfods since she was six, taking part in Dance, Music, Singing, and Speech and Drama.

She is recognised in the community, not only because of her red hair, but because she is always willing to help out and have a go, and participate in community events.

Her strong work ethic and commitment to any activity she is involved in has been the key to her achievements.

Junior Cultural Award

The 2008 Australia Day Junior Cultural Awardee, Bobby Gray has been involved with music since the

age of seven. He has developed into a very competent guitarist, plays keyboard and recently commenced violin lessons. He is also studying theory and is currently completing Trinity exams.

He is a member of the Ayr State High School Concert Band and Jazz Ensemble and has participated in the Burdekin Eisteddfod and the Burdekin Singers' productions of "Joseph" and the "Full Monty". He received the Ayr State High School Award for "Most Outstanding Musician" in 2006 and 2007 and also the Grade 10 "Subject Dux" for music. He is a member of local rock band "Aldarai" which has participated in numerous events, including Battle of the Bands, Bandfest, Ayr Water Festival, 25th Anniversary of the Burdekin Theatre and the NQ High School Rock Awards in Townsville.

He shows a great dedication and passion for music and always contributes his best effort. He appreciates all genres of music and demonstrates to his peers that it is okay to participate in all types of music, whether it be playing an instrument or performing other roles in bands, choirs and productions. He encourages others to take an interest in music and willingly passes on his knowledge to anyone he can assist.

Community Event of the Year

The 2008 Community Event of the Year celebrated the 50th anniversary of the Burdekin River Bridge. People of all ages became involved in the planning and staging of the events which were held as part of the week long celebrations. Businesses, community groups and individuals willingly volunteered their assistance and there was a real sense of



“community” which was focused towards making the celebrations an outstanding success.

The highlight of the celebrations was the official ceremony on Sunday, June 17th, 2007 which included a re-enactment of the official opening and mass walk. The event attracted approximately 6,000 people from the local area as well as other parts of Queensland and Australia. Visitors included workers who had assisted in constructing the landmark 50 years earlier. Queensland Premier Peter Beattie unveiled a commemorative plaque before inviting the crowd to take part in the mass walk. People were encouraged to wear red for the event to create a visual spectacle for media cameras. The vast majority answered that call, having bought commemorative red hats and t-shirts to wear proudly on the big day. The official ceremony, mass walk, and Picnic in the Park and Markets at Watsons Green were the grand finale to the nine-day program of celebrations.

The celebrations raised awareness of the Shire’s history and the significance of the bridge to the development of North Queensland.

Community Event of the Year Achievement Award

The Achievement Award in the Community Event of the Year category was awarded to Burdekin Catholic High School for their production of Disney’s High School Musical. Most of the cast and crew were new to the stage and they now have an appreciation of what the Burdekin Theatre can offer teenagers. The

musical, based on an incredibly popular film, brought new people, especially boys, to the theatre. The backstage crew consisted of students who were trained by the theatre staff to use the fly tower, sound and lighting equipment. The musical proved that it doesn’t matter what your ability level or perceived “lack of talent”, you can represent your school and your district with success. The production was incredibly well supported by the local community – approximately 1,000 people attended the show, many of whom were young children. These children now recognise cast from the musical, and these cast members now realise the importance of good role modelling.

The musical brought the magic of theatre to a new generation and helped to build friendships across all year levels, creating a special bond between those who watched and participated in it.



Rosemary Menkins MP, Senator Ian Macdonald, Eliza Zanella and Tony Vaccaro. Accepting the Community Event of the Year Award on behalf of the Burdekin Shire Council for the Burdekin River Bridge 50th Anniversary Celebrations, Elisa Rigano Accepting the Encouragement Award for the Production of “High School Musical”, Mayor Lyn McLaughlin and James Bidgood MP

Programme Achievements

Corporate and Community Services

Administrative & Financial Services

Achievements for the Year

- ♦ 2007-08 saw the first year of operation of the Customer Service Centre. The objective of the Centre is to provide a more efficient and centralised area for service to Council's customers. The Centre has received favourable comments from the public. Relevant statistics include:
 - o 5,911 customer requests recorded.
 - o The majority of the customer requests concern animal control (23%), roads and drainage (19%), water supply (15%) and waste management (13%).
 - o 38,045 answered phone calls with an average answer delay of 15 seconds.
 - ♦ Rating analysis and drafting and adoption of Council's 2008/09 budget, policies and four year forward estimates by 30 June, 2008.
 - ♦ Total operating grants and subsidies obtained from the state and commonwealth governments totalled \$3,257,525.
 - ♦ Total capital grants and subsidies obtained from the state and commonwealth governments totalled \$1,685,925.
 - ♦ Obtained Federal and State employment grants of \$43,033
- in respect of trainees under the Breaking the Unemployment Cycle initiative and continuing apprenticeships.
- ♦ 82 meetings minuted and 1,163 general debtor invoices issued for \$4.86M.
 - ♦ Debt reduction of \$2.36M and no new loan borrowings for 2007/08.
 - ♦ Annual rates season collections of \$21.3M from a \$22.9M levy of Council rates and State Government fire levies for 8,716 properties with 3,569 properties paid at Council Chambers and 5,108 properties paid at collection agencies.
 - ♦ Rates arrears of 2.1% (\$479,411) compared with total net levies (\$22.70M) achieved by prompt and effective collection and follow up procedures.
 - ♦ Ongoing recognition, valuation, revaluation and recording of council's assets acquired and constructed during the year in the total asset gross value of \$499M.
 - ♦ Annual financial statements for 2007/08 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.
 - ♦ Planned and implemented major upgrade of Finance One financial system to current version.
 - ♦ Prompt and accurate fortnightly processing of creditors accounts throughout the year to in excess of 1,200 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.
- ◆ 1,185 property transfers and adjustments processed by Rates staff during the year to maintain Council's rates and property database record.
- ◆ Progressive stocktaking procedures achieved more frequent stock take checks with completion of the full year stock take cycle by May and minor stock write-off.
- ◆ Celebrated the retirement of long standing HR Manager, Brian Smith.
- ◆ Fortnightly salary and wages payments and related staffing matters dealt with accurately and promptly for workforce varying in size from 210 to 220 members including trainees and councillors.
- ◆ Successful upgrade of People One payroll/human resources system.
- ◆ 57 staff and workforce vacancies and 23 workers compensation claims processed through the year.

Funding Applications and Nominations

- ◆ Gambling Community Benefit Fund - \$30,000 Clare co-locate facility.
- ◆ North Queensland Area Consultative Committee Expression of Interest - \$48,000 Clare co-locate facility.
- ◆ Hell Hole Creek Boat Ramp Security Lighting - \$25,000.

- ◆ Department of Communities Community Support Services Program

- o Project: Burdekin Rural Multi-Tenant Service Centre - \$1.05million
- o Queensland Country Week - \$10,000

Community and Cultural

Achievements for the Year

- ◆ Co-ordinated successful Burdekin Labour Campaign to address labour shortage issues in the sugar and horticultural industries. The television advertising campaign, which ran for 4 weeks in drought stricken areas of Victoria resulting in 27 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 Week Luncheon; Health 'n' Fitness Expo; Youth Council Battle of the Bands; Carols by Candlelight; Christmas Lantern Parade; Launch of Walking Groups in Clare and Giru; Launch of Ergon Energy Climate Smart Living Program.
- ◆ Co-ordinated community events workshop and sport and recreation forum.
- ◆ Promotional activities included: production of Burdekin Promotional DVD and marketing material;

contribution towards Bountiful Burdekin Brochure; participation in Queensland Country Week in Brisbane and Queensland On Show in Melbourne.

- ◆ Assistance provided to Ayr Pastoral, Agricultural and Industrial Association Inc.
- ◆ Council has continued with its generous donations to welfare, cultural, sporting and community based organisations. A total of \$499,804 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.
- ◆ Subsidies for sporting and cultural excellence were offered in accordance with Council's policy. Three (3) young people benefited from this subsidy totalling \$675.
- ◆ SES operations were funded in the amount of \$56,803 net of subsidies and contributions. A grant from Emergency Management Australia funded the construction of a joint facility for the Clare SES and Clare Rural Fire Brigade.



Clare Co-locate facility - Headquarters building for Clare State Emergency Service & Clare Rural Fire Brigade

- ◆ Regional Arts Development Fund (RADF) Grants totalling \$24,054 were provided to 16 individuals or organisations, comprising \$9,622 Council funds and \$14,432 State Government funding.
- ◆ \$88,656 was spent on Development and Tourism which included 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, Ayr Show and Craft Spectacular.
- ◆ Total number of visits to the Burdekin Library was 68,032. In the Shire, 12,790 Library Members borrowed a total of 175,235 items. A total of 6414 items were purchased for the libraries, including over 300 new DVD's.
- ◆ The Burdekin Library scanned and indexed an additional 150 local images to SLQ standards for inclusion online via Picture Queensland and Library catalogue.



New Mosaic garden area at the Burdekin Library - opened in June 2008

- ◆ The Burdekin Library received a RADF grant to provide financial assistance to Mosaicist Claudia Williams, to conduct mosaic workshops for adults in the Burdekin. The community members were invited to help create mosaic paving stones for the new library outdoor reading area. The Library outdoor reading area was opened in June 2008.
- ◆ 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 450 children from 20 classes visited the Library for Book Week celebrations.



Burdekin Theatre Forecourt following major revitalisation work

- ◆ 178 children attended 11 holiday activities which were conducted in Ayr and 165 children attended 11 sessions in Home Hill. 8 classes paid visits to the Library (approximately 150 children) while the Children's Librarian made 90 visits to schools, pre-schools and kindergartens during the year (approximately 2000 children).

- ◆ Approximately 500 children and 250 carers attended 41 Story Time sessions in Ayr, while 212 children and 101 carers attended 36 sessions in Home Hill.
- ◆ Installation of promotional CD technology to promote services via a computer screen in the Home Hill Library.
- ◆ Burdekin Library hosted a new one hour segment on Sweet FM every second Saturday live to air reading of short stories, poems, reviews and personal recommendations of great books for kids and young adults
- ◆ A partnership between the State Government Environmental Protection Authority, Ergon Energy and Burdekin Shire Council delivered a community based awareness project focused on energy conservation in the Home Hill Library as the first of four in state regional areas in March 2008. Solar power cells have been installed on the roof of the Memorial Hall to provide a live demonstration of the benefits of renewable energy and cut the power costs at the library by \$500 a year. The project will reduce the greenhouse emissions.



Members of the 2008 Burdekin Shire Youth Council

Environment and Operations

Planning & Development

Achievements for the Year

- ♦ 2007/2008 year has seen some dramatic changes to the overall operation of the Planning and Development Department. The entire department was re-located to existing office space located alongside the new customer service centre. This initiative allowed officers to be physically housed closer to Council's customers. The roles and responsibilities associated with the new Customer Service Centre have meant changes that will ultimately improve service delivery within the Planning and Development Department. The year saw a number of changes to staffing arrangements. New appointments in the area of Plumbing Inspection, Building Certification and Town Planning have meant that improved efficiencies have been gained in delivering professional technical advice in a timely manner.
- ♦ Attainment by staff of qualifications from recognised study courses in Town Planning, Building Certification and Plumbing Inspection services has meant a higher level of expertise is achieved when providing advice on relevant development matters. Overall, there have been minimal complaints about service delivery in this high public contact area and the commitment of staff is to be congratulated.
- ♦ All departments are achieving the goals and objectives associated with Council's Operational and Corporate Plans.
- ♦ Council's Town Planning Department have been working closely with consultants to draft up Council's new Priority Infrastructure Plan (PIP). This mandatory planning document will ensure that the appropriate infrastructure charges are imposed on any new development within the Burdekin Shire. The proposed amendment to the IPA Planning Scheme was gazetted in April 2008. The adopted changes have allowed for the provision of additional residential and industrial lands to be zoned appropriately to ensure that new land use 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 and industrial 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's Building and Plumbing sections provided building certification and plumbing compliance services to both the Burdekin Shire's residents and private certification customers outside of the shire. In total, 471 building applications generated within the Burdekin Shire (including 158 applications from external certifiers) were processed. The dollar value of such works totalled \$26,319,716 compared to \$23,314,400 in 2006/07.

- ◆ Private Certification services for Building Works in neighbouring local authorities continued to expand. Compared to last year, building applications have increased from 720 to 865. This equates to the total value of work increasing from \$ 44,442,624.00 to \$70,395,499.00.
- ◆ Town Planning assessed a total of 34 Material Change of Use applications and 77 Reconfiguring a Lot development applications. This was a slight increase when compared to last years development applications lodged.

Environment & Health

Achievements for the Year

- ◆ Burdekin Shire Council became a Reef Guardian Council after fulfilling the requirements to be part of the program. An action plan has been developed to ensure that Council continues to improve practices and undertake programs which protect and improve the Great Barrier Reef.
- ◆ Home Hill became the first ClimateSmartTown in Queensland. Photovoltaic cells have been installed on the roof of the Home Hill Library and monitors at the Library record how much energy is being produced to operate the Library. The free light bulb exchange program has been running from the library for Home Hill residents.
- ◆ Continued working with the Burdekin Dry Tropics Natural

Resource Management with the projects such as the Alva Beach clean up, revegetation and fencing project, Sheepstation Creek and Lilliesmere wetlands projects helping Council with the development of improved coastal and wetlands management.

- ◆ New contract management arrangements have been implemented for the Ayr and Home Hill Swimming pools and the Burdekin Cascades and Home Hill Caravan Parks.
- ◆ Undertaking weed harvesting operations with Burdekin Dry Tropics for the removal of floating aquatic weeds on waterway systems in the Burdekin.
- ◆ Free Food Hygiene and Safety training courses have been conducted for food premises in the Burdekin to ensure that business operators and staff are aware of the changes in the Food Safety legislation and that appropriate food safety procedures are being utilised.
- ◆ Undertaking mosquito trapping and control trials to improve the effectiveness of the mosquito management program.



Partially constructed bird hide on Hodel Road, Giru

- ◆ Carried out regular patrols and investigation for problem animals to minimise the impact on the community.
- ◆ Organised and participated in National Tree Day, Clean Up Australia Day, Million Paws Walk, Coastcare Day, Mobile Muster and National Recycling Week,
- ◆ Undertook several school based education programs on responsible pet ownership.
- ◆ Undertaking Blueprint for the Bush 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 department's ability to undertake all aspects of the Environment and Health program activities. Council has continued to advertise to try to 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 \$ 34,272
- ◆ Waterways \$ 26,889
- ◆ Sheepstation Creek \$ 8,000
- ◆ BDT NRM Projects \$ 129



Tree planting at Alva - joint project of Council with Conservation Volunteers of Australia (CBA) and students from Kalamia State Primary School



Tree planting near the former Ayr Racecourse site - East Ayr State School 'Carbon Sink' Project Sponsored by Burdekin Shire Council



Operations

Achievements for the Year

- ◆ Council completed approximately \$7.6 M in new roadworks, reseals and road and drainage maintenance in the 2007/2008 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. Total cost for these operations was approximately \$1.8 M.
- ◆ 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 for a total cost of approximately \$1.9 M.
- ◆ Operated and maintained the Wastewater Systems for Ayr/Brandon and Home Hill within the requirements of Environmental Licence for a total cost of approximately \$2.4 M.
- ◆ All Systems performed in compliance with Customer Service Standards.



Construction of kerbing and channelling in Braby Street, Alva Beach

- ◆ Continued program of property inspection and facilitated installation and maintenance of private landholder trade waste infrastructure.

Major projects completed include:-

Bitumen Widening Program

- ◆ Completed the second year of the 4 year program to bitumen widen all urban streets with existing kerb and channel and gravel shoulders. Areas widened included Brandon 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 \$418,000 in a R2R supplementary (one-off) program. Council constructed the following projects in these programs:-
 - Young Street (bitumen reconstruction).
 - Jerona Road (construct concrete causeway).



Road construction of Braby Street, Alva Beach

Drainage

- ◆ Continuation of the Horseshoe Lagoon Drainage Scheme with the construction of new drainage channels.
- ◆ Drainage maintenance of almost \$100,000 was carried out throughout the shire.



Reconstruction of concrete floodway on Woodhouse Road (near Gladys Lagoon)

Footpath and Bikeway Construction

- ◆ Footpath construction in Chippendale Street from Queen Street towards Burke Street.



Council constructing new carpark as contractor for Ayr Golf Club

- ◆ **Bitumen Construction and Reconstruction and Widening** was a major part of the works performed. Sections of Edwards Street, Beach Road (partly with Auslink funding), Sayers Road, Barrett Road, Linton Road, Milanese Road, Woodhouse Road, Warana Road, Shirbourne Road were upgraded to improve standards in these areas.

- ◆ Carried out reseals to the Shire roads to the value of approximately \$970,000.
- ◆ Carried out general maintenance to roads to the value of \$2.19 million

Parks & Gardens

- ◆ Largely completed construction of Lawn Cemetery at Home Hill.
- ◆ Completed refurbishment of Band Rotunda at Anzac Park, Ayr.
- ◆ Completed major upgrade of the Rotary Arch Dunn Memorial Park, Home Hill



Council constructing pontoon at Plantation Creek



Council workers carrying out upgrade to Rotary Arch Dunn Memorial Park, Home Hill



Maintenance of gardens - Town Clock roundabout, Queen Street, Ayr

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 completed.
- ◆ Ongoing replacement/refurbishment of components at Sewage Treatment Plants.
- ◆ Ongoing replacement/refurbishment of various water supply assets including pumps and reticulation components.



Council work men reconstructing failed sewerage manhole in Chippendale Street, Ayr



Repair works to sewerage lines in Chippendale Street, Ayr

Technical Services

Achievements for the Year

- ◆ Successful external audit of the Works Division Quality Assurance System (AS/NZS ISO 9001:2000). The principal aim of quality assurance is to improve productivity, reduce rework and aim to achieve continual improvement. It is also required for external works, including for State Government Departments.
- ◆ Council has continued its Road Maintenance Performance Contract (RMPC) 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 \$1.18 million worth of maintenance works were carried out during the 2007/2008 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

- ◆ E10 Fuel – Ethanol blend - Council's light vehicle fleet continued to use E10 fuel in all of its petrol engine cars and utilities.



Burdekin Shire Council

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 2008.

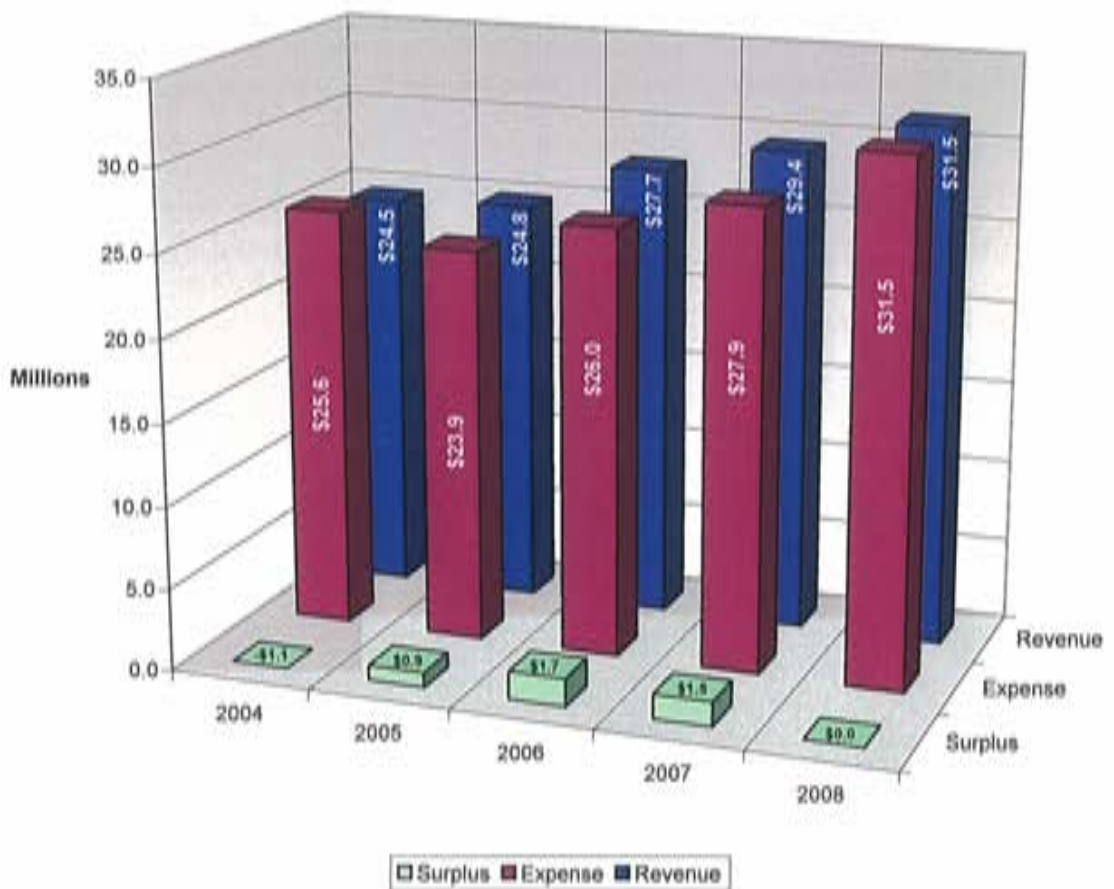
Keeping Council's finances in good shape is similar to managing any home or business budget. Money has to be earned, bills have to be paid and savings need to be set aside for future needs. This is how the Council's financial picture fits together.

THE BIG PICTURE OF COUNCIL'S FINANCIAL MANAGEMENT

During the 5 years from 2004 to 2008 Council has aimed for a 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.

The Big Picture of Council's Financial Management
funds in (revenue) - funds out (expense) = funds left over for capital (surplus)



WHERE OUR MONEY COMES FROM

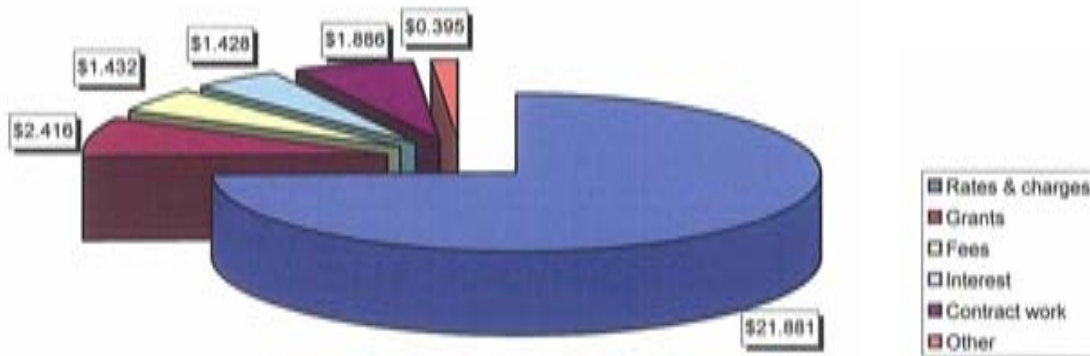
General rates as well utility charges for water, sewerage and garbage are our main source of income.

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

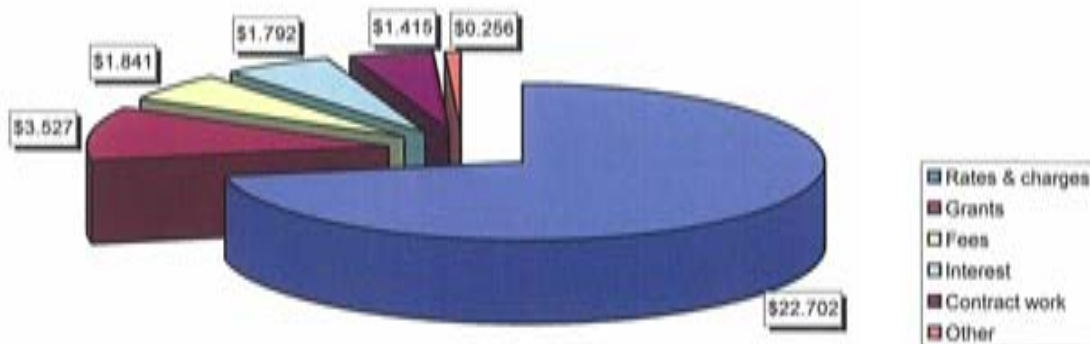
As the amount of money we have invested grows, so does the amount of interest we earn from it.



OUR 2007 INCOME \$29.4 Million



OUR 2008 INCOME \$31.5 Million



WHERE OUR MONEY IS SPENT

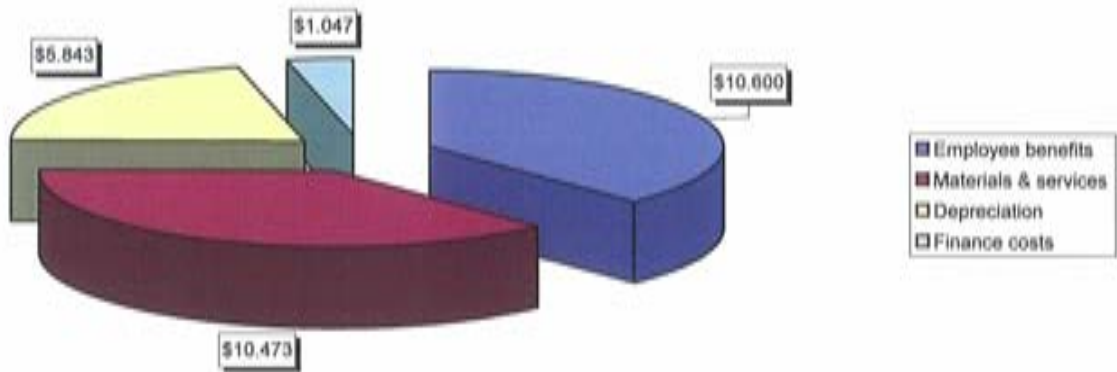
Council provides a wide range of services to the community.

This work is done by our employees and by contractors.

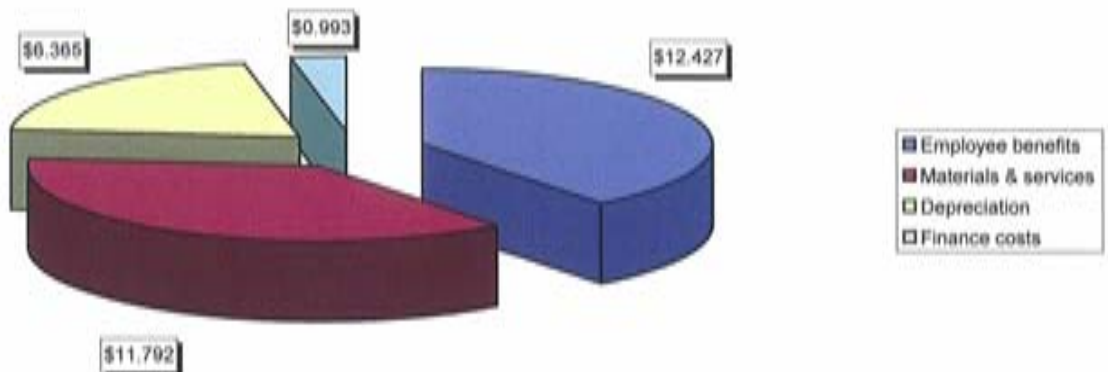
Wherever possible, we use local suppliers and contractors, so the money flows back into our local economy.

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 2007 EXPENSES \$27.9 Million



OUR 2008 EXPENSES \$31.5 Million



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 2007 and 2008.

WHAT OUR COMMUNITY OWES

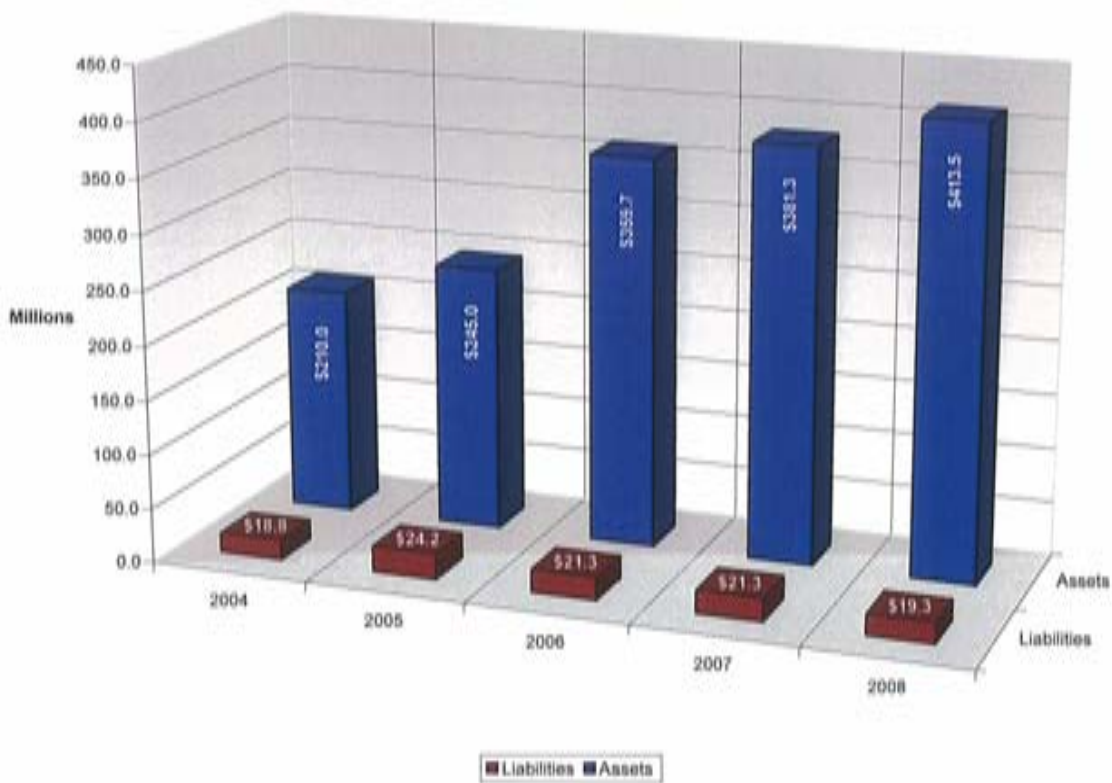
Council is no different from householders and businesses.

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



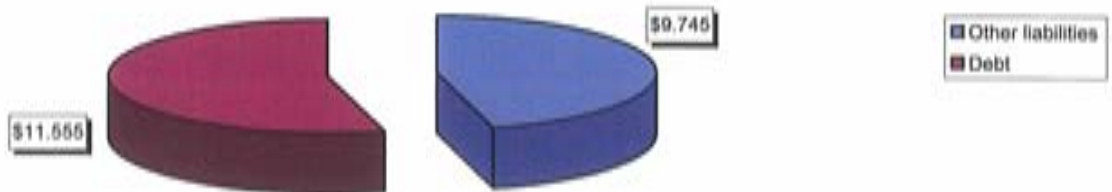
MANAGING OUR DEBT

No new borrowings were required in 2008.

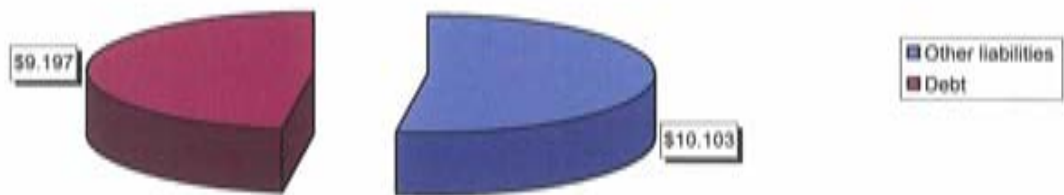
We manage our debt level to ensure a sound balance between the use of Council's own money and loans.

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

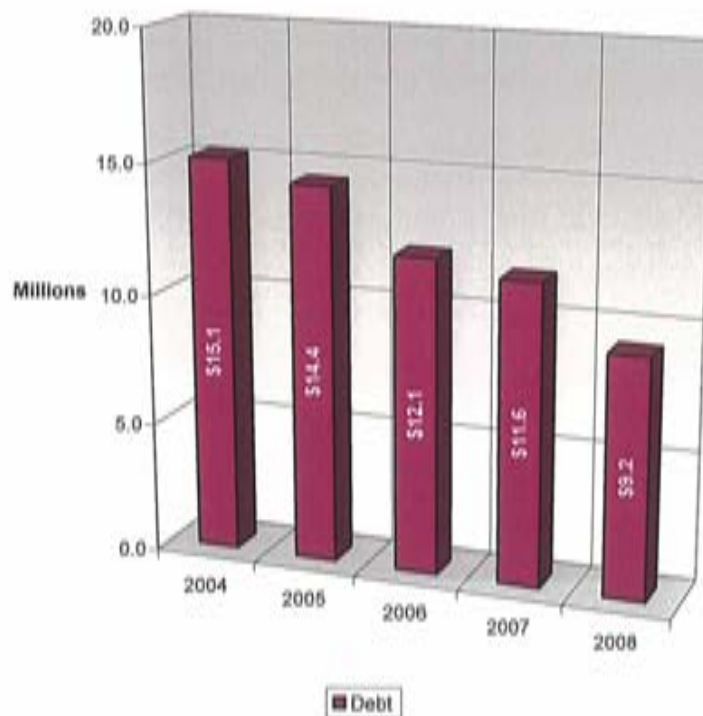
OUR 2007 OTHER LIABILITIES COMPARED WITH DEBT
Millions



OUR 2008 OTHER LIABILITIES COMPARED WITH DEBT
Millions



OUR DEBT

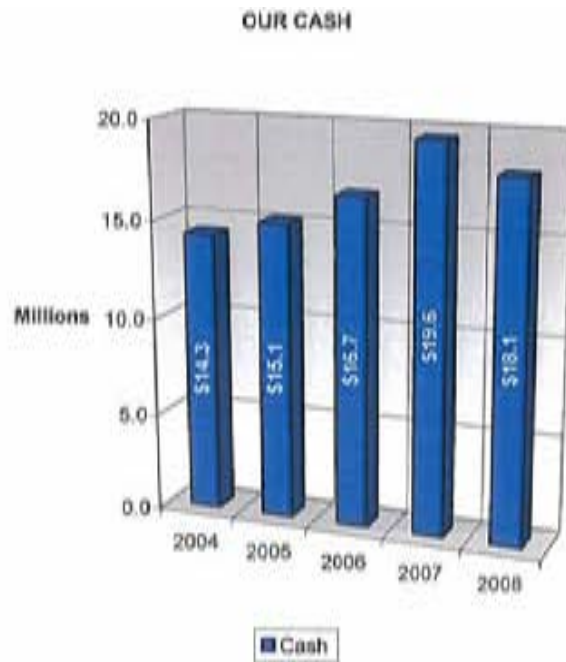


OUR CASH

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.

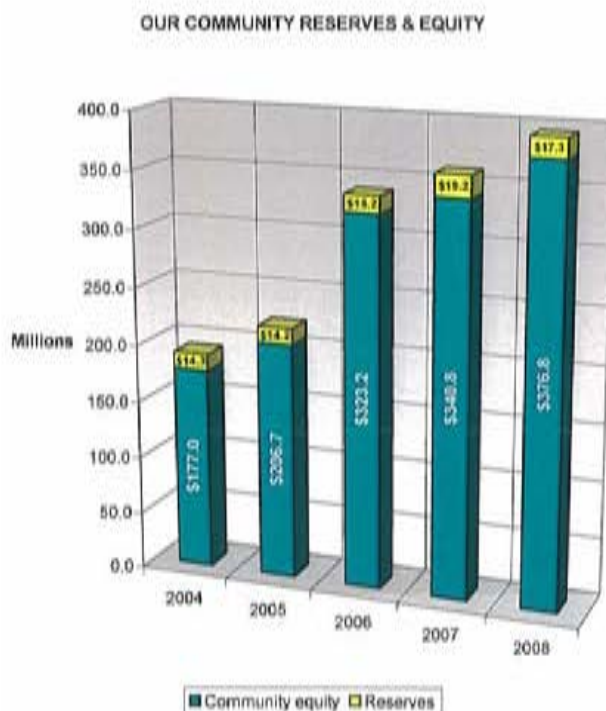


WHAT WE ARE WORTH

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 2007 and 2008.



What Did We Achieve 2007/2008

Customers' perception and dealing with the Council changed in 2007 with the first year of operation of the Customer Service Centre. The objective of the Centre is to provide a more efficient and centralised area for service to Council's customers. The Centre has received favourable comments from the public. The majority of the customer requests received were animal control (23%), roads and drainage (19%), water supply (15%) and waste management (13%).

The Council's Budget was again focused towards road works with approximately \$7.6M incurred on new roads, roads maintenance and reseals.

2007-08 saw the completion of the second 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 Brandon and parts of Ayr and Home Hill.

Under the Roads to Recovery Programme, the Council constructed 2 projects, being Young Street (bitumen construction) and Jerona Road (construct concrete causeway).

Bitumen construction and reconstruction and widening were a major part of works performed.

Sections of Edwards Street, Beach Road, Sayers Road, Barrett Road, Linton Road, Milanese Road, Woodhouse Road, Warana Road and Shirbourne Road were upgraded to improve standards in these areas.

Drainage works included the continuation of the Horseshoe Lagoon Drainage Scheme with the construction of new drainage channels. In addition, drainage maintenance of almost \$100,000 was carried out throughout the shire.

The Council has continued its maintenance contract with the Department of Main Roads. Almost \$1.18M worth of maintenance works was carried out during the 2007/08 financial year.

Council retained its Quality Assurance status in the Works Division to AS/NZS ISO 9001:2000 which is a prerequisite 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.

Both Water and Sewerage Systems performed in compliance with adopted Customer Service Standards.

Council continued its environmentally friendly and proactive role in encouraging use of bio fuels. Council's light vehicle fleet continued to use E10 in all petrol engine sedans and utilities.

Natural Resource Management is again highlighted as an important responsibility for Council. Council continued working with the Burdekin Dry Tropics with projects such as Alva Beach clean up, revegetation and fencing project; Sheepstation Creek; and Lilliesmere wetlands.

Council carried out aquatic weed harvesting operations with Burdekin Dry Tropics on waterway systems in the Burdekin. Council also became a Reef Guardian Council to assist in protecting and improving the Great Barrier Reef.

Blueprint for the Bush projects were undertaken including removal of prickly acacia and a coordinated wild dog and feral pig programme.

The Parks and Gardens staff continued to operate and maintain parks, gardens, round-a-bouts, cemeteries and public conveniences to a high standard.

Council provided planning and development services to its customers. 471 building applications (including 158 applications from external Certifiers) were processed with a

dollar value of \$26.3M compared to \$23.3M in 2006-07. Private Building Certifier Services continued to be offered in other Local Government areas, with 865 building applications processed with a dollar value of \$70.4M compared with \$44.4M in the previous year.

Within the Planning area, 34 material change of use and 77 reconfiguration applications were processed.

Town Planning staff have been working closely with consultants to draft up a new Priority Infrastructure Plan (PIP) which will ensure that appropriate infrastructure charges are imposed on any new development.

An amendment to the Council's new IPA Planning Scheme was gazetted in April 2008 to ensure that new residential and industrial areas are able to be developed to accommodate for the unprecedented demand the Burdekin Shire is currently experiencing for such land.

For the second year running, council drafted and adopted its budget in June. The financial statements for 2007-08 achieved an unqualified audit opinion.

Operating and capital grants and subsidies obtained from the state and commonwealth governments totalled \$3,257,525 and \$1,685,925 respectively.

External debt reduced by \$2.36M and no new borrowings were taken up for 2007-08.

Major upgrades of the Finance One financial system and the People One payroll/human resources system were undertaken.

This year saw many other community events take place including the People to People Student Ambassador Programme (over 3 month duration); Australia Day Celebrations; Morning Melodies; Senior Week Luncheon; Health 'n' Fitness Expo; Youth Council Battle of the Bands; Carols by Candlelight; Christmas Lantern Parade; Launch of Walking Groups in Clare and Giru; and the Launch of Ergon Energy Climate Smart Living Program.

The Council continued with its generous donations to welfare, cultural, sporting and community based organisations with a total of \$499,804 provided in the form of cash, provision of services or sewerage charge rebates.

\$88,656 was spent on local events including the Burdekin Barra Rush, Burdekin Auto Festival, Burdekin Water Festival and International Food Fair, Home Hill Harvest Festival, Burdekin Grower Race Day, Ayr Show and Craft Spectacular.

A major successful funding application was made to the Department of Communities for the construction of the Burdekin Rural Multi-Tenant Service Centre.

The Ayr and Home Hill Libraries continue to be well patronised with membership of 12,790 and borrowings of 175,235 items. Large numbers of children, parents and carers attended the Libraries for holiday activities, story time sessions and Book Week celebrations.

The Library was one of six libraries chosen in 2006 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 an additional 150 local images to SLQ standards for inclusion online via Picture Queensland and Library catalogue.

A new outdoor reading area was opened at the Burdekin Library, Ayr in June 2008. The outdoor area included mosaic paving stones created by members of the public following a workshop conducted by Claudia Williams funded by a RADF grant.

Statutory Information

Revenue Policy for Year 2007/2008

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 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; and
- ♦ 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, horticulture and aquaculture 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 (predominantly) 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 but not limited to: recreation and sporting, swimming pools, community, cultural, library, 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 became effective on 1st July 2006, that the valuations at that time 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 recently 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.

(iv) In determining the rating burden to be shared by the differential rating categories, the Council acknowledges the following:

(1) New valuations issued from time to time may produce a shift in relativities between the various differential rating categories in respect of their share of the rating burden;



- (2) New valuations issued from time to time may also result in a differential rating category contributing less of the rating burden than in the preceding year. Council acknowledges this circumstance as unfair or inequitable to the other differential rating categories and accordingly will manually intervene to produce up to a one percent (1%) increase in the rating burden for that category over the previous year.
- (3) A five (5) year average of valuations in the differential rating categories will have the effect of smoothing the effects of any shift in relativities between the various differential rating categories brought about by the issue of new valuations;
- (4) A five (5) year average of valuations in the differential rating categories shall be used to distribute the general rating burden together with manual intervention, if required, to ensure that a differential rating category does not contribute less to the rating burden than in the previous year;
- (5) Notwithstanding the above, new valuations may lead to shifts in relativities between properties within the differential rating categories. In such cases, Council acknowledges that the property valuation is a fair indicator of the general rating burden to be met by that property.

Minimum General Rates

The Council considers that each property in the Shire benefits to some extent from the facilities and services provided by the Council, including the governance costs in running the Shire administration. Such expenditure is limited to that funded by the general rate.

Therefore Minimum General Rates are made and levied to recover the costs of such services and facilities.

The Council further considers that the benefit received by each property within the Differential Rating Categories A to E is substantially equal and is therefore striving for parity within those categories.

Limitation of Increase in Rates

Council is of the opinion that the property valuation is a fair indicator of calculating the general rating burden to be met by that property. Due to the smoothing effect of using a five (5) year average valuation in the differential rating categories and manually intervening to ensure that a differential rating category does not contribute less to the rating burden than in the previous year, Council believes that limiting the increase in rates or "rate capping" is not required to be implemented.

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;
- ◆ Flexibility to take into account of local economic conditions; and
- ◆ Full cost recovery of associated expenses, including a reasonable return on capital.

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:

- o Establishment of a charging system more closely aligned to the principles of user pays;
- o 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.

Special Charges

When providing services or undertaking activities that can reasonably be seen to benefit only a part of the rate base, the Council considers it advantageous to recover those costs from those properties. To facilitate this principle, special charges are used to recover the following:

- a. Costs of constructing the sewerage infrastructure to serve Stages 1, 2 & 3 of the Ayr Industrial Estate;
- b. Collection of funds for the purpose of contributing to the purchase and maintenance of equipment and infrastructure of the Mount Kelly Rural Fire Brigade; and
- c. Costs of repairs and maintenance and electricity supply to the SBS television translator located in the Wunjunga area.

Separate Charges

The Council acknowledges that there are various service provisions and infrastructure that the cost recovery of would seem to be unfair if made in accordance with property valuation and are more closely aligned with the concept of equal benefit per property. As a consequence, separate charges are used so that each property in the Shire, regardless of size, pays the same amount towards cost recovery. Separate charges are used to recover costs associated with the following:

- o Ongoing and proposed funding commitments towards environment improvement and natural resource conservation initiatives;
- o Ongoing payment of interest on and redemption of any instalments in respect of any loan money borrowed for or in respect of the cost of constructing and implementing Stage 1 of the CBD Revitalisation Project; and
- o Ongoing payment of interest on and redemption of any instalments in respect of any loan money borrowed for or in respect of the cost of constructing and implementing Stage 2 of the CBD Revitalisation Project.

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:

- o Periodic Payments
- o Application for Relief on the Grounds of Hardship
- o 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.

Notwithstanding the above, individual cases will arise and Council has the discretion to consider each case on its merits and exercise its rights under Chapter 14, Part 6 of the Local Government Act.

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.

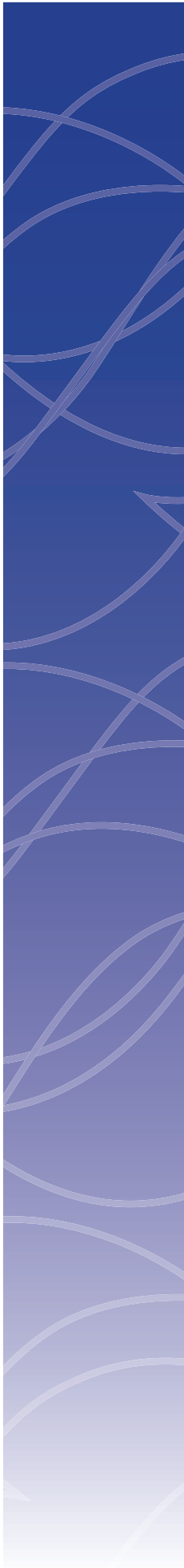
In accordance with the above principles, Council has developed a policy for the recovery of rates and charges which is reproduced below:

The Council requires payment of rates and charges within the specified period (excluding those ratepayers electing to remit rates by approved periodic payment plans). All other ratepayers shall be subject to legal action to recover outstanding arrears in accordance with the following procedures:

1. *The Local Government Act 1993 as amended, requires that rates are payable 30 days after the issue of the rate notice.*
2. *Within one (1) month of the date of expiry of discount, the Council's*

first and final reminder notice (red rates notice) is forwarded to all ratepayers with outstanding rates (excepting ratepayers paying by regular instalments and those ratepayers who have requested an extension of time to pay outstanding rates).

3. *Where no payment or acceptable arrangement to eliminate the debt is received within one (1) month of the issue of the Council's reminder notice, a letter is issued by the Council's Solicitor advising of the approximate legal costs involved if payment is not received within ten (10) days of the issue of the Solicitor's letter.*
4. *Where no payment or acceptable arrangement to eliminate the debt is received by either the Solicitor or Council, a plaint and summons shall be issued under the hand of the Council's Solicitor.*
5. *All plaints are issued through the Magistrate's Court of Ayr and recovery action is handled by the Council's staff in conjunction with the Council's Solicitor where appropriate.*
6. *Where ratepayers default on any agreed arrangement, procedures commence from Step 3.*
7. *Once a summons has been issued no further payment plan will be entered into between the Council and the ratepayer, unless the Chief Executive Officer in his opinion considers the circumstances of the individual ratepayer are such that Council should give further consideration to the matter.*



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 \$264,628
Number of Applications 807

Donations

Standing Donations to Churches, Sporting Bodies etc..... \$76,387
Number of Applications 50

Library Statistics

Statistics.

	2007/2008	2006/2007
Membership	12,790	12,926
Membership as % of population	70%	70%
Total book stock	58,591	54,424
AV Sound (spoken word, music)	1,806	1,528
AV Videos	1,147	1,483
CD Roms	86	89
DVD's	1,588	1,398
Annual circulation – Issues (excluding renewals)	175,235	175,730
Discarded library stock - sale receipts	\$1,334	\$2,048



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	29	26	3	-
M.A. Castelanelli *	21	19	1	-
P.M. Dalle Cort	29	26	-	3
R.J. Gambino *	21	19	1	-
J.R. Gist *	21	21	-	-
M.J. Haynes	29	28	-	-
R.H. Lewis	29	23	2	3
T.P. List	29	25	-	2
L. Loizou	29	28	1	-
R.J. Marriott *	21	21	-	-
L.D. McCathie *	21	16	-	3
E. Gazzola **	8	8	-	-
<p>Meetings for period 1/07/07 to 30/06/08</p> <p>* Meetings for period 1/7/07 to 11/03/08</p> <p>** Meetings for period 1/04/08 to 30/6/08</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 2007 the annual salary for an MLA was \$126,560.

Allowances and meeting fees from 1st July 2007 to 20th March, 2008 were as follows:

Mayor Allowance	\$88,592 p.a.
Deputy Mayor (Cr. M. Hayne)	\$36,702 p.a.
Councillor	\$27,843 p.a.
Annual Allowance – Councillors including Mayor	\$ 2,531 p.a.

At the Post Election Meeting held on 1st April, 2008 Council resolved that in accordance with Section 236A and 1291 of the Local Government Act, the Council authorised the payment of remuneration to Councillors pursuant with the determination in the remuneration schedule set out by the Local Government Remuneration Tribunal as follows:

Mayor - 100% of the upper limit of the Mayor remuneration range for a Category 3 Council; Deputy Mayor - 80% of the upper limit of the Councillor remuneration range for a Category 3 Council plus \$6,330; Councillor - 80% of the upper limit of the Councillor remuneration range for a Category 3 Council;

noting that the purpose of the remuneration is to cover the cost of attendance (excluding expenses) at "Council business" (as defined in the Guidelines of Councils Reimbursement of Expenses and Provision of Facilities for Mayors and Councillors) and the costs of

attendance and expenses of any non "Council business" as part of the role of Councillor; and further noting that payment of remuneration is to take effect the day after the conclusion of the 2008 local government elections, this being 21 March, 2008.

Allowances and meeting fees from 21st March 2008 to 30th June, 2008 were as follows:

Mayor Allowance	\$82,260 p.a.
Deputy Mayor	\$41,150 p.a.
Councillor	\$34,820 p.a.

Total Remuneration and Superannuation Contributions Paid to Councillors

1st July 2007 – 30th June 2008

Councillor	Mayor's Allowance \$	Meeting and Acting Mayor's Allowance \$	Car Allowance \$	Total \$	Council's 12% Superannuation Contributions Paid \$
MCLAUGHLIN, L.A.	88,898.05	-	-	88,898.05	10,667.80
CASTELANELLI, M.A.	-	22,919.40	725.94	23,645.34	2,837.46
DALLE CORT, P.M.	-	28,887.00		28,887.00	3,466.48
GAZZIOLA, E. **		8,437.15		8,437.15	1,012.47
GAMBINO, R.J.*	-	22,919.40		22,919.40	-
GIST, J.R. *	-	22,919.40	293.21	23,212.61	-
HAYNES, M.J.	-	38,381.07		38,381.07	4,605.77
LEWIS, R.H.	-	28,040.02		28,040.02	3,364.85
LIST, T.P.	-	30,172.06		30,172.06	3,620.69
LOIZOU, L.	-	32,557.60	873.91	33,431.51	4,011.82
MARRIOTT, R.J.*	-	22,919.40		22,919.40	-
MCCATHIE, L.D.*	-	20,466.10		20,466.10	2,455.96
TOTAL	\$88,898.05	\$278,618.60	\$1,893.06	\$369,409.71	\$36,043.30
* From period 03/07/07 to 25/03/08					
** From period 08/04/08 to 17/06/08					

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

2007/2008, 2008/2009, 2009/2010, 2010/2011 & 2011/2012 FINANCIAL YEARS

Legislation

In accordance with S521 of the Local Government Act 1993 and S8 of the Local Government Finance Standard 2005 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:-

2007/2008	2,000,000
Asset acquisition and replacement	
2008/2009	2,450,000
Asset acquisition and replacement	
2009/2010	2,100,000
Asset acquisition and replacement	
2010/2011	2,050,000
Asset acquisition and replacement	
2011/2012	1,650,000
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:-

- ♦ Five 3 year debt pool accounts (expected repayment terms from 1.375 to 4.625 years)
- ♦ Six 6 year debt pool accounts (expected repayment terms from 4.625 to 7.625 years)
- ♦ Two 9 year debt pool accounts (expected repayment terms from 7.625 to 10.625 years)
- ♦ One 12 year debt pool account (expected repayment terms from 10.625 to 13.625 years)

As at 31st March 2007, the expected terms for repayment of Council's debt were:-

- ♦ 1.38, 1.81, 1.83, 3.45 and 4.27 years for the three year debt pool
- ♦ 4.99, 5.48, 5.64, 6.68, 7.10 and 7.45 years for the six year debt pools
- ♦ 9.95 and 10.05 years for the nine year debt pools
- ♦ 11.16 years for the twelve year debt pool

K. Holt
CHIEF EXECUTIVE OFFICER

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 2007/08. These donations are in addition to the rebates and concessions allowed in respect of rates and charges.

Donations - Welfare Associations	\$ 31,641
Donations - Cultural Activities	\$ 28,949
Donations – Burdekin Cultural Complex Board	\$304,600
Donations - Sporting Clubs/Associations.....	\$ 10,995
Donations - Life Saving/Beach Patrol	\$ 8,016
Donations & In Kind - Economic Development, Tourism and Promotions.....	\$ 18,778
Donations & In-kind – Community Assistance	\$ 26,855

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.

The following allocation was made during the 2007/08 financial year :

- ♦ \$87,350 to Ayr Golf Club Inc. for car parking improvements.

Current funds allocated to sporting bodies and community based organisations and to be repaid as at 30th June, 2008 total **\$171,570**.

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 2007/2008 are as follows:

Ryan Mottin - Qld Country Under 15 Years Football Team for 2007
– Coffs Harbour, NSW (soccer)
\$225

Mitchell Taylor - Qld Country Under 14 Years Football Team for 2007
– Coffs Harbour, NSW (soccer)
\$225

Branden Holt - Qld Country Under 15 Years Football Team for 2007
– Coffs Harbour, NSW (soccer)
\$225

Special Rates & Charges

Wunjunga SBS Translator Special Charge

A special charge for the Wunjunga SBS Translator Supply was levied during 2007-08 on a benefited area comprising of landowners in the Wunjunga area. Funds are used to recover the ongoing cost of repairs, maintenance and electricity supply to the SBS television translator. Funds expended during 2006-07, on which the charge was based, were \$800-00.

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 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, being \$5,005-00 for 2007/08.

Land and Reserves

Burdekin Shire Council has control of:

- 1,206 km of constructed roads excluding 269 km of constructed roads not controlled by the Council.
- 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 \$174,465 was expended on consultancy services in the following areas of Council operations:

Development of Priority Infrastructure Plan	\$ 38,081
Natural Disaster Relief Arrangements Assessment	\$ 3,231
Multi Tenant Service Centre	\$ 7,600
Asset Valuations	\$ 21,186
Asset Management	\$ 63,483
Development of Emergency CD	\$ 19,000
Geographic Information System	\$ 7,150
Financial Assistance Grants	\$ 8,454
Software Upgrade	\$ 3,655
Human Resources	\$ 2,625
	\$ 174,465

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 \$20,964 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 \$102,307 was spent on 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 Overseas Travel

No expenditure was incurred for overseas travel by a councillor or employee during 2007-08.

Code of Conduct

In accordance with the Local Government Act, the Council adopted a Code of Conduct for Councillors effective from 1 March, 2006. The Code was the original model produced by the Department of Local Government Sport & Recreation.

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.

The Council is required to again adopt a Code of Conduct for Councillors by 15th September, 2008 (within 6 months after the election). A new model Code of Conduct has been prepared by the Department and gazetted by the Minister. However, the original model Code of Conduct will remain in place until 15th September, 2008 or until such time Council adopts a different code.

A draft Code of Conduct for Employees will be considered during 2008-09.

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 of 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	\$ 19,000
Burdekin Neighbourhood Centre	\$ 9,280
Giru State School P&C Association	\$ 5,430
Burdekin Race Club	\$ 4,545
Ayr Pastoral, Agricultural & Industrial Society Inc.	\$ 4,182
Home Hill Harvest Festival	\$ 4,000
Burdekin Junior Eisteddfod Inc	\$ 3,000
Burdekin Cruisers Car Club Inc	\$ 2,126
Burdekin Craft Spectacular	\$ 1,364
Burdekin Art Society	\$ 1,000
Giru QCWA	\$ 500
Burdekin Church Leaders' Association	\$ 500
Burdekin Shire Youth Council	\$ 500
Palm Creek Folk Festival Committee	\$ 500
Giru Agricultural, Horticultural & Industrial Society Inc.	\$ 300
Burdekin Recreational Sport Fishing Club	\$ 250
Burdekin Shire Youth Council	\$ 280
Clare Cricket Committee	\$ 250
Home Hill Cricket Association	\$ 250
Sun Fish (NQ) Branch Inc.	\$ 200
Variety Club of Queensland	\$ 135
Ayr Golf Club	\$ 100
Home Hill State High School	\$ 75
Burdekin Catholic High School	\$ 75
Ayr State High School	\$ 75
	\$ 362,517



In Kind Support

General	\$ 13,783
Ayr Pastoral, Agricultural & Industrial Society Inc.	\$ 4,530
Burdekin Water Festival	\$ 1,847
Burdekin Race Club	\$ 2,163
Lower Burdekin Ski Club	\$ 1,201
Burdekin Senior Soccer	\$ 1,091
Returned Services League (Anzac Day)	\$ 994
Home Hill Harvest Festival	\$ 931
Burdekin Tourism Association	\$ 133
Landcare	\$ 106
SES	\$ 76
	\$ 26,855

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 2007-08 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 2007-08

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 2007/08:

Access Charge -

\$301 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

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

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 (S1132)
- ♦ Register of Enterprises (S501)
- ♦ Register of Roads (S921)

Burdekin Shire Council



Financial Statements and Notes to the Accounts for the financial year 2007/08

BURDEKIN SHIRE COUNCIL

Financial Report

For the year ended 30 June 2008

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BURDEKIN SHIRE COUNCIL

Financial Report

For the year ended 30 June 2008

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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 Holding

BURDEKIN SHIRE COUNCIL**Income Statement**

For the year ended 30 June 2008

		2008	2007
		Actual	Actual
	Note	\$	\$
Income			
Revenue			
Recurrent Revenue			
Rates and levies	3 (a)	22,702,452	21,880,979
Fees and charges		1,840,772	1,432,144
Interest received	3 (b)	1,791,794	1,427,729
Sales of contract and recoverable works	3 (c)	1,415,651	1,886,239
Other recurrent income	3 (d)	256,041	395,042
Grants, subsidies and contributions	4 (i)	3,526,605	2,416,808
Total recurrent revenue		<u>31,533,315</u>	<u>29,438,941</u>
Capital revenue			
Grants, subsidies and contributions	4 (ii)	1,749,334	3,138,231
		<u>1,749,334</u>	<u>3,138,231</u>
Total revenue		<u>33,282,649</u>	<u>32,577,172</u>
Capital income	5	34,598	45,382
Total income		<u>33,317,247</u>	<u>32,622,554</u>
Expenses			
Recurrent expenses			
Employee benefits expense	7	(12,426,572)	(10,599,803)
Materials and services	8	(11,792,208)	(10,473,274)
Finance costs	9	(992,721)	(1,047,232)
Depreciation and amortisation	10	(6,365,068)	(5,843,214)
Total recurrent expenses		<u>(31,576,569)</u>	<u>(27,963,523)</u>
Capital expenses	11	(447,139)	(814,277)
Total expenses		<u>(32,023,708)</u>	<u>(28,777,800)</u>
Net result attributable to council		<u>1,293,539</u>	<u>3,844,754</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 2008

		2008	2007
		Actual	Actual
	Note	\$	\$
Retained surplus (deficiency) from prior years		57,318	451,818
Net result attributable to council for the period		<u>1,293,539</u>	<u>3,844,754</u>
		<u>1,350,857</u>	<u>4,296,572</u>
Transfers (to) from capital account:			
Transfer of capital income	5	(34,598)	(45,382)
Transfer of capital expenses	11	447,139	814,277
Non monetary capital revenue	4 (ii)(b)	(19,535)	-
General revenue used for capital funding purposes	CFS*	(312,222)	(961,290)
Transfer from / (to) capital to adjust the working capital cash		<u>344,065</u>	<u>321,315</u>
Net capital account transfers		<u>424,849</u>	<u>128,920</u>
Transfer from (to) the constrained works reserve	29 (i)	(1,719,111)	(3,136,731)
Transfer from (to) the grants, subsidies and contributions reimbursed reserve	29 (ii)	<u>(10,688)</u>	<u>(1,500)</u>
Retained surplus (deficiency) available for transfer to reserves		45,907	1,287,261
Transfers (to) from reserves for future capital funding purposes:			
Water reserve	29 (iii)	(558,940)	(467,779)
Sewerage reserve	29 (iv)	742,181	(950,575)
Transfers (to) from reserves for future general funding purposes:			
Recurrent maintenance reserve	29 (b)	(227,390)	188,411
Retained surplus (deficit) at end of period	1.30	<u><u>1,758</u></u>	<u><u>57,318</u></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 2008

		2008	2007
		Actual	Actual
	Note	\$	\$
Current Assets			
Cash assets and cash equivalents	13	18,123,840	19,611,822
Trade and other receivables	14 (a)	2,349,525	2,679,125
Inventories	15	896,073	904,083
Other financial assets	16	297,546	323,994
		<u>21,666,984</u>	<u>23,519,024</u>
Non-current Assets			
Trade and other receivables	14 (b)	144,890	90,818
Property, plant and equipment	18 (a)	388,408,526	355,517,800
Capital works in progress	19	2,682,960	1,627,703
Intangible assets	20	567,185	534,209
		<u>391,803,561</u>	<u>357,770,530</u>
TOTAL ASSETS		<u>413,470,545</u>	<u>381,289,554</u>
Current Liabilities			
Trade and other payables	21	2,739,317	2,745,618
Borrowings	23	2,046,661	2,352,203
Other	24	397	397
		<u>4,786,375</u>	<u>5,098,218</u>
Non-current Liabilities			
Trade and other payables	21	536,065	399,908
Provisions	22	6,848,112	6,580,458
Borrowings	23	7,149,526	9,203,292
		<u>14,533,703</u>	<u>16,183,658</u>
TOTAL LIABILITIES		<u>19,320,078</u>	<u>21,281,876</u>
NET COMMUNITY ASSETS		<u>394,150,467</u>	<u>360,007,678</u>
Community Equity			
Investment in capital assets	25	139,781,019	136,496,440
Restricted capital cash	26	6,263,142	6,888,117
Asset revaluation reserve	27	237,102,500	204,262,591
Retained surplus (deficiency)	28	1,758	57,318
Other reserves	29	11,002,048	12,303,212
TOTAL COMMUNITY EQUITY		<u>394,150,467</u>	<u>360,007,678</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 2008

	Total		Retained surplus (deficit)		Other reserves		Councils Capital Equity comprises					
							Restricted capital cash reserves		Asset revaluation reserve		Council Capital	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at beginning 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
Corrections to opening balances	9,341	163,800									9,341	163,800
Net result for the period	1,293,539	3,844,754	1,293,539	3,844,754								
Transfers to general reserves			(2,613,671)	(4,635,531)	2,613,671	4,635,531						
Transfer of funds expended					(3,075,112)	(2,030,987)	(624,975)	(57,925)			3,700,087	2,088,912
Transfers from capital			424,849	128,920			-	1,699,691			(424,849)	(1,828,611)
Transfers from general reserves			839,723	267,357	(839,723)	(267,357)						
Asset revaluation adjustments:												
Revaluations and impairments	32,839,909	17,578,940							32,839,909	17,578,940		
Balance at end of period	394,150,467	360,007,678	1,758	57,318	11,002,048	12,303,212	6,263,142	6,888,117	237,102,500	204,262,591	139,781,019	136,496,440

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

BURDEKIN SHIRE COUNCIL**Statement of Cash Flows**

For the year ended 30 June 2008

	Note	2008 \$	2007 \$
Cash flows from operating activities :			
Receipts			
General rates and utility charges		22,549,551	22,076,009
Rental and levies, fees and charges		2,316,053	315,111
Grants, subsidies and contributions		3,526,605	2,416,808
Interest received		1,778,946	1,427,729
Other income		1,672,869	2,270,853
GST received		1,811,665	1,645,466
Payments			
Payments to suppliers		(11,723,507)	(10,397,142)
Payment to employees		(12,254,212)	(10,588,170)
Interest expense		(626,709)	(655,581)
GST paid		(1,839,305)	(1,575,899)
Net cash inflow (outflow) from operating activities	35	<u>7,211,956</u>	<u>6,935,184</u>
Cash flows from investing activities:			
Grants, subsidies and contributions for capital acquisitions:	4		
Commonwealth government grants		549,231	1,667,989
State Government subsidies & grants		1,136,694	1,458,059
Capital contributions		43,874	12,183
Payments for property, plant and equipment		(8,379,961)	(7,213,881)
Payments for intangible assets		(82,050)	(26,540)
Proceeds from sale of investment property		-	51,253
Proceeds from sale of property plant and equipment	6	443,942	515,573
Net movement in loans and advances		(52,360)	36,699
Net cash inflow (outflow) from investing activities		<u>(6,340,630)</u>	<u>(3,498,665)</u>
Cash flows from financing activities:			
Proceeds from borrowings	23	-	1,675,000
Repayment of borrowings	23	(2,359,308)	(2,195,130)
Net cash inflow (outflow) from financing activities		<u>(2,359,308)</u>	<u>(520,130)</u>
Net increase (decrease) in cash held		<u>(1,487,982)</u>	<u>2,916,389</u>
Cash at beginning of reporting period		<u>19,611,822</u>	<u>16,695,433</u>
Cash at end of reporting period	13	<u>18,123,840</u>	<u>19,611,822</u>

BURDEKIN SHIRE COUNCIL**Capital Funding Statement**

For the year ended 30 June 2008

	Note	2008	2007
		\$	\$
Sources of capital funding			
General revenue used for capital purposes		312,222	961,290
Other capital revenue sources:			
Loan monies expended		85,503	1,732,925
Funded depreciation and amortisation		6,904,540	4,143,523
Proceeds from the sale of capital assets	6	443,942	566,826
Donated and contributed physical assets		19,535	-
Constrained grants, subsidies and contributions		2,634,336	2,029,487
Grants, Subsidies and Contributions Reimbursed Reserve		10,688	1,500
Capital Maintenance Reserve		21,528	-
Carryover Capital Works Reserve		408,560	-
		<u>10,840,854</u>	<u>9,435,551</u>
Application of capital funding			
Non current capital assets :			
Buildings		554,649	387,019
Plant and equipment at cost		1,726,996	1,283,615
Leasehold Improvements		100,095	-
Road and bridge network		3,913,774	3,585,737
Water		5,100	52,881
Sewerage		197,668	46,681
Drainage		122,181	85,933
Other assets		723,776	837,046
Movement in capital work in progress		1,055,257	934,969
Intangible assets		82,050	26,540
		<u>8,481,546</u>	<u>7,240,421</u>
Principal loan redemptions :			
Other Bank Loans		-	94,565
Queensland Treasury Corporation		2,359,308	2,100,565
		<u>2,359,308</u>	<u>2,195,130</u>
		<u>10,840,854</u>	<u>9,435,551</u>

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

1. Summary of Significant Accounting Policies

1.1 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.

1.2 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 the offsetting of revaluation and impairment gains and losses within a class of assets.

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

1.3 Adoption of new Accounting Standards

AASB7 applies for the first time this year. This standard relates to the presentation of information and does not impact on the result or position disclosed.

The following Australian Accounting Standards, issued on the dates shown, are not mandatory for the financial year 2007-08 and have not been applied.

AASB8 Operating Segments (Feb 2007)

AASB123 Borrowing Costs (June 2007)

AASB1004 Contributions (December 2007)

AASB1051 Land under Roads (December 2007)

AASB1052 Disaggregated Disclosures ((December 2007)

AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB8 (February 2007)

AASB2007-6 Amendments to Australian Accounting Standards arising from AASB123 (June 2007)

AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB101 (September 2007)

AASB 2007-9 Amendments to Australian Accounting Standards arising from the review of AAS27, AAS29, and AAS31 (December 2007)

AASB 127 Consolidated and Separate Financial Statements (March 2008)

It is not expected that the new standards would have made a substantial difference to the results if they had applied to this accounting period. Most of the changes are matters of presentation.

1.4 Critical accounting estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies. Estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

The estimates and assumptions that have the potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year are referred to in the appropriate notes to the financial statements.

1.5 Currency

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

1.6 Constitution

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

1.7 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. 8 Changes to Accounting Policies

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

1. 9 Financial Assets and Financial Liabilities

Categorisation

Burdekin Shire Council has categorised the financial assets and financial liabilities held at balance date as follows:

Financial Assets	Categorisation
Cash	
Shares	Financial assets available for sale (at cost)
Receivables	Loans and receivables (at amortised cost)
Other financial assets	Financial assets available for sale (at cost)
Financial Liabilities	
Payables	Financial liability (at cost)
Borrowings	Financial liability (at amortised cost)
Finance Lease liabilities	Financial liability (at amortised cost)

Financial assets and financial liabilities are presented separately from each other, offsetting has not been applied.

1. 10 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.

1. 10 (a) 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.

1. 10 (b) 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 transferred to the constrained works reserve until the obligation is satisfied.

1. 10 (c) Non-Cash Contributions

Non-cash contributions in excess of the recognition thresholds set out in note 1.16, in value, are recognised as revenue and as non-current assets. Non-cash contributions below the thresholds are recorded as revenue only.

1. 10 (d) 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. 11 Cash and Cash Equivalents

For the purposes of the Balance Sheet and the Statement of Cash Flows, cash assets include all cash and cheques receipted 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. 12 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. Interest may be charged on default. Security is not normally obtained.

1. 13 Other Financial Assets

Other Financial Assets are recognised at cost.

1. 14 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.

Inventory for distribution is valued at cost, adjusted when applicable for any loss of service potential.

1. 15 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. 16 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.

1. 16 (a) 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 if it is prone to a high degree of price fluctuations or in danger of becoming obsolete.

1. 16 (b) 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.

1. 16 (c) 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.

1. 16 (d) 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 AASB116 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. The council may select to only comprehensively revalue those assets, the total values of which are material, compared to the value of the class of assets to which they belong, and the remaining assets in that class are revalued using an appropriate index .

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 depreciated replacement cost.

1. 16 (e) 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.

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).

1. 16 (f) 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. 17 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. 18 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. 19 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 Councils general operations as they are incurred.

1. 20 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. 21 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.

1. 21 (a) 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. 22 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. 23 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.

1. 23 (a) 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.

1. 23 (b) 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.

1. 23 (c) 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.

1. 23 (d) 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 33.

1. 23 (e) 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. The current portion of this liability is relatively certain as to the date and amount of payment and is treated as a payable. The non-current portion is treated as a provision.

1. 24 Borrowings

Loans payable are measured at amortised cost using the effective interest rate method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument.

Borrowing costs, which includes interest calculated using the effective interest method and administration fees, are expensed in the period in which they arise. Costs that are not settled in the period in which they arise are included as a current liability.

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.

Gains and losses on the early redemption of borrowings are recorded in other revenue / expense.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

1. 25 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 22.

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.

1. 25 (a) 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.

1. 25 (b) 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. 26 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. 27 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. 28 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.

1. 28 (a) 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.

1. 28 (b) 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.

1. 28 (c) 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.

1. 28 (d) 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.

1. 28 (e) Capital Maintenance Reserve

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

1. 28 (f) Carryover Capital Works Reserve

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

1. 29 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. 30 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. 31 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. 32 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, covered by the Statutory Bodies Financial Arrangements Act 1982, can offer a more beneficial rate, taking into account any risk.

Details of financial instruments and the associated risks are shown at note 37.

1. 33 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. 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. 34 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 2008

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				
	2008 \$	2008 \$	2008 \$	2008 \$	2008 \$	2008 \$
Administration Services	1,375,598	17,321,306	18,696,904	5,856,914	12,839,990	40,168,713
Community & Cultural Services	186,662	113,822	300,484	2,214,136	(1,913,652)	15,362,381
Development Services	-	908,593	908,593	862,859	45,734	-
Environmental Services	614,743	2,653,674	3,268,417	6,371,696	(3,103,279)	8,725,487
Engineering Services	2,766,447	1,484,341	4,250,788	11,065,343	(6,814,555)	298,858,646
Sewerage	-	3,020,231	3,020,231	3,346,653	(326,422)	30,595,726
Water	-	2,871,830	2,871,830	2,306,107	565,723	19,759,592
Total	4,943,450	28,373,797	33,317,247	32,023,708	1,293,539	413,470,545

Prior Year

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

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2008

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 2008

	2008	2007
	Actual	Actual
Note	\$	\$
3 Revenue analysis		
(a) Rates and levies	1.10(a)	
General rates	17,809,325	17,115,923
Separate rates	243,619	241,854
Environmental levy	129,049	128,462
Water	2,540,692	2,539,194
Sewerage	2,798,901	2,782,315
Garbage charges	2,004,556	1,829,215
Rates and utility charge revenue	25,526,142	24,636,963
Less: Discounts	(2,343,273)	(2,261,570)
Less: Pensioner remissions	(480,417)	(494,414)
Net rates and utility charges	22,702,452	21,880,979
(b) Interest received		
Investments	1,776,481	1,403,576
Over due rates and utility charges	15,313	24,153
	1,791,794	1,427,729
(c) Sales of contract and recoverable works		
Revenue	1,415,651	1,886,239
	1,415,651	1,886,239
The amount recognised as revenue from contract works during the period is the amount receivable in respect of invoices issued during the period. The contract work carried out is not subject to retentions.		
(d) Other recurrent income		
Other Income	256,041	395,042
	256,041	395,042
4 Grants, subsidies and contributions	1.10(b)	
(i) Recurrent - grants and subsidies, and other contributions are analysed as follows:		
General purpose grants	1,332,565	1,051,473
State Government subsidies & grants	1,924,960	1,156,458
Contributions	269,080	208,877
Total recurrent revenue	3,526,605	2,416,808
(ii) Capital - grants and subsidies, and other contributions are analysed as follows:		
(a) Monetary revenue designated for capital funding purposes:		
Commonwealth government grants	549,231	1,667,989
State Government subsidies & grants	1,136,694	1,458,059
Contributions	43,874	12,183
	1,729,799	3,138,231

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2008

	2008	2007
	Actual	Actual
Note	\$	\$
(b) Non-monetary revenue received is analysed as follows:		
Other physical asset contributed by developers at fair value	19,535	-
	<u>19,535</u>	<u>-</u>
Total capital revenue	<u>1,749,334</u>	<u>3,138,231</u>
 (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	424,397	1,352,193
Contributions for infrastructure	5,090	1,500
	<u>429,487</u>	<u>1,353,693</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	1,347,504	223,176
Contributions for infrastructure	-	3,273
	<u>1,347,504</u>	<u>226,449</u>
 5 Capital income		
Reduction in rehabilitation provision due to the change in the estimated future cost on land not controlled by council	34,598	45,382
	<u>34,598</u>	<u>45,382</u>
 6 Gain (loss) on the disposal of capital assets		
(a) Proceeds from the sale of property, plant and equipment	443,942	515,573
Less: Book value of property, plant and equipment sold	(474,677)	(612,571)
	<u>(30,735)</u>	<u>(96,998)</u>
(a) Proceeds from the sale of investment property	-	51,253
Less: Book value of investment property sold	-	(29,025)
	<u>-</u>	<u>22,228</u>
Total gain (loss) on the disposal of capital assets	<u>(30,735)</u>	<u>(74,770)</u>

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2008

	2008	2007
	Actual	Actual
Note	\$	\$
7 Employee benefits expense		
Total staff wages and salaries	9,734,792	8,242,397
Councillors' remuneration	365,925	387,263
Annual, sick and long service leave entitlements	1,709,799	1,587,083
Superannuation	1,215,663	1,041,534
	<u>13,026,179</u>	<u>11,258,277</u>
Other employee related expenses	308,074	291,416
	<u>13,334,253</u>	<u>11,549,693</u>
Less: Capitalised employee expenses	(907,681)	(949,890)
	<u>12,426,572</u>	<u>10,599,803</u>

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

Total Council employees at 30 June :	2008	2007
Elected members	7	11
Administration staff	95	91
Depot and outdoors staff	121	117
Total full time equivalent employees	<u>223</u>	<u>219</u>

8 Materials and services

Audit services	40,335	33,394
Contract payments	1,693,720	1,487,346
Electricity	931,467	833,626
Materials	1,473,044	1,465,814
Plant hire external	2,144,683	1,403,439
Trade/contract services	988,166	1,046,913
Plant and equipment expenses	1,264,591	1,107,533
Other material and services	3,256,202	3,095,209
	<u>11,792,208</u>	<u>10,473,274</u>

9 Finance costs

Finance costs charged by the Queensland Treasury Corporation	626,709	650,853
Finance costs relating to other bank loans	-	4,728
Bank charges	28,087	31,152
Impairment of receivables	(6,231)	38,959
Other finance costs	91	225
Refuse sites - change in PV over time	344,065	321,315
	<u>992,721</u>	<u>1,047,232</u>

BURDEKIN SHIRE COUNCIL**Notes to the Financial Statements**

For the year ended 30 June 2008

		2008	2007
		Actual	Actual
	Note	\$	\$
10 Depreciation and amortisation	1.16(e)		
(a) Depreciation of non-current assets			
Land and improvements		10,541	10,541
Buildings		894,204	787,661
Plant and equipment at cost		741,739	607,923
Leasehold Improvements		9,788	-
Road and bridge network		2,752,613	2,779,336
Water		417,408	421,388
Sewerage		903,034	720,158
Drainage		215,254	215,209
Other assets		371,413	261,558
		<u>6,315,994</u>	<u>5,803,774</u>
(b) Amortisation of intangible assets			
Computer software		41,824	39,440
Other intangible asset		7,250	-
Total amortisation of intangible assets		<u>49,074</u>	<u>39,440</u>
Total depreciation and amortisation		<u>6,365,068</u>	<u>5,843,214</u>
11 Capital expenses			
Loss on the sale of capital assets	6	30,735	74,770
Loss on write-off of non-current assets	12	416,404	739,507
Total capital expenses		<u>447,139</u>	<u>814,277</u>
12 Write off of capital assets			
Plant and equipment at cost		-	1,989
Road and bridge network		361,677	505,149
Water		467	183,995
Sewerage		5,565	43,422
Drainage		9,658	1,250
Other assets		39,037	3,702
		<u>416,404</u>	<u>739,507</u>
13 Cash assets and cash equivalents	1.11		
Cash in other banks and on hand		638,039	415,146
Investments held with other financial institutions with variable interest rate		6,033,617	5,615,300
Deposits and investments held with QTC at variable interest rate		11,452,184	13,581,376
Balance per statement of cash flows		<u>18,123,840</u>	<u>19,611,822</u>
Externally imposed expenditure restrictions at the reporting date relate to the following cash assets:			
Unspent government grants and subsidies	29 (i)	842,510	1,762,825
Unspent developer contributions	29 (i)	54,590	49,500
Unspent loan monies	26 (ii)	535,746	621,249
Total unspent restricted cash for capital projects		<u>1,432,846</u>	<u>2,433,574</u>

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2008

	2008	2007
	Actual	Actual
Note	\$	\$
14 Trade and other receivables	1.12	
(a) Current		
Rateable revenue and utility charges	479,411	275,671
Water charges yet to be levied	370,372	421,211
Fees and charges	1,170,894	1,654,707
GST recoverable	256,643	280,053
Other debtors	53,519	41,848
Less: Impairment provision	<u>(7,862)</u>	<u>(22,625)</u>
	<u>2,322,977</u>	<u>2,650,865</u>
Loans and advances to community organisations	<u>26,548</u>	<u>28,260</u>
	<u>2,349,525</u>	<u>2,679,125</u>
(b) Non-current		
Loans and advances to community organisations	<u>144,890</u>	<u>90,818</u>
	<u>144,890</u>	<u>90,818</u>
<p>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.</p>		
<p>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.</p>		
15 Inventories	1.14	
Current		
Inventories for distribution:		
Stores and raw materials	<u>896,073</u>	<u>904,083</u>
	<u>896,073</u>	<u>904,083</u>
<p>Inventory for distribution is valued at cost, adjusted when applicable for any loss of service potential.</p>		
16 Other financial assets		
Current		
Prepayments	<u>297,546</u>	<u>323,994</u>
	<u>297,546</u>	<u>323,994</u>
17 Investment property		
Land for development and future sale		
Opening balance	-	103,715
Value of land sold in the period	-	(29,025)
Internal transfers (to) from other asset categories	<u>-</u>	<u>(74,690)</u>
	<u>-</u>	<u>-</u>

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2008

18 (a) Property, plant and equipment

	Land and improvements	Buildings	Plant and equipment at cost	Leasehold Improvements	Road and bridge network	Water	Sewerage	Drainage	Other assets	Total
Basis of measurement	Valuation	Valuation	Cost	Cost	Valuation	Valuation	Valuation	Valuation	Valuation	
Asset Values	2008	2008	2008	2008	2008	2008	2008	2008	2008	2008
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening 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
Correction to opening balance	-	-	-	-	10,440	-	-	-	-	10,440
Additions at cost	-	554,649	1,726,996	100,095	3,913,774	5,100	178,133	122,181	723,776	7,324,704
Contributed assets at valuation	-	-	-	-	-	-	19,535	-	-	19,535
Disposals	-	-	(1,179,750)	-	-	-	-	-	-	(1,179,750)
Write-offs	-	-	(127,938)	-	(448,636)	(4,000)	(11,606)	(11,224)	(70,235)	(673,639)
Revaluation adjustment to the ARR	470,000	2,736,332	-	-	29,775,476	3,259,713	7,754,214	71,248	597,182	44,664,165
Internal transfers	-	-	-	-	(51,488)	-	46,600	51,488	(46,600)	-
Closing gross value	10,240,353	44,785,023	11,402,249	100,095	315,020,628	34,868,160	59,790,679	13,341,861	9,867,676	499,416,724

Accumulated depreciation and impairment

Opening 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
Correction to opening balance	-	-	-	-	1,099	-	-	-	-	1,099
Depreciation provided in period	10,541	894,204	741,739	9,788	2,752,613	417,408	903,034	215,254	371,413	6,315,994
Depreciation on disposals	-	-	(705,073)	-	-	-	-	-	-	(705,073)
Depreciation on write-offs	-	-	(127,938)	-	(86,959)	(3,533)	(6,041)	(1,566)	(31,198)	(257,235)
Revaluation adjustment to the ARR	-	735,890	-	-	6,481,855	1,453,791	3,460,643	6,982	(219,217)	11,919,944
Internal transfers	-	-	-	-	(20)	-	5,825	20	(5,825)	-
Closing accumulated depreciation and impairment balance	104,992	14,377,502	4,754,926	9,788	41,189,634	15,124,002	29,210,817	4,485,927	1,750,610	111,008,198

Net value at 30 June 2008	10,135,361	30,407,521	6,647,323	90,307	273,830,994	19,744,158	30,579,862	8,855,934	8,117,066	388,408,526
Residual value	10,135,361	619,552	2,585,317	-	175,564,815	12,479	4,353	279,346	565,037	189,766,260
Range of estimated useful life in years	Not depreciated	30 - 100	1.5 - 20	5 - 10	10 - 100	20 - 80	12 - 100	10 - 50	7 - 100	

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2008

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

	Land and improvements	Buildings	Plant and equipment at cost	Leasehold Improvements	Road and bridge network	Water	Sewerage	Drainage	Other assets	Total
Basis of measurement	Valuation	Valuation	Cost	Cost	Valuation	Valuation	Valuation	Valuation	Valuation	
Asset Values	2007	2007	2007	2007	2007	2007	2007	2007	2007	2007
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening 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
Correction to opening balance	-	-	234,000	-	-	-	-	-	-	234,000
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
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
Correction to opening balance	-	-	70,200	-	-	-	-	-	-	70,200
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)	-
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	Not depreciated	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 2008

		2008	2007
		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 Australia Pacific Valuers (registered valuers). A desktop valuation was performed by Australia Pacific Valuers as at 30 June 2008.

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 Australia Pacific Valuers as at 30 June 2007. Where a market value exists, this has been used to determine the valuation. A desktop valuation was performed by Australia Pacific Valuers as at 30 June 2008.

Plant and Equipment

Plant and equipment is valued using the cost basis.

Infrastructure

Roads and Drainage have been included at their current replacement cost, taking into account any expired portion of the assets useful life. The valuation has been undertaken by qualified Council staff as at 30 June 2008.

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 Australia Pacific Valuers as at 30 June 2007. A desktop valuation was performed by Australia Pacific Valuers as at 30 June 2008.

Water and Sewerage infrastructure are recorded at their current replacement cost, taking into account any expired portion of the assets useful life. The valuations are as at 30 June 2007 as determined by Australia Pacific Valuers and a desktop valuation was performed as at 30 June 2008. Internal valuations were also undertaken by qualified Council staff as at 30 June 2008.

Other Assets

Other Assets have been independently valued at current replacement cost taking into account any expired portion of the assets useful life. These have been valued by Australia Pacific Valuers as at 30 June 2007. A desktop valuation was performed by Australia Pacific Valuers as at 30 June 2008.

Leasehold Improvements

Leasehold improvements have been valued at cost.

BURDEKIN SHIRE COUNCIL**Notes to the Financial Statements**

For the year ended 30 June 2008

		2008	2007
		Actual	Actual
	Note	\$	\$
19 Capital work in progress	1.18	<u>2,682,960</u>	<u>1,627,703</u>
		<u>2,682,960</u>	<u>1,627,703</u>
20 Intangible assets	1.17		
Net carrying value at period end:			
(a) Computer software		534,890	534,209
(c) Other intangible asset		<u>32,295</u>	<u>-</u>
		<u>567,185</u>	<u>534,209</u>
(a) Computer software			
Opening gross carrying value		655,033	628,493
Acquired at cost		<u>42,505</u>	<u>26,540</u>
		<u>697,538</u>	<u>655,033</u>
Accumulated amortisation			
Opening balance		120,824	81,384
Amortisation in the period		<u>41,824</u>	<u>39,440</u>
		<u>162,648</u>	<u>120,824</u>
Net carrying value at the period end		<u>534,890</u>	<u>534,209</u>
Straight line amortisation has been used with no residual value.			
(b) Other intangible asset			
Acquired at cost		<u>39,545</u>	<u>-</u>
		<u>39,545</u>	<u>-</u>
Accumulated amortisation			
Amortisation in the period		<u>7,250</u>	<u>-</u>
		<u>7,250</u>	<u>-</u>
Net carrying value at the period end		<u>32,295</u>	<u>-</u>
The other intangible asset has a finite life of 5 years. Straight line amortisation has been used with no residual value.			
21 Trade and other payables	1.22		
Current			
Creditors and accruals		1,407,908	1,251,839
GST payable		73,903	124,953
Employee related tax payable		16,783	14,730
Annual leave	1.23(b)	970,404	1,036,890
Long service leave	1.23(e)	<u>270,319</u>	<u>317,206</u>
		<u>2,739,317</u>	<u>2,745,618</u>

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2008

		2008	2007
	Note	Actual	Actual
		\$	\$
Non Current			
Annual leave	1.23(b)	536,065	399,908
		<u>536,065</u>	<u>399,908</u>

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

The non-current portion of annual leave is then discounted to the present value. Further details on employee entitlements are reported in note 1.23

22 Provisions

Non-Current

Long service leave	1.23(e)	1,129,270	1,075,395
Property restoration:			
Refuse sites	1.25	5,718,842	5,505,063
		<u>6,848,112</u>	<u>6,580,458</u>

Details as to the long service leave liability are reported in note 1.23(e)
Approximately 50% of the liability is funded.

Details of movements in provisions:

Non-current long service leave

Opening balance		1,075,395	1,081,200
Net movement during the reporting period		53,875	(5,805)
Balance at the end of period		<u>1,129,270</u>	<u>1,075,395</u>

Refuse sites

Opening balance		5,505,063	5,355,210
Increase in provision - borrowing cost		344,065	321,315
Increase in provision - change in discount rate		(130,286)	(171,462)
Balance at the end of period		<u>5,718,842</u>	<u>5,505,063</u>

Current portion		-	-
Non-current portion		5,718,842	5,505,063
		<u>5,718,842</u>	<u>5,505,063</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 2008/09 financial year.

23 Borrowings

1.24

(a) Bank overdraft

The council has an approved overdraft facility with the Queensland Country Credit Union of:		150,000	150,000
The unexpired balance (excess) of the facility at the reporting date was:		150,000	150,000
This facility is available in the next reporting period.			

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2008

	2008	2007
	Actual	Actual
Note	\$	\$
(b) Unsecured borrowings		
Unsecured borrowings are provided by the Queensland Treasury Corporation. All borrowings are in \$A denominated amounts and carried at amortised cost, interest being expensed as it accrues. No interest has been capitalised during the current or comparative reporting period. Expected final repayment dates vary from 20 August 2008 to 25 May 2018.		
There have been no defaults or breaches of the loan agreement during the period. Principal and interest repayments are made quarterly in arrears.		
(c) Secured borrowings		
The council has no secured borrowings.		
Details of borrowings at balance date are:		
Current		
(i) Queensland Treasury Corporation	2,046,661	2,352,203
(ii) Other Bank Loans	-	-
	<u>2,046,661</u>	<u>2,352,203</u>
Non Current		
Queensland Treasury Corporation	<u>7,149,526</u>	<u>9,203,292</u>
Details of movements in borrowings:		
(i) Queensland Treasury Corporation		
Opening balance	11,555,495	11,981,060
Loans raised	-	1,675,000
Principal repayments	<u>(2,359,308)</u>	<u>(2,100,565)</u>
Book value at period end	<u>9,196,187</u>	<u>11,555,495</u>
Classified as :		
Current	2,046,661	2,352,203
Non-current	<u>7,149,526</u>	<u>9,203,292</u>
	<u>9,196,187</u>	<u>11,555,495</u>
The loan market value at the reporting date was \$8,908,160. 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.		
(ii) Other Bank Loans		
Opening balance	-	94,565
Repayments	<u>-</u>	<u>(94,565)</u>
Book value at period end	<u>-</u>	<u>-</u>

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2008

		2008	2007
		Actual	Actual
	Note	\$	\$
24 Other liabilities			
Current			
Unearned revenue		397	397
		<u>397</u>	<u>397</u>
25 Council Capital	1.26		
(i) Calculation of capital value and retained surplus:			
Cash and cash equivalents		18,123,840	19,611,822
Less restricted cash:			
Reserves (excluding the asset revaluation)		(11,002,048)	(12,303,212)
Unspent depreciation capital fund reserve		(5,727,396)	(6,266,868)
Unspent loan capital fund reserve		(535,746)	(621,249)
Revenue received in advance		(397)	(397)
Working capital cash (including employee entitlements)		(856,495)	(362,778)
Retained surplus (deficit) available for distribution	28	1,758	57,318
Shire capital	(ii)	139,781,019	136,496,440
Total capital and retained surplus at end of period		<u>139,782,777</u>	<u>136,553,758</u>
(ii) Movement in council capital			
Balance at beginning of period		136,496,440	136,072,339
Minor correction to property, plant and equipment	18	9,341	163,800
Adjustments from (to) retained surplus:			
Transfer from retained surplus capital income in the period		34,598	45,382
Transfer to retained surplus capital expenses in the period		(447,139)	(814,277)
Transfer from retained surplus non monetary capital revenue		19,535	-
Transfer from the retained surplus revenue expended on capital assets		312,222	961,290
Transfer from / (to) retained surplus to adjust the working capital cash		(344,065)	(321,315)
Total transfers (to) from retained surplus		<u>(424,849)</u>	<u>(128,920)</u>
Transfer (to) from the (i) unspent depreciation cash		539,472	(1,699,691)
Transfer (to) from the unspent loan capital cash		85,503	57,925
Transfers from the constrained works reserve		2,634,336	2,029,487
Transfers from the grants, subsidies and contributions reimbursed reserve		10,688	1,500
Transfers from the capital maintenance reserve		21,528	-
Transfers from the carryover capital works reserve		408,560	-
Total transfers (to) from reserves		<u>3,700,087</u>	<u>389,221</u>
Balance at period end		<u>139,781,019</u>	<u>136,496,440</u>
The amount by which the Council has increased (decreased) its capital capacity to deliver future services to the community before inflation adjustments		<u>3,284,579</u>	<u>424,101</u>

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2008

	2008	2007
	Actual	Actual
Note	\$	\$
26 Restricted capital cash		
This cash forms part of shire capital and represent cash held at the reporting date restricted to the future funding of capital assets.		
(i) Unspent depreciation cash		
Opening balance	6,266,868	4,567,177
Cash unspent (expended) in period	<u>(539,472)</u>	<u>1,699,691</u>
Balance at end of period	<u>5,727,396</u>	<u>6,266,868</u>
(ii) Unspent loan capital cash		
Opening balance	621,249	679,174
Cash unspent (expended) in period.	<u>(85,503)</u>	<u>(57,925)</u>
Balance at end of period	<u>535,746</u>	<u>621,249</u>
Total restricted capital cash	<u>6,263,142</u>	<u>6,888,117</u>
27 (i) Asset revaluation reserve	1.27	
Movements in the asset revaluation reserve were as follows:		
Balance at beginning of period	204,262,591	186,683,651
Net adjustment to non-current assets at end of period to reflect a change in current fair value:		
Land and improvements	470,000	3,730,357
Buildings	2,000,442	4,148,154
Road and bridge network	23,293,621	2,441,843
Water	1,805,922	55,026
Sewerage	4,293,571	4,717,135
Drainage	64,266	72,205
Other assets	816,399	2,414,220
Change in value of future rehabilitation costs:		
Land and improvements	<u>95,688</u>	<u>-</u>
Balance at end of the year	<u>237,102,500</u>	<u>204,262,591</u>
(ii) Asset revaluation reserve analysis		
The closing balance of the asset revaluation reserve is comprised of the following asset categories:		
Land and improvements	7,064,088	6,498,400
Buildings	14,655,442	12,655,000
Road and bridge network	184,907,998	161,614,377
Water	9,010,147	7,204,225
Sewerage	17,300,888	13,007,317
Drainage	162,877	98,611
Other assets	<u>4,001,060</u>	<u>3,184,661</u>
	<u>237,102,500</u>	<u>204,262,591</u>

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2008

	2008	2007
	Actual	Actual
Note	\$	\$
28 Retained surplus		
Movement in retained surplus		
Retained surplus (deficit) at the beginning of period	57,318	451,818
Net result attributable to council	1,293,539	3,844,754
Transfers (to) from capital account:		
Transfer of capital income	(34,598)	(45,382)
Transfer of capital expenses	447,139	814,277
Non monetary capital revenue	(19,535)	-
General revenue used for capital funding purposes	(312,222)	(961,290)
Transfer from / (to) capital to adjust the working capital cash	344,065	321,315
Net capital account transfers	424,849	128,920
Transfer from (to) the constrained works reserve	(1,719,111)	(3,136,731)
Transfer from (to) the grants, subsidies and contributions reimbursed reserve	(10,688)	(1,500)
Retained surplus (deficiency) available for transfer to reserves	45,907	1,287,261
Transfers (to) from reserves for future capital funding purposes:		
Water reserve	(558,940)	(467,779)
Sewerage reserve	742,181	(950,575)
Transfers (to) from reserves for future general funding purposes:		
Recurrent maintenance reserve	(227,390)	188,411
Retained surplus (deficit) at end of period	<u>1,758</u>	<u>57,318</u>
29 Other reserves		
(a) Summary of reserves held for funding future capital expenditure:		
(i) Constrained Works Reserve	897,100	1,812,325
(ii) Grants, Subsidies and Contributions Reimbursed Reserve	-	-
(iii) Water Reserve	3,882,283	3,323,343
(iv) Sewerage Reserve	2,313,483	3,055,664
(v) Capital Maintenance Reserve	97,711	119,239
(vi) Carryover Capital Works Reserve	1,959,102	2,367,662
	<u>9,149,679</u>	<u>10,678,233</u>
(b) Summary of reserves held for funding future recurrent expenditure:		
Recurrent Maintenance Reserve	1,852,369	1,624,979
	<u>1,852,369</u>	<u>1,624,979</u>
Total reserves	<u>11,002,048</u>	<u>12,303,212</u>
(c) Movements in capital reserves are analysed as follows:		
(i) Constrained Works Reserve		
Balance at the beginning of period	1,812,325	705,081
Transfer from retained earnings grants, subsidies and contributions received in the period which restricted to specific capital projects	1,719,111	3,136,731
Transfers to the capital account funds expended in the period	(2,634,336)	(2,029,487)
Balance at period end	<u>897,100</u>	<u>1,812,325</u>

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2008

	2008	2007
	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	10,688	1,500
Transfer to the capital account funds expended in the period	<u>(10,688)</u>	<u>(1,500)</u>
Balance at period end	<u>-</u>	<u>-</u>
(iii) Water Reserve		
Balance at the beginning of period	3,323,343	2,855,564
Transfer from retained earnings for future expenditure	<u>558,940</u>	<u>467,779</u>
Balance at period end	<u>3,882,283</u>	<u>3,323,343</u>
(iv) Sewerage Reserve		
Balance at the beginning of period	3,055,664	2,105,089
Transfer from retained earnings for future expenditure	-	950,575
Transfer to retained earnings	<u>(742,181)</u>	<u>-</u>
Balance at period end	<u>2,313,483</u>	<u>3,055,664</u>
(v) Capital Maintenance Reserve		
Balance at the beginning of period	119,239	119,239
Transfer to the capital account funds expended in the period	<u>(21,528)</u>	<u>-</u>
Balance at period end	<u>97,711</u>	<u>119,239</u>
(vi) Carryover Capital Works Reserve		
Balance at the beginning of period	2,367,662	2,367,662
Transfer to the capital account funds expended in the period	<u>(408,560)</u>	<u>-</u>
Balance at period end	<u>1,959,102</u>	<u>2,367,662</u>
(d) Movements in recurrent reserves are analysed as follows:		
Recurrent Maintenance Reserve		
Balance at the beginning of period	1,624,979	1,813,390
Transfer from retained earnings for future expenditure	324,932	78,946
Transfer to retained earnings	<u>(97,542)</u>	<u>(267,357)</u>
Balance at period end	<u>1,852,369</u>	<u>1,624,979</u>
30 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.	<u>1,885,641</u>	<u>1,952,926</u>
	<u>1,885,641</u>	<u>1,952,926</u>

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2008

	2008	2007
	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	-	337,260
	<u>-</u>	<u>337,260</u>
These expenditures are payable :		
Within one year	-	337,260
	<u>-</u>	<u>337,260</u>

31 Events after balance date

There were no material financial adjusting events after balance date.

32 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 in proceedings the potential loss on all claims 30 June 2008 should not exceed:

-	15,000
<u>-</u>	<u>15,000</u>

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 2008 should not exceed:

7,630	19,476
<u>7,630</u>	<u>19,476</u>

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:

193,350	177,146
<u>193,350</u>	<u>177,146</u>

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 30 June 2007 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 2008

	2008	2007
	Actual	Actual
Note	\$	\$
33 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 2007 (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 2007. 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>1,179,620</u>	<u>1,006,649</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>36,043</u>	<u>34,885</u>

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2008

		2008	2007
		Actual	Actual
	Note	\$	\$
34 Trust funds	1.33		
Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities		6,890	1,767
Security deposits		27,120	2,500
		<u>34,010</u>	<u>4,267</u>
<p>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.</p>			
35 Reconciliation of net result attributable to council to net cash flow from operating activities			
Net result attributable to council		<u>1,293,539</u>	<u>3,844,754</u>
Non-cash operating items:			
Depreciation and amortisation	10	6,365,068	5,843,214
Change in restoration provisions expensed to finance costs		<u>344,065</u>	<u>321,315</u>
		<u>6,709,133</u>	<u>6,164,529</u>
Investing and development activities:			
Capital grants, subsidies and contributions	4	(1,749,334)	(3,138,231)
Capital income	5	(34,598)	(45,382)
Capital expenses	11	<u>447,139</u>	<u>814,277</u>
		<u>(1,336,793)</u>	<u>(2,369,336)</u>
Changes in operating assets and liabilities :			
(Increase) decrease in receivables		327,888	(887,277)
(Increase) decrease in inventories (excluding land)		8,010	(82,635)
(Increase) decrease in other operating assets		26,448	(111,067)
Increase (decrease) in payables		129,856	382,843
Increase (decrease) in provisions		53,875	(5,805)
Increase (decrease) in other liabilities		-	(822)
		<u>546,077</u>	<u>(704,763)</u>
Net cash inflow from operating activities		<u><u>7,211,956</u></u>	<u><u>6,935,184</u></u>

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2008

	2008	2007
	Actual	Actual
Note	\$	\$
36 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 2007 to 30th April 2008, 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	306,175	307,090
Other Income	237,581	198,958
Promotions/Rentals	292,440	242,971
	<u>836,196</u>	<u>749,019</u>
Expenditure		
Administration	118,912	121,127
Depreciation	1,751	-
Operating Expenditure	345,430	303,682
Promotions/Rentals	364,615	304,110
	<u>830,708</u>	<u>728,919</u>
Operating Surplus/(Deficit)	<u>5,488</u>	<u>20,100</u>
Accumulated Funds		
Balance at beginning of period	194,348	174,248
Plus/(less) Surplus/(deficit) for period	5,488	20,100
	<u>199,836</u>	<u>194,348</u>
Represented by		
Assets		
Current	267,813	253,475
Non Current	22,901	-
	<u>290,714</u>	<u>253,475</u>
Liabilities		
Current	81,016	47,381
Non Current	9,862	11,746
	<u>90,878</u>	<u>59,127</u>
Net Assets	<u>199,836</u>	<u>194,348</u>

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2008

37 Financial risk management

Burdekin Shire Council's activities expose it to a variety of financial risks including interest rate risk, credit risk, and liquidity risk.

Exposure to financial risks is managed in accordance with existing practices for financial risk management. These practices focus on managing the volatility of financial markets and seek to minimise potential adverse effects on the financial performance of the Council.

Burdekin Shire Council measures risk exposure using a variety of methods as follows:

Risk exposure	Measurement method
Interest rate risk	Sensitivity analysis
Liquidity risk	Maturity analysis
Credit Risk	Ageing analysis

(i) Credit Risk

Credit risk exposure refers to the situation where the Council may incur financial loss as a result of another party to a financial instrument failing to discharge their obligations.

In the case of rate receivables, the Council has the power to sell the property to recover any defaulted amounts. In effect this power protects the Council against credit risk in the case of these debts.

In other cases, the Council assesses the credit risk before providing goods or services and applies normal business credit protection procedures to minimise the risk.

The Council is exposed to credit risk through its investments with the Queensland Treasury Corporation (QTC) and deposits held with banks and other financial institutions. The QTC Cash Fund is an asset management portfolio that invests with a wide variety of high credit rating counterparties. Deposits are capital guaranteed. Other investments are held with highly rated and regulated financial institutions and whilst not guaranteed, the likelihood of a credit failure is remote.

By the nature of the Council's operations, there is a geographical concentration of risk in the Council's area. Because the area is largely (eg agricultural/mining), there is also a concentration in the (eg agricultural/mining) sector.

The maximum exposure to credit risk at balance date in relation to each class of recognized financial asset is the gross carrying amount of those assets inclusive of any provisions for impairment.

No collateral is held as security relating to the financial assets held by the Council.

The following table represents the Council's maximum exposure to credit risk:

Financial Assets	2008	2007
	\$	\$
Cash and cash equivalents - bank	638,039	415,146
Cash and cash equivalents - QTC	11,452,184	13,581,376
Cash and cash equivalents - other ADI	6,033,617	5,615,300
Receivables - rates	849,783	696,882
Receivables - other	1,644,632	1,953,983
Total	<u>20,618,255</u>	<u>22,262,687</u>

Past due or impaired

No financial assets have had their terms renegotiated so as to prevent them from being past due or impaired, and are stated at the carrying amounts as indicated.

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2008

The following table represents an analysis of the age of the Council's financial assets that are either fully performing, past due or impaired:

Fully Performing	Past due				Impaired	Total	
	Less than 30 days	31 to 60 days	61 to 90 days	Over 90 days			
\$	\$	\$	\$	\$	\$	\$	
Receivables	1,171,724	3,633	698,955	5,332	622,633	(7,862)	2,494,415

(ii) Liquidity risk

Liquidity risk refers to the situation where the Council may encounter difficulty in meeting obligations associated with financial liabilities. The Council is exposed to liquidity risk through its trading in the normal course of business and borrowings from the Queensland Treasury Corporation for capital works.

The Corporation manages its exposure to liquidity risk by maintaining sufficient undrawn facilities, both short and long term, to cater for unexpected volatility in cash flows. These facilities are disclosed in the borrowings note 22

The following table sets out the liquidity risk of financial liabilities held by the Council in a format as it might be provided to management.

The amounts disclosed in the maturity analysis represent the contractual undiscounted cash flows at balance date:

Financial Liabilities

	0 to 1 year	1 to 5 years	Over 5 years	Total
	\$	\$	\$	\$
2008	5,276,332	7,966,889	7,310,832	20,554,053
2007	5,732,033	9,393,170	8,130,014	23,255,217

Financing Arrangements

Unrestricted access was available at balance date to the lines of credit listed below:

	2008	2007
	\$	\$
Bank overdraft facility	150,000	150,000

(iii) Interest rate risk

The Council is exposed to interest rate risk through its borrowings from the Queensland Treasury Corporation and investments held with financial institutions.

The risk in borrowing is effectively managed by borrowing from financial institutions which provide access to a mix of floating and fixed funding sources such that the desired interest rate risk exposure can be constructed. Interest rate risk in other areas is minimal.

The Council does not undertake any hedging of interest rate risk.

Interest Rate Sensitivity Analysis

The following sensitivity analysis is based on a report similar to that which would be provided to management, depicting the outcome to profit and loss should there be a 1% increase in market interest rates. The calculations assume that the rate would be held constant over the next financial year, with the change occurring at the beginning of that year. It is assumed that interest rates on overdue rates would not change. If the rates decreased by 1% the impact would be equal in amount in the reverse direction.

	Net carrying amount		Profit		Equity	
	2008	2007	2008	2007	2008	2007
	\$	\$	\$	\$	\$	\$
Financial assets	17,485,801	19,196,676	174,858	191,967	174,858	191,967
Financial liabilities at variable rates	585,309	119,279	5,853	1,193	5,853	1,193

BURDEKIN SHIRE COUNCIL
ANNUAL FINANCIAL STATEMENTS
For the year ended 30 June 2008

MANAGEMENT CERTIFICATE

For the year ended 30 June 2008

This general purpose financial report of the Burdekin Shire Council have been prepared pursuant to Section 532 of the Local Government Act 1993 (as amended), the Local Government Finance Standard 2005 and other prescribed requirements.

We certify that:-

- (i) the relevant recording and reporting procedures have been complied with in the preparation of the final financial statements; and
- (ii) the financial statements for the year ended 30 June 2008 and supporting notes present the council's income, equity, balance sheet and cash flows as required by the *Local Government Act 1993*.

Original Signed 9/9/08
Mayor

Original Signed 9/9/08
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 2008 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.
Burdekin Shire Council

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 2008, 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 2007 to 30 June 2008 and of the financial position as at the end of that year.

Ken Pickard
(as Delegate of the Auditor-General of Queensland)

Townsville

26 September 2008

BURDEKIN SHIRE COUNCIL

For the year ended 30 June 2008

**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 2008

	Note	2008 Actual \$	2007 Actual \$
Operating Income			
Rates and utility charge revenue	3 (a)	25,526,142	24,636,963
Less: Discounts		(2,343,273)	(2,261,570)
Less: Pensioner remissions		(480,417)	(494,414)
Net rates and utility charges		22,702,452	21,880,979
Fees and charges		1,840,772	1,432,144
Interest received	3 (b)	1,791,794	1,427,729
Sales of contract and recoverable works	3 (c)	1,415,651	1,886,239
Other recurrent income	3 (d)	256,041	395,042
Grants, subsidies and contributions	4 (i)	3,526,605	2,416,808
Total recurrent revenue		<u>31,533,315</u>	<u>29,438,941</u>
Operating Expenses			
Employee benefits expense	7	(12,426,572)	(10,599,803)
Materials and services	8	(11,792,208)	(10,473,274)
Finance costs	9	(992,721)	(1,047,232)
Depreciation and amortisation	10	(6,365,068)	(5,843,214)
Total recurrent expenses		<u>(31,576,569)</u>	<u>(27,963,523)</u>
Operating surplus (deficit) for the period		<u>(43,254)</u>	<u>1,475,418</u>
Capital revenue			
Grants, subsidies and contributions	4 (ii)	1,749,334	3,138,231
Capital income			
Reduction in rehabilitation provision due to the change in the estimated future cost on land not controlled by council	1.25(a)	34,598	45,382
Total capital revenue and income		<u>1,783,932</u>	<u>3,183,613</u>
Capital expenses			
Loss on the sale of capital assets	6	(30,735)	(74,770)
Loss on write-off of non-current assets	12	(416,404)	(739,507)
Total capital expenses		<u>(447,139)</u>	<u>(814,277)</u>
Net result attributable to council		<u>1,293,539</u>	<u>3,844,754</u>

BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2008

	2008	2007
	Actual	Actual
Financial Ratios of the Accounts	%	%
Change in community equity ratio:		
The percentage change in the net wealth of the Council.	9.5%	6.4%
Interest cover:		
The percentage of interest costs to total recurrent revenue	2.0%	2.2%
Debt servicing ratio:		
The percentage that the Council's total recurrent revenue that is used to service loan interest and principal repayments	9.5%	9.7%
General rate revenue ratio:		
The Council's dependence on general rate revenue as a percentage of total recurrent revenue	56.5%	58.1%
Revenue ratio:		
The Council's dependence on net rates and utility charges as a percentage of total recurrent revenue	72.0%	74.3%
Debt exposure ratio:		
The percentage of Council's capital debt to total community equity	2.3%	3.2%
Working capital ratio:		
The ratio of unrestricted current assets available to meet current liabilities	4.2 : 1	4.1 : 1
Capital expenditure ratio:		
The ratio of capital expenditure to depreciation	133.3%	123.9%
Rate arrears ratio		
The percentage of rates and charges receivable to net rate and charges revenue	2.1%	1.3%
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 2008

	Note	Total on Consolidation	Eliminations on Consolidation	Sub-total of all	Administration Services	Community & Cultural Services
		Actual	Actual	Actual	Actual	Actual
		\$	\$	\$	\$	\$
Operating revenue						
Rates and utility charges		25,526,142		20,186,549	18,052,944	
Less: Discounts & pensioner remissions		(2,823,690)		(2,252,934)	(2,032,982)	
Fees and charges, rental and levies &		1,840,772		1,635,460	98,086	34,501
Interest		1,791,794		1,090,854	1,090,854	
Operational contributions and donations	4	269,080		100,759		9,600
Operational Government grants and subsidies for recurrent expenditure	4	3,257,525		3,257,525	1,375,598	26,042
Sales of contract and recoverable works		1,415,651		1,415,651		
Internal service provider revenue			(1,001,000)	1,001,000	1,001,000	
Other operating revenue		256,041		226,925	112,404	69,033
Internal dividends received			(600,000)	600,000	600,000	
Total operating revenue		31,533,315	(1,601,000)	27,261,789	20,297,904	139,176
Operating Expenses						
Employee benefits expense	7	12,426,572		10,940,675	4,026,490	522,336
Materials and services		11,792,208		9,895,613	1,776,359	1,228,258
Internal service provider expenditure			(1,001,000)	61,000		
Depreciation	10	6,365,068		5,044,626	410,203	463,542
External finance costs		992,721		988,927	644,862	
Total operating costs		31,576,569	(1,001,000)	26,930,841	6,857,914	2,214,136
Surplus (deficit) from operations		(43,254)	(600,000)	330,948	13,439,990	(2,074,960)
Capital cash contributions from other sources		43,874		43,874		688
Capital cash revenue from government sources		1,685,925		1,685,925		160,620
Physical assets contributed		19,535				
Other capital income	5	34,598		34,598		
Other capital expenses	11	(447,139)		(441,107)		
Net result for the period		1,293,539	(600,000)	1,654,238	13,439,990	(1,913,652)
Retained surplus (deficit) brought fwd from prior year		57,318		57,318	13,567,008	(2,041,979)
Net result from above		1,293,539	(600,000)	1,654,238	13,439,990	(1,913,652)
From (to) capital - items of capital income & expense		393,006		406,509		
From (to) capital to adjust working capital cash		344,065		344,065		
Transfer (to) capital general revenue expended		(312,222)		(312,222)	(618,340)	113,946
Internal dividends paid			600,000			
Other transfers between functions				(190,961)	(198,211)	
Surplus/(deficit) available for transfer to reserves		1,775,706		1,958,947	26,190,447	(3,841,685)
Net transfers from (to) capital reserves	29	(1,546,558)		(1,729,799)		(161,308)
Net transfers from (to) recurrent reserves	29	(227,390)		(227,390)	35,897	61,645
Retained surplus (deficit) funds at period end		1,758		1,758	26,226,344	(3,941,348)
Capital Funding Sources						
General revenue used (excess funds provided)		312,222		312,222	618,340	(113,946)
Disposal proceeds of capital assets	6	443,942		443,942		
Funded depreciation & amortisation expended		6,904,540		6,722,778	2,157,489	463,542
Government capital grants and subsidies	4	2,606,240		2,606,240		217,241
Developer contributions and capital donations	4	47,631		28,096		
Funds held in capital reserves	29	440,776		440,776	17,584	22,216
Loans for capital purposes	22	85,503		85,503	85,503	
Total capital funding sources		10,840,854		10,639,557	2,878,916	589,053
Capital Funding Applications						
Non-current assets		7,344,239		7,141,471	381,157	916,842
Movement in capital work in progress		1,055,257		1,112,872	112,545	(327,789)
Intangible assets		82,050		82,050	82,050	
Total capital asset acquisitions		8,481,546		8,336,393	575,752	589,053
Loan redemptions		2,359,308		2,303,164	2,303,164	
Total capital applications		10,840,854		10,639,557	2,878,916	589,053
Reserve balances held at beginning of period						
Capital reserve balances		10,678,233		4,299,226	51,000	123,360
Unspent loans and depreciation cash		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 beginning of the period		19,191,329		7,992,740	3,351,435	287,840
Reserve balances held at the end of period						
Capital reserve balances		9,149,679		2,953,913	33,416	45,211
Unspent loan and depreciation cash held		6,263,142		304,880	235,746	
Recurrent reserve balances		1,852,369		1,852,369	1,196,003	102,835
Total reserve cash held at the end of the period		17,265,190		5,111,162	1,465,165	148,046

BURDEKIN SHIRE COUNCIL
Statement of Actual Results by Program
For the year ended 30 June 2008

	Development Services	Environmental Services	Engineering Services	Sewerage	Water
	Actual	Actual	Actual	Actual	Actual
	\$	\$	\$	\$	\$
Operating revenue					
Rates and utility charges		2,133,605		2,798,901	2,540,692
Less: Discounts & pensioner remissions		(219,952)		(299,224)	(271,532)
Fees and charges, rental and levies &	906,685	588,342	7,846	96,680	108,632
Interest				350,470	350,470
Operational contributions and donations		82,462	8,697	42,922	125,399
Operational Government grants and subsidies for recurrent expenditure		527,340	1,328,545		
Sales of contract and recoverable works			1,415,651		
Internal service provider revenue					
Other operating revenue	1,908	24,619	18,961	10,947	18,169
Internal dividends received					
Total operating revenue	908,593	3,136,416	2,779,700	3,000,696	2,871,830
Operating Expenses					
Employee benefits expense	670,911	1,991,354	3,729,584	923,489	562,408
Materials and services	191,948	3,586,717	3,112,331	1,049,565	847,030
Internal service provider expenditure		61,000		465,000	475,000
Depreciation		349,523	3,821,358	903,034	417,408
External finance costs		344,065			3,794
Total operating costs	862,859	6,332,659	10,663,273	3,341,088	2,305,640
Surplus (deficit) from operations	45,734	(3,196,243)	(7,883,573)	(340,392)	566,190
Capital cash contributions from other sources		10,000	33,186		
Capital cash revenue from government sources		87,403	1,437,902		
Physical assets contributed				19,535	
Other capital income		34,598			
Other capital expenses		(39,037)	(402,070)	(5,565)	(467)
Net result for the period	45,734	(3,103,279)	(6,814,555)	(326,422)	565,723
Retained surplus (deficit) brought fwd from prior year	2,859	(2,937,746)	(8,532,824)		
Net result from above	45,734	(3,103,279)	(6,814,555)	(326,422)	565,723
From (to) capital - items of capital income & expense		4,439	402,070	(13,970)	467
From (to) capital to adjust working capital cash		344,065			
Transfer (to) capital general revenue expended		10,169	182,003		
Internal dividends paid				(600,000)	
Other transfers between functions			7,250	198,211	(7,250)
Surplus/(deficit) available for transfer to reserves	48,593	(5,682,352)	(14,756,056)	(742,181)	558,940
Net transfers from (to) capital reserves		(97,403)	(1,471,088)	742,181	(558,940)
Net transfers from (to) recurrent reserves		(324,932)			
Retained surplus (deficit) funds at period end	48,593	(6,104,687)	(16,227,144)		
Capital Funding Sources					
General revenue used (excess funds provided)		(10,169)	(182,003)		
Disposal proceeds of capital assets			443,942		
Funded depreciation & amortisation expended		349,523	3,752,224	105,084	76,678
Government capital grants and subsidies		30,645	2,358,354		
Developer contributions and capital donations			28,096	19,535	
Funds held in capital reserves		93,460	307,516		
Loans for capital purposes					
Total capital funding sources		463,459	6,708,129	124,619	76,678
Capital Funding Applications					
Non-current assets		296,246	5,547,226	197,668	5,100
Movement in capital work in progress		167,213	1,160,903	(73,049)	15,434
Intangible assets					
Total capital asset acquisitions		463,459	6,708,129	124,619	20,534
Loan redemptions					56,144
Total capital applications		463,459	6,708,129	124,619	76,678
Reserve balances held at beginning of period					
Capital reserve balances		171,000	3,953,866	3,055,664	3,323,343
Unspent loans and depreciation cash				2,946,089	1,873,493
Recurrent reserve balances		228,599			
Total reserve cash held at beginning of the period		399,599	3,953,866	6,001,753	5,196,836
Reserve balances held at the end of period					
Capital reserve balances		144,298	2,730,988	2,313,483	3,882,283
Unspent loan and depreciation cash held			69,134	3,744,039	2,214,223
Recurrent reserve balances		553,531			
Total reserve cash held at the end of the period		697,829	2,800,122	6,057,522	6,096,506

BURDEKIN SHIRE COUNCIL

Analysis of Cash Holdings

For the year ended 30 June 2008

				2008					2007	
				Actual					Actual	
				\$					\$	
CASH HOLDINGS AT PERIOD END				<u>18,123,840</u>					<u>19,611,822</u>	
Represented by :-										
(i)	Constrained Works Reserve		897,100					1,812,325		
(ii)	Grants, Subsidies and Contributions Reimbursed Reserve		-					-		
(iii)	Water Reserve		3,882,283					3,323,343		
(iv)	Sewerage Reserve		2,313,483					3,055,664		
(v)	Capital Maintenance Reserve		97,711					119,239		
(vi)	Carryover Capital Works Reserve		1,959,102					2,367,662		
	Recurrent Maintenance Reserve		1,852,369					1,624,979		
				11,002,048					12,303,212	
(i)	Unspent depreciation cash		5,727,396					6,266,868		
(ii)	Unspent loan capital cash		535,746					621,249		
Other Cash Balances held :-										
	Revenue received in advance		397					397		
	Retained surplus (deficit) at end of period		1,758					57,318		
Cash backing of rehabilitation provisions										
		Cash to date	Provision balance	(Shortfall)	Cash held	Cash to date	Provision balance	(Shortfall)	Cash held	
Refuse sites		-	5,718,842	(5,718,842)	-	-	5,505,063	(5,505,063)	-	
Movement in Working Capital Cash										
				Actual 2008			Actual 2007			
	Capital A/c	Current Period	Movement				Capital A/c	Current Period	Movement	
Assets	Analysis	Balances					Analysis	Balances		
Trade receivables	557,804	2,322,977	(1,765,173)				557,804	2,650,865	(2,093,061)	
Loans to community assoc.	423,544	171,438	252,106				423,544	119,078	304,466	
Inventories	253,803	896,073	(642,270)				253,803	904,083	(650,280)	
Inventory land for devel. & sale	70,689	-	70,689				70,689	-	70,689	
Other financial assets		297,546	(297,546)					323,994	(323,994)	
Net movement in assets	1,305,840	3,688,034	(2,382,194)				1,305,840	3,998,020	(2,692,180)	
Liabilities										
Creditors and accruals	337,062	1,498,594	1,161,532				337,062	1,391,522	1,054,460	
Employee entitle- current	828,901	1,240,723	411,822				828,901	1,354,096	525,195	
Entitlements - non current		1,665,335	1,665,335					1,475,303	1,475,303	
Net movement in liabilities	1,165,963	4,404,652	3,238,689				1,165,963	4,220,921	3,054,958	
Net Assets minus Liabilities	139,877	(716,618)					139,877	(222,901)		
Net working capital cash (deficit) at period end				A - B =	856,495	A - B =				362,778
CASH HOLDINGS AT PERIOD END					<u>18,123,840</u>					<u>19,611,822</u>
Analysis of the Council's Capital A/c										
Non current capital assets			391,658,671				357,679,712			
Add - Unspent capital cash held			6,263,142				6,888,117			
Total capital assets			397,921,813				364,567,829			
Capital loans			9,196,187				11,555,495			
Rehabilitation provisions			5,718,842				5,505,063			
Net debt			14,915,029				17,060,558			
Net capital assets minus net capital debt			X 383,006,784				X 347,507,271			
Capital account			146,044,161				143,384,557			
Asset revaluation reserve			237,102,500				204,262,591			
Total of Council capital value			Y 383,146,661				Y 347,647,148			
Net working capital accounts balances in Capit:			Y - X = A 139,877				Y - X = A 139,877			