



# Burdekin Shire Council

## *Annual Report 2008-2009*



*Q150 Steam Train which travelled through Ayr & Home Hill in May 2009  
as part of Queensland's 150th Anniversary celebrations.*



# CONTENTS



Burdekin Shire Council

<b>Shire Profile .....</b>	<b>1</b>
<b>Corporate Governance .....</b>	<b>2</b>
Mayor's Review .....	2
Councillors.....	3
Council's Mission and Values.....	5
Corporate Governance .....	6
Organisational Structure .....	7
Elected Members & Senior Executive Officers.....	8
<b>Council at a Glance .....</b>	<b>11</b>
Activity Statistics.....	11
Performance Indicators.....	12
<b>Our Achievers .....</b>	<b>14</b>
Burdekin Shire Recognises Achievers at Australia Day Celebrations on 26th January, 2009	
<b>Programme Achievements.....</b>	<b>22</b>
1. Administrative & Financial Services .....	22
2. Community & Cultural .....	24
3. Planning & Development .....	25
4. Environment & Health .....	26
5. Operations .....	28
6. Technical Services .....	31
<b>Financial Summary.....</b>	<b>32</b>
Community Financial Report.....	32
What Did We Achieve 2008/2009 .....	38

<b>Statutory Information .....</b>	<b>40</b>
Revenue Policy for the Year 2008/2009.....	40
Policies on Rebates and Concessions.....	45
Particulars of Rebates and Concessions Allowed in Respect of Rates & Charges .....	45
Library Statistics.....	45
Elected Members' Meetings Attendances .....	45
Resolution on Elected Members' Remuneration.....	46
Total Remuneration and Superannuation Contributions paid to Councillors..	47
Changes to Tenders.....	48
Calling for Expressions of Interest .....	48
Equal Employment Opportunity.....	48
Borrowings Policy.....	49
Donations – Other.....	50
Revenue Assistance Policy .....	50
Grants for Excellence in Sports & Cultural Activities .....	51
Special Rates & Charges .....	52
Land & Reserves .....	52
Expenditure on Consultants .....	52
Expenditure on Entertainment and Hospitality Services .....	53
Expenditure on Advertising .....	53
Expenditure on Overseas Travel .....	53
Code of Conduct .....	53
Expenditure on Grants to Community Organisations .....	54
Business Activities .....	55
Registers Kept Open for Inspection .....	56
 <b>Financial Statements .....</b>	 <b>57</b>

# 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** - 8,597 as at June, 2009

## 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. This 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 has been successful in securing \$1.05 million in State Government Blueprint for the Bush funding to construct a new Burdekin Youth Centre. The new purpose-built facility will bring together the Burdekin's existing youth support organisations under one roof, as well as several visiting Youth Services.

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.

Work on a \$149 million cassava and cattle feedlot project is progressing well. Stage 1 of the project has 9000 ha. of land under cropping together with a 10,000 head feedlot to be built onsite. The Burdekin is also well situated in relation to nearby large scale projects such as the Conquest Mining project and the Abbott Point Coal Expansion.



# Corporate Governance

## Mayor's Review

I encourage you to peruse the Burdekin Shire Council's Annual Report for 2008/2009 as it highlights the vast extent of Council's activities and programs in the last twelve months.

Once again it has been a very busy year with a number of projects being undertaken in addition to our core activities. Council also had to implement sweeping reforms that are required by State Government.

Council faced a difficult task in delivering the budget in an economic climate of spiralling costs while still providing high-quality services and funding new projects in the capital works program.

The total rates and charges raised from the community budget to budget increased by 5.8% over last year.

I am pleased to report that Council's total capital and operating expenditure for 2008/2009 was \$39.2 million excluding depreciation. This included \$9.9 million allocated for the capital works program with approximately \$4.7 million spent on capital road works and drainage projects. The Council received \$1.79 million in government grants to subsidise these works.

As a result of the flooding in February this year, Council received a grant approval of \$3.4 million in Natural Disaster Relief and Recovery Arrangements with about \$1.47 million spent in the financial year.

The four-year bitumen widening program in our urban areas has been very well received by the community. Year 3 of the program has been completed.

Some of the other projects completed this year are:-

- ♦ Alva foreshore development including walking trails and picnic areas.
- ♦ Graham Street reconstruction from Young Street to Mackenzie Street.
- ♦ Plantation Creek pontoon.
- ♦ Installation of accommodation units at Burdekin Cascades Caravan Park.

Council borrowed from its own reserves and reduced its external debt from \$9.2 million to \$7.15 million. Our debt remained relatively stable which was a good outcome in the rising cost environment.

Council partnered with State and Federal Governments, as well as potential investors from both within and outside our community, to develop our district.

A number of milestones have been achieved in the past twelve months including the adoption of the Burdekin Shire Economic Development Strategic Plan, the launch of the Burdekin Horticultural Processing Strategy and improved communication with the community through a monthly insert in the local newspapers.

I would like to extend my sincere thanks to my fellow Councillors, Chief Executive Officer, Mr Ken Holt, Senior Officers and staff of the Council for their attitude and dedication which enables us to deliver our schedules and goals.

Most importantly, thank you to the shire community for your continued support of the Shire. I look forward to the challenges which lay ahead, to working closely with the people of the community and to representing the Burdekin Shire to the best of my ability.

Lyn McLaughlin  
Mayor

# Councillors



## 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 Deputy Chairman of the Burdekin Shire Rivers Improvement Trust; a member of the Burdekin Be Active Advisory Committee; and Chairman of Burdekin Water Futures (BWF).

Cr. McLaughlin represents the Burdekin Shire on numerous regional based organisations including North Queensland Sports Foundation; North Queensland Regional Organisation of Councils; and Chairman of North Queensland Development Alliance.



## 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 Crimestoppers; and is Chairman of the Burdekin Road Safety Advisory Committee.

Cr. Loizou is the Adoptive Councillor for Clare State Primary School, Osborne State Primary School; and Burdekin School.



## CR. PIERINA DALLE CORT

Cr. Dalle Cort is a member of the Local Authority Waste Management Advisory Committee; Pest Management Plan Working Group; and Council representative on the Burdekin Rural Health Board.

Cr. Dalle Cort is the Adoptive Councillor for Home Hill State Primary School and St Francis Primary School.



## 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.

Cr. Haynes is the Adoptive Councillor for Brandon State Primary School; Airville State Primary School; and East Ayr State Primary School.

## Councillors



### **CR. ROSS LEWIS**

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

Cr. Lewis is the Adoptive Councillor for Millaroo State Primary School; Maidavale State Primary School; and Kalamia State Primary School.



### **CR. TREENA LIST**

Cr. List is Deputy Chairman of the Burdekin Cultural Complex Board and a member of the Management Committee; also Chairman of Regional Arts Development Fund (RADF) Committee; Council representative on Burdekin Bowen Integrated Flood Plain Management Advisory Committee Inc. (BBIFMAC); and Chairman of the Carols by Candlelight Committee.

Cr. List is the Adoptive Councillor for Burdekin Christian College; Ayr State Primary School; and Jarvisfield State Primary School.



### **CR. ENNIO GAZZIOLA**

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

Cr. Gaziola is the Adoptive Councillor for Giru State Primary School; and St Colman's Primary School.

# Council's Mission and Values

(as adopted by Council on 10th June, 2008)

## 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.

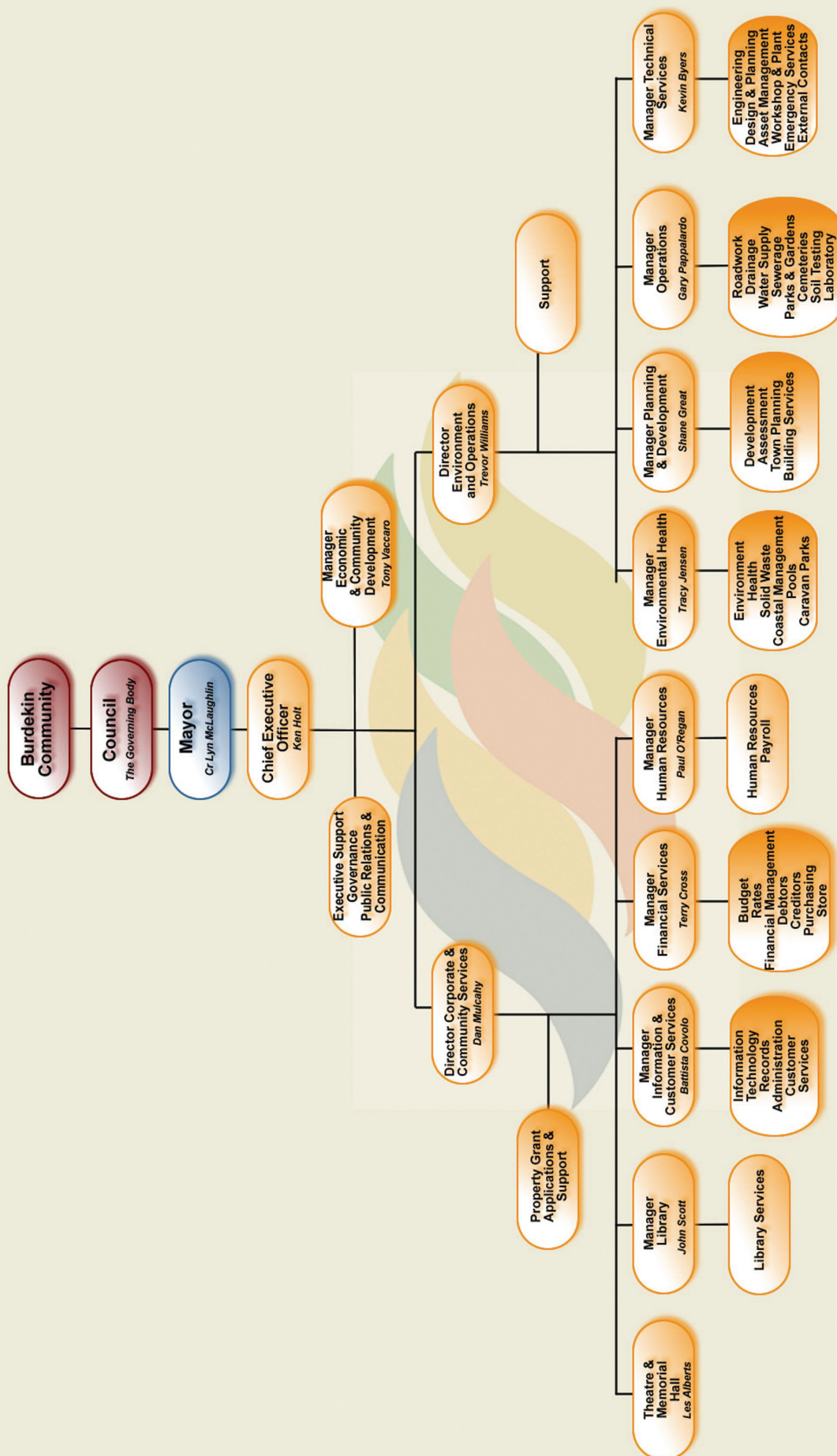
Any changes to meeting times and dates are advertised in the local media. All Council and Committee meetings are open to the public.

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 4 advisory committees established, being the Burdekin Road Safety Advisory Committee; the Workplace, Health & Safety Committee; the Burdekin Be Active Advisory Committee; and the Carols in the Park Committee.

The council also receives and considers reports and minutes from the following organisations: the Burdekin Cultural Complex Board; and the Burdekin Shire Youth Council.

Under the Disaster Management Act 2003, the council is required to establish a Local Disaster Management Group for the local government's area. The meetings of this committee are held at the Council Chambers and the minutes of the committee are considered and adopted by the council.



# Elected Members & Senior Executive Officers

*Elected Members as at 30th June, 2009*



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

The Model Code of Conduct for Councillors prepared by the Department of Infrastructure and Planning currently applies to all councillors. 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 and hospitality for Councillors and staff and a register of Councillors' membership of organisations.

## 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.

## **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 Infrastructure and Planning 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	2008/09
Average Net Rates Per Residential Property ( <i>Excluding Fire Levy</i> )		
- Ayr	\$1,729	\$1,841
- Home Hill	\$1,503	\$1,599
- Brandon	\$1,694	\$1,599
- Giru	\$1,215	\$1,530
Level of Gross Rates Arrears ( <i>Excluding Fire Levy</i> )	\$479,376	\$567,898
Number of Building Approvals	313	280
Dollar Value of Building Approvals	\$15,696,111	\$17,655,259
Number of Building Approvals (Private Certifiers)	158	145
Dollar Value of Building Approvals	\$10,623,605	\$12,005,759
Number of Building Approvals (other Local Government Areas).	865	657
Dollar value of Building Approvals.	\$70,395,499	\$64,828,221
Number of Material Change of Use Impact Assessments	14	12
Number of Material Change of Use Code Assessments	21	17
Number of Reconfiguration Applications	77	61
Number of Operational Works		2

# Performance Indicators

The following ratios and performance indicators have been calculated from the 2008/2009 Financial Statements.

## Financial

	2008/2009	2007/2008
<b>Revenue Ratio</b> The percentage of council's total operating income derived from rates and charges. Indicates Councils dependence on rates and charges revenue.	66.0%	72.0%
<b>Working Capital Ratio</b> Council's ability to meet current commitments	4.6:1	4.2:1
<b>Debt Servicing Ratio</b> The percentage of total operating income used to service debt	6.9%	9.5%
<b>Borrowing Ratio</b> The relationship between total borrowing and total operating income	0%	0%
<b>Rates Arrears Ratio</b> The effectiveness of council's collections of rates and charges	2.3%	2.1%
<b>Capital Expenditure Ratio</b> Ratio of capital expenditure to depreciation	111.7%	133.3%
<b>Unfunded Depreciation Ratio</b> Percentage of annual depreciation expense not funded from current revenue	0%	0%
<b>Change in Community Equity Ratio</b> Percentage change in council's net wealth	1.7%	9.8%

The following ratios and performance indicators have been submitted for the 2008/2009 Comparative Performance Information prepared by the Department of Communication, Information, Local Government, Planning and Sport.

## Personnel

	2008/2009	2007/2008
Number of employees per 100 capita	1.26	1.18
Wages and Salaries as a percentage of total operating expenditure	48.53%	50.27%
Number of employees per \$1,000,000 total operating expenditure	7.98	8.75
Percentage of work time lost due to accident	0.30%	0.51%

## Waste Management Services

	2008/2009	2007/2008
Waste collection costs per property serviced	\$128.37	\$121.63
Total tonnage of refuse collected per property serviced	1.99	1.88
Total tonnage of refuse collected per bin serviced	1.73	1.68

## Road Maintenance Services



Burdekin Shire Council

	2008/09	2007/2008
<b>Road Maintenance expenditure per laned kilometre – sealed roads</b>		
Urban	\$1,376	\$1,607
Rural	\$909	\$734
Total	\$1,010	\$924
<b>Road maintenance expenditure per laned kilometre – unsealed roads</b>	\$881	\$1,095
<b>Percentage of sealed roads 'resealed'</b>		
Urban	4.19%	3.49%
Rural	4.43%	5.74%
Total	4.38%	5.25%

## Parks and Gardens

	2008/2009	2007/2008
Cost of maintaining parks and gardens per hectare maintained	\$30,326	\$30,109

## Our Achievers

Burdekin Shire recognises achievers at Australia Day Celebrations on Monday, 26th January, 2009.

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.

**Margaret (Betty) Searle**  
*Citizen of the Year*

**Paul Hatch**  
*Citizen of the Year Achievement Award*

**Julian Homewood**  
*Young Citizen of the Year*

**Ryan Dowson**  
*Senior Sports Person of the Year*

**Richard Samwell**  
*Sports Administrator*

**Clinton Dennis**  
*Junior Sports Person of the Year*

**Michael Coppo**  
*Junior Sports Achievement Award*

**Aicey Zaro**  
*Senior Cultural Award*

**Carmelo Quagliata**  
*Junior Cultural Award*

**Burdekin Water Festival 50th Anniversary Celebrations - Community Event of the Year**



*Mayor Lyn McLaughlin presenting the 2009 Citizen of the Year Award to Mrs Betty Searle*

### Citizen of the Year

The 2009 Citizen of the Year, Mrs Betty Searle was nominated for her outstanding contribution to the local community over many years.

She has been involved in many clubs and community groups, dedicating her time, efforts and tireless service to these groups. She has been involved in many fundraising ventures for the Qld Cancer Fund; Burdekin Community Association; and Blue Care. She is a blood donor for Red Cross; volunteer for the Ayr Show Society; was involved in the Airdmillan State School P&C and Ayr State High School Tuckshop; has dedicated many hours to the Ayr Pony Club, Burdekin Junior Soccer and Burdekin Basketball Association; and is a weekly visitor to the Nursing Home.

She has been a valuable member of the Burdekin Breast Cancer Support Group since 1997, offering support and re-assurance to many ladies as well as generously supplying prizes and helping to raise money in the fight against breast cancer.

She was the supervisor for the Lower Burdekin Meals on Wheels from 1976 to 1981 and her tireless efforts played a significant part in the development of Meals on Wheels to where it is today.

A member of the Ayr Golf Club for 32 years, she has served on the ladies committee, assisted with running of the junior competition, worked in the kitchen, willingly sold raffle tickets and donated numerous raffles, prizes and baking. She has won the C Grade Championships along with many prestigious sponsored events throughout these 32 years. She has, along with her husband, sponsored the Digger Humphries Memorial golfing day for many years and as one of the original members of the Veteran Golfers, she has been President for many years.

Through her career as a nurse, her love of golf, her talents in many areas of craft and through her selfless involvement in many charitable and community organisations, she has given so much to the Burdekin district.

She is a loving wife, who has reared a family of 2 sons, 2 daughters and now has 7 grandchildren. The worthy recipient of this award has given over half a century of tireless service to the community.

## **Citizen of the Year Achievement Award**

The recipient of the achievement award, Paul Hatch was nominated for his outstanding contribution to his local community for over 10 years and more recently his outstanding and heroic efforts within the community during the February 2008 floods.

He is a strong supporter of the Clare State School, attending 'working bees' and attending school camps. He is the President of the Clare Cricket Carnival Committee and has raised many thousands of dollars which has been donated back into the Clare community. He is a past senior executive member of the Clare Sports and Recreational Club Inc for which he provided many years of dedicated service.



*Paul Hatch accepting the Citizen of the Year Achievement Award from Mayor Lyn McLaughlin at a Council Meeting on 24th February, 2009.*

He is the First Officer and Fire Warden for the Rural Fire Brigade, for which he selflessly deals with unpaid calls for service by attending to local fires at any time of the day or night. He has been instrumental in fundraising efforts and grants, and with the aid of a few loyal helpers, has ensured that the Clare Community has acquired a new Rural Fire Brigade Truck.

As the leader of the newly formed Clare SES group, he was heavily involved in driving the community towards its goal to obtain the new SES/Rural Fire Brigade shed. He also provided labour and hours of time in setting up the new shed.

His heroic actions demonstrated following the February 2008 flooding at Clare, Millaroo and Dalbeg further justified the selfless and devoted person he is. Some may say he risked his own life as he continually worked

within the community ensuring the safety of the fellow residents; he assisted with evacuations and ongoing patrols of his local area during the floods. His coordination at a local level allowed Clare Police to deal with other important issues.

A loving husband and father, he is a very humble man who often shuns any recognition or acknowledgement of his noteworthy deeds. He epitomises the true Australian spirit, always willing to lend a hand, and provides valuable time for family, friends and his community.



*Mayor Lyn McLaughlin and Young Citizen of the Year, Julian Homewood*

## **Young Citizen of the Year**

The 2009 Young Citizen of the Year, Julian Homewood has made an outstanding contribution to the Burdekin Community via his achievements both culturally and charitably while fulfilling his school and community leadership roles.

He is a member of the Burdekin Shire Youth Council by which he has participated in the Burdekin Youth Forum, NQ Regional Youth Forum and

Burdekin Relay for Life. He was also a Burdekin Valley Parish Ambassador for World Youth Day held in Sydney in 2008.

A keen volunteer, he has been involved in the Salvation Army Red Shield Appeal for the past 4 years, has undertaken fundraising for St. Vincent de Paul Society and was the organiser of "Stand Up Against World Poverty" for World Poverty Week. He also participated in School Rugby Union as Captain, School Volley Ball and U18 Burdekin Rugby Union.

As School Vice Captain, Sporting Captain and Music Captain for Burdekin Catholic High School he has dedicated much of his time to school commitments. The recipient also received the 2008 Consistent Effort Award, Australian Defence Force Bursary for Outstanding Leadership Qualities, Burdekin Catholic High School Senior Cultural Award as well as the Bishop's Gold Service Award.

Musically talented, he has spent much of his time both competing as well as volunteering his time to entertain. Most recently he has received 1st & 2nd places for the Unison and Novelty Choirs, the Burdekin Eisteddfod Aggregate Trophy for Choir and an Award of Excellence for the Burdekin Interschool Drama Festival.

His band has received Runner-Up Best Band for the past two years at Burdekin Battle of the Bands and the Encouragement Award at the Regional Battle of the Bands. He has also performed at 'Rock Out' against domestic violence in Townsville and at the Burdekin Water Festival.

As a dedicated and inspirational role model for all youth, his hard work throughout the year has made him a worthy recipient of this award.

## Senior Sports Award

The 2009 recipient of the Australia Day Senior Sports Award, Ryan Dowson was a devoted and dedicated member of the Burdekin Cricket Association for many years and has been playing cricket for approximately 22 years. In order to further his cricket career he now plays in Townsville.

Early in his career he opened the batting for North Queensland and over many years has developed his bowling skills to become one of the fastest bowlers in Townsville.

For several years he has been recognised as an all rounder making the Queensland Country selection and in January 2008 was selected in the Australian Country Cricket side. He was again selected in the Australian Country Cricket side in 2009.

In August 2008, he was awarded the Brian Gaskell trophy for most improved player at the Queensland Country Cricket Presentation Night, held at Allan Border Field in Brisbane.

A loving husband and dedicated father, his eldest son has already begun to follow in his fathers footsteps. He has been an inspiration to all of this family and friends and is a wonderful role model for young cricketers in our community.



*Ryan Dowson accepting the Senior Sports Award from Mayor Lyn McLaughlin at a Council Meeting on 24th February, 2009.*

## Sports Administrator Award

The 2009 Sports Australia Day Sports Administrator Awardee, Richard Samwell is a man who has unselfishly dedicated his time and efforts to the Burdekin sporting community for 31 years.

The worthy nominee has been associated with a number of sporting clubs including the Burdekin Soccer Club for a period of 31 years; the Delta Cleaners' Night Soccer for a period of 28 years; and instigated the Nomads Gold Field Ashes Cricket Team which he has now been involved in for 10 years.

He instigated the development of night soccer in the Burdekin area in 1979 after a lot of hard work from his dedicated team. He has had much involvement in the successful growth of the Burdekin Soccer Club, including the move in 1979 of the senior soccer club to the International Club grounds. He provided endless hours of labour to see the grounds and complex as it is today.

In 1980 he was instrumental in organising the annual Lando Shield competition for NQ clubs with teams from Cairns to Moranbah competing. This pre-season competition still exists today.

He has a huge range of administration, organisational and personal skills which he takes to both soccer and cricket alike. He has gained much respect and friendship from both of these clubs through his hard work and dedication in coaching, organising carnivals, functions, working-bees and more.

In 2008 he headed the joint committee that was successful in receiving a

grant for the upgrade of the current Vigoro grounds to playing fields and facilities for junior soccer.

The worthy recipient has selflessly given his time and efforts for the community, and in particular to the sports he loves.



*Clinton Dennis (Junior Sports Person of the Year), Mayor Lyn McLaughlin, Michael Coppo (Junior Sports Achievement Awardee) & Declan Dowson (accepting the Senior Sports Person of the Year Award on behalf of his father, Ryan Dowson)*

## Junior Sports Award

The recipient of the 2009 Junior Sports Award, Clinton Dennis has been a member of the Ayr Motorcycle Club since 2001 and has been nominated for his devoted time, effort and achievements during his short racing career.

In recent years he has excelled in his racing in both flat track and speedway bike racing. In 2007 and 2008 he travelled to Denmark and Poland respectively to compete in the World Junior Championships. During this time he was still at high school and continued studying overseas and catching up upon his return.

In 2008, this talented rider gained 5th place in the Australian 350 titles; 4th place at the David Booth Memorial Meeting and in the Queensland 350

titles; 3rd place in the Australian under 16 solo titles and the 4 class Mackay beach drags. He has achieved 2nd place in the 2009 Queensland under 16 titles and was selected to compete in the 2009 Australian under 16 solo titles in Undera, Victoria.

Some of his previous career highlights include 1st place at the junior sidecar meeting at Tamworth, 1st place in Clare emergency services enduro, 1st place in the Mackay beach drags junior lites class and 2nd in the Ayr MCC Junior Solo Challenge, just to name a few.

This dedicated sportsman has been an inspiration to many other local riders and is very deserving of this recognition.

## Junior Sports Achievement Award

The Australia Day Council has made provision for Council to present an Achievement Award to Michael Coppo, an individual who has made a significant contribution to their community or given exceptional service to the community. This year the judges have decided to present an achievement award in the Junior Sports Category.

The recipient of the achievement award had an extraordinary year in sport during 2008. He has brought much credit to the Burdekin; not only for his great achievements but also for the mature way he carried out his sporting duties, for his sportsmanship

**Annual Report 2008-2009**

and the community contribution he has made.

At just 17 years of age, he was named Player of the Year in the North Queensland (soccer) Premiere League, a competition which involves high ranking soccer players from Townsville and surrounding areas. He was also named the Senior Men's Player of the Year in Burdekin Senior Football.

He was selected in the Burdekin Secondary School Sports Under 19 Football (soccer) team and the North Queensland Under 19 Football (soccer) team to contest the State Titles. In addition, he was named Burdekin Catholic High School's Open Boys Athletics Age Champion and represented Burdekin Secondary School Sports in athletics. Giving back to his community, he also coached the Queensland Football 'Skills Development' school in the Burdekin region for young players aged 6 to 15.

Through these great achievements and because of his potential, he was chosen as a squad member of the North Queensland Razorbacks.

### **Senior Cultural Award**

The 2009 Senior Cultural Awardee, Aicey Zaro has been nominated for his outstanding and well known cultural contribution to his local community.

He has been active within the local community for the past four years

but most recently his reputation as a renowned artist and business man has been his families and the local indigenous communities pride and joy.

As an artist and business owner he has worked very hard to get his wonderfully unique artwork sold locally, throughout the country and overseas. He has also given his time to teach students and educate locals and visitors alike about his traditional connections to the Burdekin community.

Over the past year he has given back to his community immensely. His involvement with the Burdekin Singers has given him the opportunity to be further involved within the community and he is now recruiting more people to become involved in such community events, thus breaking down any barriers of cultural differences.

He is a wonderful role model for the community and a very humble achiever who is always helping others to change their lives and achieve their best.

### **Junior Cultural Award**

The 2009 Junior Cultural Awardee, Carmelo Quagliata has been nominated for his outstanding contribution to the community and his many achievements, continual involvement and great dedication to everything he does.

This inspiring young man has been actively involved and continually given his time voluntarily within

the local community. He has been a member of the Burdekin Air Force Cadets since the age of 13 and has been a member of the Burdekin Shire Youth Council since 2004. As Youth Mayor in 2008 he has been an inspiring leader and wonderful role model. He is a current member of the Community Touch Football team and has also competed in school swimming, sports carnivals and cross country. He has been a student council representative since grade 8 and in 2008 was elected as student executive at Ayr State High School.

Much of his free time has been given selflessly to his community through participation in many community and charity events. In 2008 he assisted at the Burdekin Health & Fitness Expo, Burdekin Food Fest, Raw Dance Youth Performance, Clean up Australia Day, Burdekin Relay for Life, 40 hour famine, Shave for a Cure. He entertained at the Burdekin Grower Race Day, Ayr Water Festival, Home Hill Harvest Festival and Burdekin Battle of the Bands. As a selected participant at the Regional Battle of the Bands, he was named Best Individual Performer.

Along with his many talents, he has also participated and entertained at school showcase, school productions, the Performing Arts Festival and the drama festival where he was awarded the Best Actor and Director's Award.

To compliment his many achievements, he was also the recipient of the Ayr State High School's Wayne Haller Award for his contribution to his school, the impact he has made and for his hard work and determined efforts. He also received a Year 12 Academic Achievement Award, School Dux in Physical Education and the McDonalds Schools Leaders Award.

This recipient is evidently a great role model for youth with outstanding qualities and dedication



*Carmelo Quagliata, accepting the Junior Cultural Award from Mayor Lyn McLaughlin at a Council Meeting on 24th February, 2009.*

## Community Event of the Year

The 2009 Community Event of the Year, Burdekin Water Festival 50th Anniversary Celebrations was a week long event with celebrations including something for the entire community. With the launch of the first ever logo for this annual Burdekin event, the festivities began.

An Historical Photographic Display of the past 50 years was launched

on 31st August which comprised of a well researched history of the event and featuring a continually playing video of 'days gone by'.

Another spectacular part to these celebrations was the 'Tastes of the Burdekin' event held on Sunday 31st August. With 40 stalls, a sprinkling of local and visiting craft blended well with the exceptional number of food and wine outlets. A traditional welcome by Mrs. Zaro and her son Aicey, providing musical background on the didgeridoo, began the uniquely cultural centre stage program.

Visiting celebrity chef Mark Olive aka 'The Black Olive' enlightened the crowd on cooking with his bush tucker herbs and the inaugural Wearable Art competition attracted both local and regional entries. The extremely high standard of wearable art fashion garments caught the eye of the NQ ABC Radio with entries being featured on their website for a month following the event.

This event succeeded in showcasing the Burdekin lifestyle to many visitors including international backpackers, and locals alike.

A gala evening was held at the Burdekin Memorial Hall on Friday 5th September and a beautifully presented evening culminating in the crowning ceremony which was a credit to the organising committee.

The week long festivities concluded with a parade and Mardi Gras where crowds of people gathered to witness a large number of floats decorated in the theme 'Makin' a Splash for 50 years'. A record crowd remained as the procession dispersed, staying on to participate in a vibrant mardi gras.

A celebration of the town's abundant water supply, these festivities brought the community together for one week in a festival and convivial atmosphere.



*Maureen Perry, Treena List (Burdekin Water Festival Committee – Community Event of the Year) and Mayor Lyn McLaughlin*

# Programme Achievements

## Corporate and Community Services

## Administrative & Financial Services

### Achievements for the Year

- ♦ Relevant statistics from the Customer Service Centre include:
    - o 6,972 customer requests recorded.
    - o The majority of the customer requests concern animal control (18.5%), roads and drainage (18.7%), water supply (13.5%) and waste management (18.3%).
    - o 36,565 answered phone calls with an average answer delay of 11 seconds.
  - ♦ A new Records Management section has been created using existing staff to assist Council comply with its obligations under the Public Records Act and new legislation such as the Information Privacy Act.
  - ♦ Rating analysis and drafting and adoption of Council's 2009/10 budget, policies and four year forward estimates by 14 July, 2009.
  - ♦ Total operating grants, subsidies and contributions obtained from the state and commonwealth governments and other sources totalled \$6,094,365 which included an advance payment of \$563,085 for 2010 from the Commonwealth Grants Commission.
  - ♦ Total capital grants, subsidies and contributions obtained from the state and commonwealth governments and other sources totalled \$1,851,957.
  - ♦ Obtained Federal and State employment grants of \$63,750
- in respect of trainees under the Breaking the Unemployment Cycle initiative and continuing apprenticeships.
  - ♦ 85 meetings minuted and 1,191 general debtor invoices issued for \$7.48M.
  - ♦ Debt reduction of \$2.05M and no new loan borrowings for 2008/09.
  - ♦ Annual rates season collections of \$22.5M from a \$24.5M levy of Council rates and State Government fire levies for 8,765 properties with 3,566 properties paid at Council Chambers and 4,942 properties paid at collection agencies.
  - ♦ Rates arrears of 2.3% (\$565,947) compared with total net levies (\$24.36M) 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 \$514M.
  - ♦ Annual financial statements for 2008/09 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.
  - ♦ Prompt and accurate fortnightly processing of creditors accounts throughout the year for 1,223 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.
  - ♦ 1,039 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 stocktake checks with completion of the full year stock take cycle by May and minor stock write-off.
- ♦ 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.
- ♦ 64 staff and workforce vacancies and 27 workers compensation claims processed through the year.

## Funding Applications and Nominations

- o Nomination of Burdekin Shire's emergency management CD in 2008 Australian Safer Communities Awards
- o Department of Public Works World War Two Markers Project - \$91,500
- o Four applications under the Q150 Community Funding Program - \$25,500
- o Regional and Local Community Infrastructure Program – Strategic Projects (Project: Burdekin's Be Active Trail Project) - \$2,9 million
- o Regional and Local Community Infrastructure Program (Projects: Development of 1.4km section of designated walking/cycle trail; Installation of fencing around playground facilities at Arch Dunn Memorial Park, Home Hill; Provision of half-court basketball facility at Spiller Street Park, Brandon) - \$321,000
- o State Emergency Service Subsidy Program – Purchase of new motor vehicle and accessories for Clare SES

Group - \$18,800

- o State Emergency Service Subsidy Program – Construction of new shed for Rita Island SES Group - \$39,896
- o Rural Living Infrastructure Program – Replacement of auditorium seats in Burdekin Theatre - \$64,063
- o Rural Living Infrastructure Program – Renovation of Ayr Library building to create training room and reading area - \$90,400
- o Rural Living Infrastructure Program – Construction of all abilities access toilet block at Arch Dunn Memorial Park, Home Hill - \$110,135
- o Nomination in 2009 Healthy Queensland Awards
- o Five applications under Bureau of Meteorology's Modernisation and Extension of Hydrologic Monitoring Systems Program - \$71,000
- o Environmental Infrastructure Program – Dune Protection at Alva and Wunjunga Beaches - \$23,125



*Minister for Emergency Services, the Hon. Neil Roberts MP, presenting Council's Award to Mayor, Cr. Lyn McLaughlin for Burdekin Shire's Disaster Management CD (Local Government Category) in the 2008 Qld Safer Communities Award on 3rd October, 2008. Also pictured are Tony Pearce, Director General, Emergency Management Australia & Jim McGowan, Director General, Department of Community Safety.*

# Community and Cultural

## Achievements for the Year

- ♦ 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 Home Hill; Just4Kids Motor Trail; Q150 Steam Train
- ♦ Co-ordinated 10,000 Steps Burdekin Bank Challenge.
- ♦ Developed plan for Burdekin Be Active Walking Trail.
- ♦ Provided support to the Burdekin Tourism Association.
- ♦ Upgraded entry signs in Home Hill and South of Ayr.
- ♦ Contribution towards Bountiful Burdekin Brochure and participation in Queensland Country Week in Brisbane.
- ♦ Assistance provided to Burdekin Water Festival Committee, Burdekin Youth Network, Building Safer Communities Action Team (BSCAT), Burdekin Be-Active Advisory Committee.
- ♦ Co-ordinated Burdekin Crime Prevention Conference.
- ♦ Co-ordinated Burdekin Regional Youth Engagement Forum.
- ♦ Released Burdekin Economic Development Strategic Plan.
- ♦ Council has continued with its generous donations to welfare, cultural, sporting and community based organisations. A total of \$550,012 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. 14 young people benefited from this subsidy totalling \$2,475.
- ♦ SES operations were funded in the amount of \$77,061 net of subsidies and contributions.
- ♦ Regional Arts Development Fund (RADF) Grants totalling \$21,383 were provided to 17 individuals or organisations, comprising \$8,553 Council funds and \$12,830 State Government funding.
- ♦ \$191,662 was spent on Development and Tourism which included development of an Economic Development Plan and contributions to community events including the Burdekin Auto Festival, Burdekin Water Festival, Home Hill Harvest Festival, Burdekin Grower Race Day, Ayr Show and Craft Spectacular.
- ♦ Total number of visits to the Burdekin Library was 64,905. In the Shire, 9,236 Library Members borrowed a total of 177,622 items. A total of 4,517 items were purchased for the libraries, including over 403 new DVD's.
- ♦ The Burdekin Library scanned and indexed an additional 70 local images to SLQ standards for inclusion online via Picture Queensland and Library catalogue.
- ♦ 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 632 children and 97 adults visited the Library for Book Week celebrations.

- ♦ 228 children attended 13 holiday activities which were conducted in Ayr and 190 children attended 13 sessions in Home Hill.
- ♦ Approximately 609 children and 320 carers attended 39 Story Time sessions in Ayr, while 207 children and 127 carers attended 36 sessions in Home Hill.
- ♦ Installation of Flat Screen Plasma TV's at Both Ayr and Home Hill allow for promotion of the Library, Theatre and Council activities on a daily basis.



*Q150 Steam Train arriving at Ayr Railway Station on 31/5/2009*



*Members of the 2009 Burdekin Shire Youth Council.*



*Lynda Hoey (Artist), Mayor Lyn McLaughlin & Eddie Smallwood (Chairperson Gudjuda Reference Group Aboriginal Corporation) displaying the Q150 Mosaic Art Project.*



*Health 'n' Fitness Expo held in Anzac Park, Ayr on 31st May, 2009*

## Environment and Operations

### Planning & Development

#### Achievements for the Year

- ♦ 2008/2009 has seen the department settle into renovated office space that allows for an open plan design more suited to the department's operations. Separate areas exist for the town planning staff and administration whilst the technical officers/certifiers/inspectors share the balance area. This plan allows for greater space for storage and more efficient work stations for each individual officer. Only minor changes have occurred in staffing over the past year. Retention of skilled staff has been maintained at an acceptable level. One exception would be the inability to fill a current vacant position for a 'Plumbing Inspector'. Little or no interest has been shown with regard to receiving suitable applicants

for this position. Despite this, the department has maintained a high level of customer service when delivering professional technical advice in a timely manner.

- ♦ Staff have committed to various continuing professional development programmes in all facets of the department including Town Planning, Plumbing Inspection and Building Certification. Some examples would be the attainment of a Certificate in Regional and Urban Planning from the Local Government Association of Queensland by planning staff; qualifications in back flow prevention in the plumbing field and swimming pool compliance updates in the building certification area. A building certification cadetship position has also been filled.
- ♦ Council's Town Planning Department has continued to assess, control and manage all areas of development assessment. In total, 29 Material Change of Use development applications have been assessed, 2 Operational Works and 61 Reconfiguring a Lot development applications. New planning scheme amendments have been adopted to increase the amount of village residential and industrial zoned land. Council's Priority Infrastructure Plan (PIP) is drafted and is presently at first state interest check stage. This important piece of planning legislation once adopted will give greater ability for Council to ensure appropriate infrastructure is planned for in identified areas.
- ♦ 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 425 building applications generated within the Burdekin Shire (including 145 applications from external certifiers) were processed. The dollar value of such works totalled \$29,661,018. Although the number of applications was down on last year's due to the down turn in the building industry, overall value of work increased by \$3,341,302.

- ♦ The building department's administration officers facilitated Council's property file scanning project. Scanning of property files was a major project that required all property files to be scanned 'off-site'. Over 90% of all Council property files have now been scanned and returned to Council. This allows electronic viewing for all users and provides a more secure environment to facilitate acceptable record management objectives.
- ♦ Private certification services for Building Works in neighbouring local authorities were affected by the global economic down turn and decreased from 865 to 657 approvals issued. This equates to the total value of work decreasing from \$70,395,499 to \$64,828,221.

## Environment & Health

### Achievements for the Year

- ♦ The major undertaking for the year was the development of the new waste management contract and the introduction of the new three bin system and increase in recycling area. The new system will reduce the amount of waste going to landfill which will significantly reduce greenhouse gas emissions

and prolong the life of the landfill.

- ♦ Burdekin Shire Council continued to be a Reef Guardian Council. 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.
- ♦ Continued working with the Burdekin Dry Tropics Natural Resource Management with the projects such as the Alva Beach clean up, revegetation and fencing project, Lilliesmere and Kalamia wetlands projects helping Council with the development of improved coastal and wetlands management.
- ♦ 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, including stall holders for the Water Festival events, 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.
- ♦ 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.
- ♦ Council successfully applied for funding to undertake a Beach protection project, Erosion control project and a Low Carbon Diet project.
- ♦ 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 Envirolevy helped fund projects such as the water weed and wetland improvement project, Horseshoe Lagoon fish ladder construction and the East Ayr State School Carbon Sink project.



*Bird Hide on Hodel Road, Giru*



*Burdekin residents participating in  
"National Tree Planting Day"  
near the former Ayr Racecourse site.*

# Operations

## Achievements for the Year

- ♦ Council completed approximately \$6.5 M in new roadworks, reseals and road and drainage maintenance in the 2008/2009 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 \$1.9 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 \$1.13 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 \$3.96 M.
- ♦ All Systems performed in compliance with Customer Service Standards.
- ♦ Adopted Levels of Service Standards Roads, Drainage and Waste Water.
- ♦ Continued program of property inspection and facilitated installation and maintenance of private landholder trade waste infrastructure.



*Council workers laying asphalt surface on Rita Island Road, Jarvisfield.*

# Major projects completed include:-

## Bitumen Widening Program

- ♦ Completed the third year of the 4 year program to bitumen widen all urban streets with existing kerb and channel and gravel shoulders. Areas widened included parts of Ayr and Home Hill. Approximately \$1.3 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:-
  - Graham Street (bitumen reconstruction).
  - Kookaburra Drive (construct bitumen).
  - Burke / Railway Street Intersection (upgrade intersection)
  - Graham/Railway Street Intersection (construct roundabout)
  - Paine Street (kerb & channel and bitumen widening)
  - Rita Island Road (bitumen reconstruction)



*Council constructing new roundabout at intersection of Wickham and Soper Streets, Ayr*



*Repair works being carried out on Plantation Creek Bridge (Norham Road), Ayr*



*Upgrading of Railway/Burke Streets intersection for sheltered right turn*

## Drainage

- ♦ Completed the Horseshoe Lagoon Drainage Scheme with the construction of new drainage channels.
- ♦ Substantially completed the automation of the Kanaka Gate
- ♦ Drainage maintenance of approximately \$312,000 was carried out throughout the shire.



*Construction of concrete floodway on Woodhouse Road (near Gladys Lagoon)*

## Footpath and Bikeway Construction

- ♦ Footpath construction in Burke Street from Edwards Street towards Chippendale Street and Eleventh Avenue adjacent to the Home Hill Hospital.
- ♦ Bitumen Construction and Reconstruction and Widening was a major part of the works performed. Sections of Graham Street, Mill Street, Railway Street, Upper Haughton Road, Groper Creek Road, Kirknie Road, Fry & Davenport Road, Reed Beds Road, Beachmount Road, Rose Road, Tapiolas Road were upgraded to improve standards in these areas.
- ♦ Carried out reseals to the Shire roads to the value of approximately \$1.05 million.
- ♦ Carried out general maintenance to roads to the value of \$2.13 million

## Recreational Facilities

- ◆ Completed first stage of the development of the Alva Beach Foreshore Recreation Area, including walking track, picnic shelters and barbecue facilities



*Council workers constructing pathway at Alva.*



*Barbecue shelter & pathway at Alva.*

## Boat Ramps

- ◆ Completed the Plantation Creek Pontoon
- ◆ Completed the duplication of Jerona Ramp and Pontoon as joint project with the Jerona Citizens Association and Council



*Jerona Boat Ramp Shelter construction*



*New Jerona Boat Ramp Shelter*



*Council constructing Pontoon at Plantation Creek*



*Newly constructed Pontoon at Plantation Creek*



*New Morris Creek Ramp Shelter*

- ◆ Installed Solar Lights and Fishing Shelters at the Jerona Ramp
- ◆ Installed Fishing Shelters at Morris Creek Ramp

## Parks & Gardens

- ♦ Completed construction of Lawn Cemetery at Home Hill.
- ♦ Continued with final stage planning of the All Abilities Playground for Anzac Park.

## Water & Wastewater

- ♦ Completed installation of replacement sewerage pumps as required.
- ♦ Completed replacement of sewer manholes in Ayr due to sulphide attack.
- ♦ Ongoing replacement/refurbishment of components at Sewage Treatment Plants.
- ♦ Ongoing replacement/refurbishment of various water supply assets including pumps and reticulation components.

## NDRRA – National Disaster Relief & Recovery Arrangements

- ♦ Completed restoration of roads throughout the shire from the February 2008 floods at a cost of approximately \$2.42 million.
- ♦ Completed restoration of Burdekin and Haughton River banks at a cost of \$623,000

## Technical Services

### Achievements for the Year

- ♦ Recognition from the Department of Local Government, Sport and Recreation for the excellent presentation of the 2008 Natural Disaster Relief and Recovery

Arrangement application which subsequently resulted in a quick approval of the application for \$2.587 million to carry out repair works. Award received from the Department for the best submission in the State.

- ♦ Natural Disaster Relief and Recovery Arrangement application for \$3.6 million flood damage during the 2009 flood event.
- ♦ Development of levels of service for road and sewerage infrastructure to facilitate maintenance schedules.
- ♦ Development of condition rating manuals for roads and sewerage infrastructure to provide a consistent approach to the assessment of the relevant infrastructure and to help the decision making process for capital expenditure.
- ♦ 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. Approximately \$2.09 million worth of maintenance works were carried out during the 2008/2009 financial year (includes \$620,000 flood damage to state controlled roads).
- ♦ 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.

# 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 2009.

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.

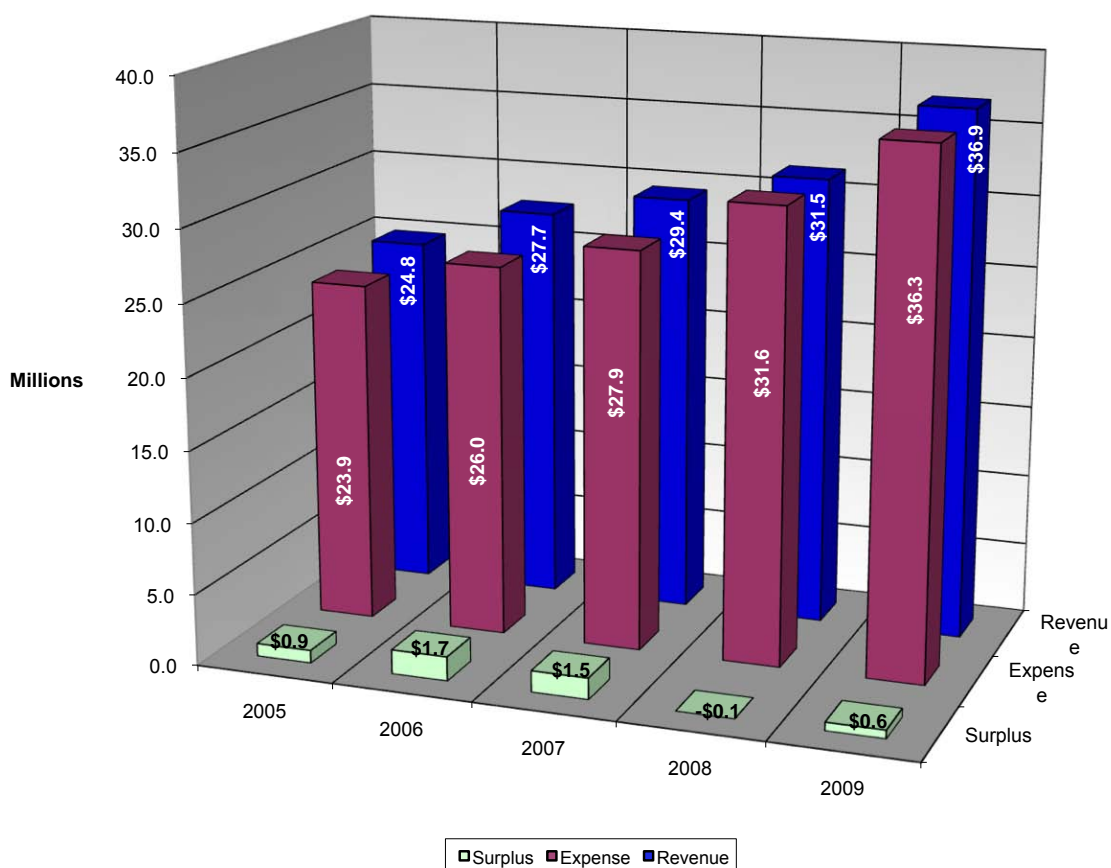
This is how the Council's financial picture fits together.

### THE BIG PICTURE OF COUNCIL'S FINANCIAL MANAGEMENT

During the 5 years from 2005 to 2009 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)

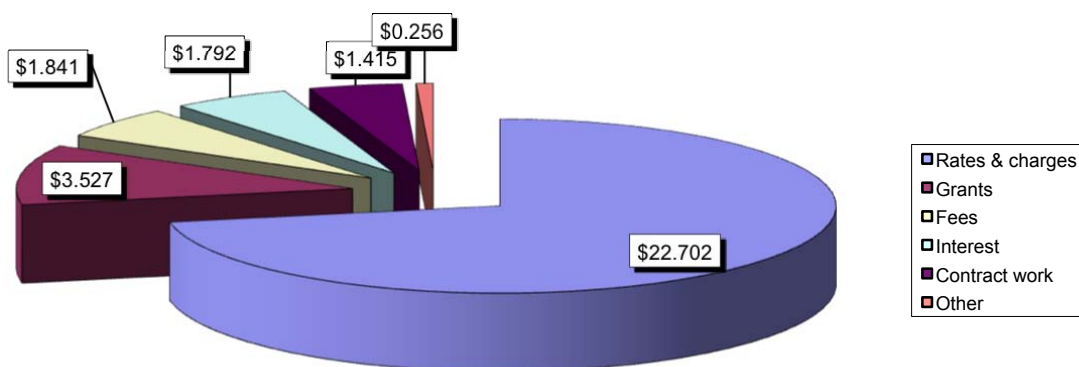


## WHERE OUR MONEY COMES FROM

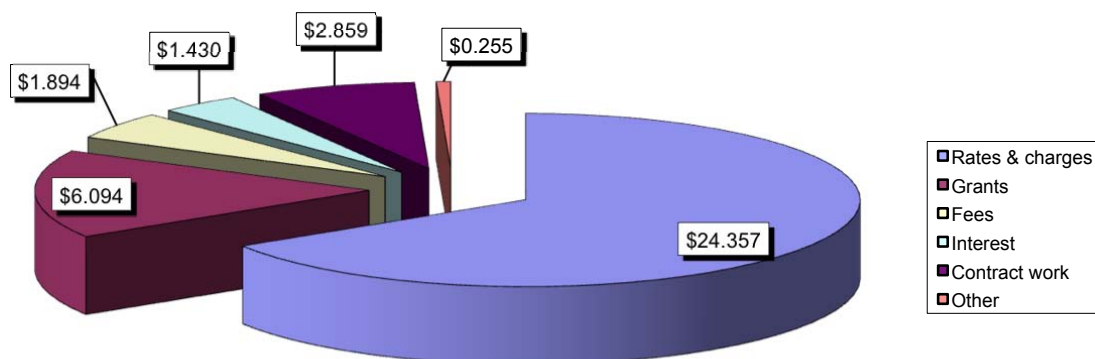
General rates as well utility charges for water, sewerage and garbage are our main source of income.

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

**OUR 2008 INCOME \$31.5 Million**



**OUR 2009 INCOME \$36.9 Million**



## WHERE OUR MONEY IS SPENT

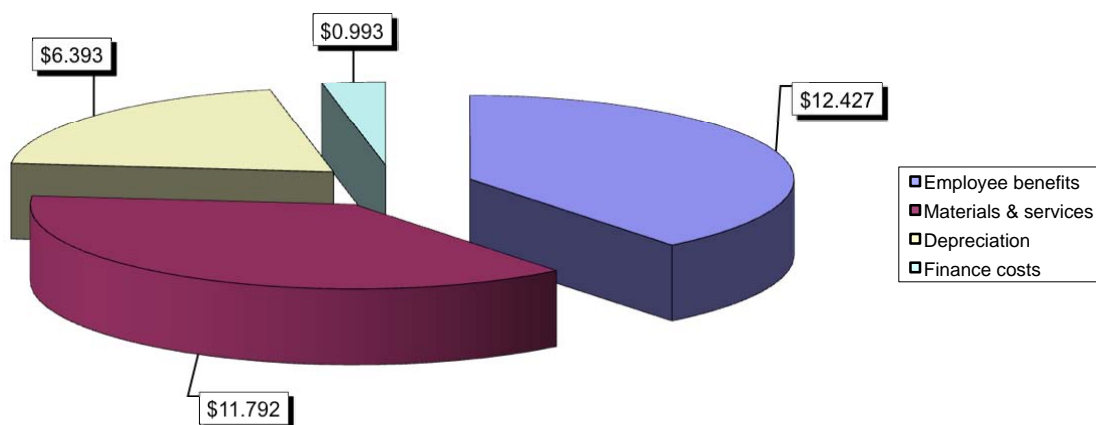
Council provides a wide range of services to the community.

This work is done by our employees and by contractors.

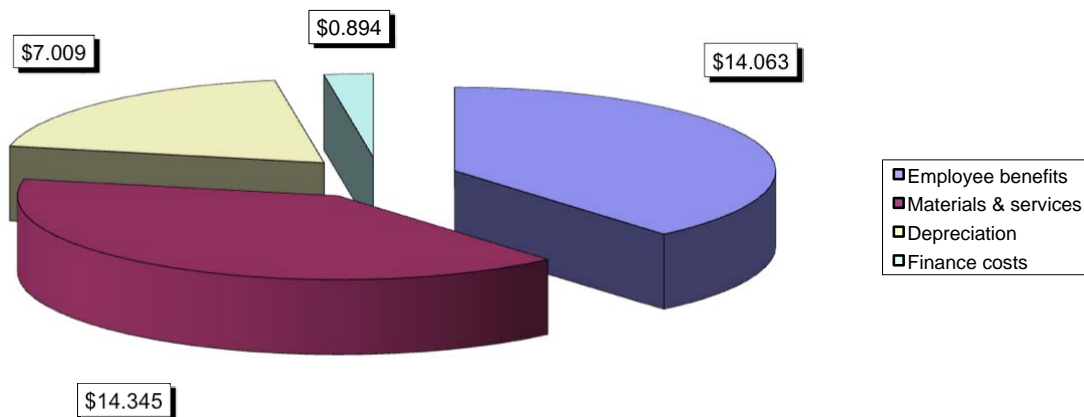
Wherever possible, we use local suppliers and contractors, so the money flows back into our local economy.

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 2008 EXPENSES \$31.6 Million**



**OUR 2009 EXPENSES \$36.3 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 the majority of assets across 2008 and 2009.

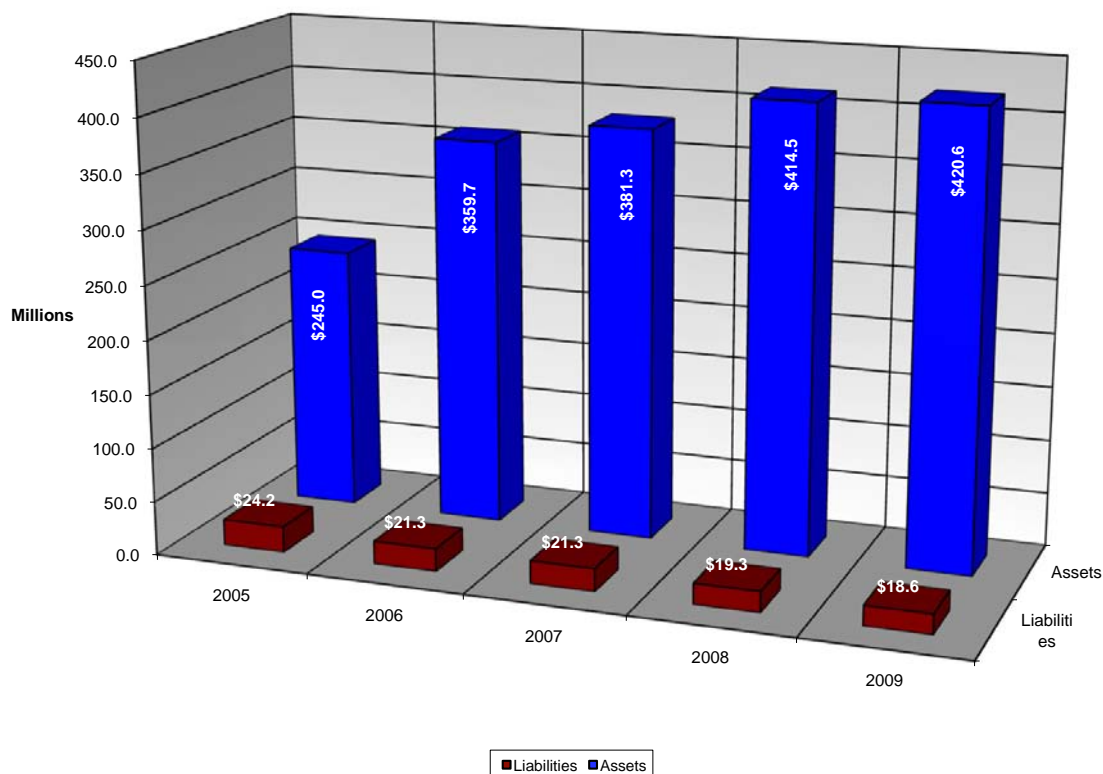
## WHAT OUR COMMUNITY OWES

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



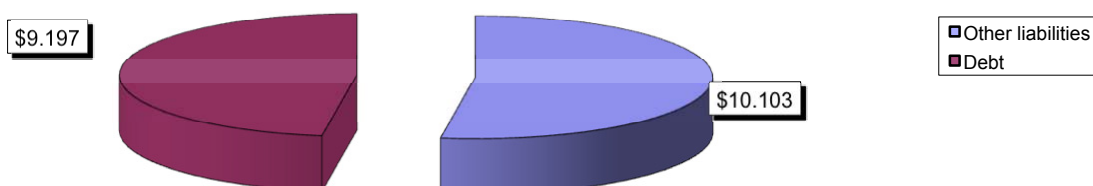
## MANAGING OUR DEBT

No new borrowings were required in 2009.

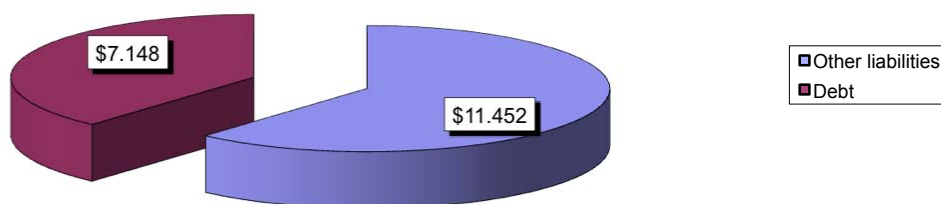
We manage our debt level to ensure a sound balance between the use of Council's own money and loans.

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

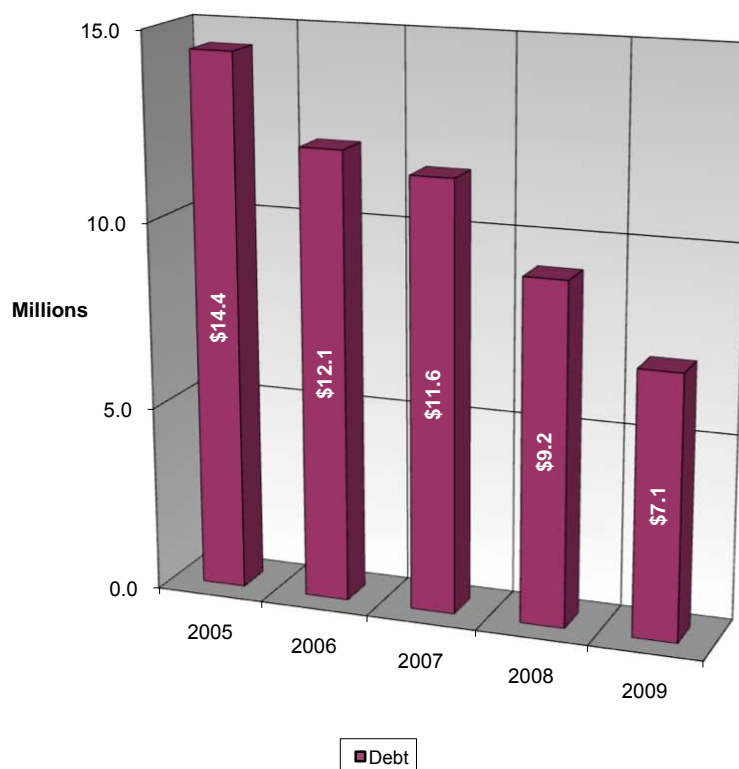
**OUR 2008 OTHER LIABILITIES COMPARED WITH DEBT**  
Millions



**OUR 2009 OTHER LIABILITIES COMPARED WITH DEBT**  
Millions



**OUR DEBT**

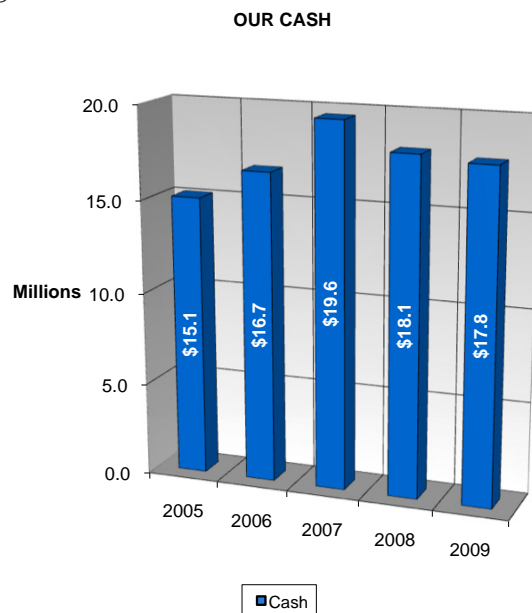


## OUR CASH

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.

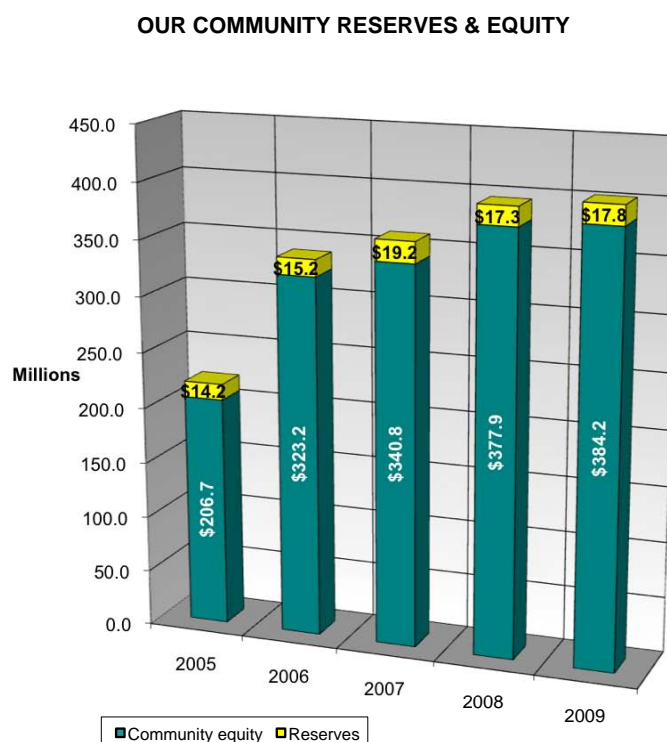


## WHAT WE ARE WORTH

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 the majority of assets across 2008 and 2009.



## What Did We Achieve 2008/2009

The Council's Budget, external influences during the year, and its customers determine what was achieved during the year.

The Council's Budget had a healthy focus on road works with over \$11M incurred on road and drainage related infrastructure including natural disaster restoration. Broader details included:

- o Bitumen widening - \$1.3M
- o Roads to Recovery 2 Programme - \$1.19M
- o Drainage - \$504,740
- o Footpath and Bikeway construction - \$86,608
- o Bitumen construction and reconstruction and widening - \$2.053M
- o Reseals - \$1.05M
- o General maintenance - \$2.13M
- o Natural disaster road restoration following February 2008 floods - \$2.42M
- o Natural disaster river bank restoration - \$623,000.

Expenditure on boat ramps totalled \$154,865 which included funding to complete pontoons at Plantation Creek and Jerona.

The Council has continued its maintenance contract with the Department of Main Roads. Approximately \$2.09M worth of maintenance works was carried out during 2008/09.

Levels of Service Standards were prepared and adopted for roads, drainage and sewerage infrastructure to facilitate maintenance schedules. In addition, condition rating manuals were developed to assist in asset management.

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.

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. Council was active in the following areas:

- o Partnering with the Burdekin Dry Tropics
- o Aquatic weed harvesting
- o Participating as a Reef Guardian Council
- o Beach protection
- o Undertaking Blueprint for the Bush projects
- o Administration of the Environmental levy

Council's Environmental and Health staff was also active in food hygiene safety courses, mosquito trapping and control trials, animal patrols and investigations, school based education on pet ownership and events such as National Tree Day and Clean Up Australia Day.

A major undertaking was the development of the new waste management contract and planning for the introduction of the new 3 bin system and increase in the recycling area.

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

standard including construction of a lawn cemetery in Home Hill.

Council provided planning and development services to its customers. 425 building applications (including 145 applications from external Certifiers) were processed with a dollar value of \$29.6M compared to \$26.3M in 2007-08. Private Building Certifier Services continued to be offered in other Local Government areas, with 657 building applications processed with a dollar value of \$64.8M compared with \$70.4M in the previous year.

Scanning of all property files was significantly completed off site. This major project will facilitate electronic viewing and capture of the information and assist in meeting record keeping requirements.

Within the Planning area, 29 material change of use and 61 reconfiguration applications were processed.

A Priority Infrastructure Plan (PIP) has been drafted which will ensure that appropriate infrastructure charges are imposed on any new development and will give greater ability for Council to ensure appropriate infrastructure is planned in identified areas.

Our customers provide an important source of information that influences operational decisions. During 2008-09 there were 6,972 customer requests recorded. The majority of the customer requests were relating to roads and drainage (18.7%), animal control (18.5%), waste management (18.3%) and water supply (13.5%).

A new Records Management section has been created using existing staff to assist Council comply with its obligations under the Public Records Act and new legislation such as the Information Privacy Act.

The financial statements for 2008-09 achieved an unqualified audit opinion. External debt reduced by \$2.05M and no new borrowings were taken up for 2008-09.

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 Home Hill; Just4Kids Motor Trail; Q150 Steam Train.; Burdekin Crime Prevention Conference; and the Burdekin Regional Youth Engagement Forum.

The Council continued with its generous donations to welfare, cultural, sporting and community based organisations with a total of \$550,012 provided in the form of cash, provision of services or sewerage charge rebates.

The Burdekin Economic Development Strategic Plan was released. \$191,662 was spent on Development and Tourism including local events such as the Burdekin Auto Festival, Burdekin Water Festival, Home Hill Harvest Festival, Burdekin Grower Race Day, Ayr Show and Craft Spectacular.

Planning continued for the construction of the Burdekin Rural Multi-Tenant Service Centre. The Burdekin Be Active Walking Trail was developed; entry signs in Home Hill and south of Ayr were upgraded; assistance was provided to the Burdekin Tourism Association, Burdekin Water Festival, Burdekin Youth Network, Building safer Communities Action Team (BSCAT), and the Burdekin Cultural Complex Board.

The Ayr and Home Hill Libraries continue to be well patronised with membership of 9,236 and borrowings of 177,622 items. Large numbers of children, parents and carers attended the Libraries for holiday activities, story time sessions and Book Week celebrations.

# Statutory Information

## Revenue Policy for Year 2008/2009

### 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 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.

## 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 costs for these services or activities.

### **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 for these service provisions or infrastructure.

## **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.

## 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 .....\$250,618  
Number of Applications .....765

### Donations

Standing Donations to Churches,  
Sporting Bodies etc.....\$76,838  
Number of Applications .....50

## Library Statistics

### Statistics

	2008/2009	2007/2008
Membership	9,591	12,790
Membership as % of population	53%	70%
Total book stock	60,272	58,591
AV Sound (spoken word, music)	1,796	1,806
AV Videos	NIL	1,147
CD Roms	107	86
DVD's	1,476	1,588
Annual circulation – Issues (excluding renewals)	149,679	175,235
Discarded library stock - sale receipts	\$1,487	\$1,334

## 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	25	25	-	-
L. Loizou	25	25	-	-
P.M. Dalle Cort	25	23	-	2
E. Gazzola	25	25	-	-
M.J. Haynes	25	22	-	3
R.H. Lewis	25	24	-	-
T.P. List	25	22	-	3
Meetings for period 1/07/08 to 30/06/09				
Councillors also attend other miscellaneous meetings as part of their duties.				

# Resolution on Elected Members' Remuneration

## Local Government Remuneration Tribunal

The Local Government Remuneration Tribunal was established under section 250AA of the Local Government Act 1993. The Tribunal is required to make a determination by 1 December each year about the remuneration to be paid to councillors including mayors and deputy mayors, with the exception of Brisbane City Council, in the following year.

## Elected Members Remuneration

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, to authorise 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.

## Remuneration from 21st March 2008 to 31st December, 2008 was as follows:

Mayor Allowance	\$82,260 p.a.
Deputy Mayor	\$41,770 p.a.
Councillor	\$35,440 p.a.

At its meeting held on 10th February, 2009 Council resolved that in accordance with Section 236A of the Local Government Act, to authorise 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 Deputy Mayor remuneration range for a Category 3 Council;

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 Expenses Reimbursement Policy for Councillors adopted on 23rd September, 2008); and

further noting that payment of remuneration is to take effect from 1 January, 2009.

## Local Government Expenses Reimbursement Policy

Council at its meeting held on 23 September 2008 adopted a policy which sets out guidelines to determine:

- ♦ reimbursement for councillors and mayor of legitimate expenses incurred, or to be incurred; and
- ♦ facilities to be provided for councillors and mayor,

whilst carrying out their duties as elected representatives. A copy of this policy can be viewed on the Council's website or inspected at the Council Chambers.

### Remuneration from 1st January, 2009 to 30th June, 2009 was as follows:

Mayor Allowance	\$88,590 p.a.
Deputy Mayor	\$43,032 p.a.
Councillor	\$35,440 p.a.

## Total Remuneration and Superannuation Contributions Paid to Councillors

1st July 2008 – 30th June 2009

Councillor	Mayor's Allowance \$	Deputy Mayor's Allowance \$	Councillors' Allowance	Car Allowance \$	Total \$	Council's 12% Superannuation Contributions Paid \$
<b>MCLAUGHLIN, L.A.</b>	88,564.58	-		-	88,564.58	10,627.72
<b>DALLE CORT, P.M.</b>	-		37,033.92		37,033.92	4,444.09
<b>GAZZIOLA, E.</b>			36,953.41		36,953.41	4,434.43
<b>HAYNES, M.J.</b>	-		36,688.23		36,688.23	4,402.61
<b>LEWIS, R.H.</b>	-		32,944.68		32,944.68	3,953.38
<b>LIST, T.P.</b>	-		37,033.92		37,033.92	4,444.09
<b>LOIZOU, L.</b>	-	44,550.00		2,367.78	46,917.78	5,346.03
<b>TOTAL</b>	<b>\$88,564.58</b>	<b>\$44,550.00</b>	<b>\$180,654.16</b>	<b>\$2,367.78</b>	<b>\$316,136.52</b>	<b>\$37,652.35</b>

## 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

**2008/2009, 2009/2010,  
2010/2011, 2011/2012 &  
2012/13 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:-

2008/2009 Nil

Asset acquisition and replacement

2009/2010 2,400,000

Asset acquisition and replacement

2010/2011 2,350,000

Asset acquisition and replacement

2011/2012 900,000

Asset acquisition and replacement

2012/2013 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:-

- ♦ Three floating rate debt pool accounts (expected repayment terms within 1 year)
- ♦ Three 3 year debt pool accounts (expected repayment terms from 1.375 to 4.625 years)
- ♦ Five 6 year debt pool accounts (expected repayment terms from 4.625 to 7.625 years)
- ♦ Four 9 year debt pool account (expected repayment terms from 7.625 to 10.625 years)

As at 31st March 2008, the expected terms for repayment of Council's debt were:-

- ♦ 0.38, 0.80 and 0.82 years for the floating rate debt pool
- ♦ 2.45, 3.29 and 3.97 years for the three year debt pool
- ♦ 4.47, 4.63, 5.69, 6.12 and 6.48 years for the six year debt pools
- ♦ 9.00, 9.10, 9.18, and 10.14 years for the nine year debt pools

K. Holt

CHIEF EXECUTIVE OFFICER



Burdekin Shire Council

## 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 2008/09. These donations are in addition to the rebates and concessions allowed in respect of rates and charges.

Donations - Welfare Associations .....	\$ 39,421
Donations - Cultural Activities .....	\$ 45,623
Donations – Burdekin Cultural Complex Board .....	\$305,500
Donations - Sporting Clubs/Associations.....	\$ 6,901
Donations - Life Saving/Beach Patrol .....	\$ 8,496
Donations & In Kind - Economic Development, Tourism and Promotions.....	\$ 35,534
Donations & In-kind – Community Assistance .....	\$ 38,624

## 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 allocations were made during the 2008/09 financial year:

- o \$15,000 to Ayr Pastoral Agricultural and Industrial Association Inc
- o \$5,000 to Scott Rural Fire Brigade

- o \$60,000 to Home Hill Bowls Club Inc
- o \$50,000 to Burdekin Football Club Inc
- o \$6,000 to Burdekin Rugby Union Club Inc
- o \$11,500 to Ayr Pastoral Agricultural and Industrial Association Inc
- o \$5,000 to Ayr Golf Club Inc
- o \$125,000 to Wetlands and Grasslands Foundation

Funds currently allocated to sporting bodies and community based organisations as at 30th June, 2009 total \$411,390.

# Grants for Excellence in Sports & Cultural Activities

The Council has a policy to allocate subsidies to those individuals under the age of 18 years or bona fide students in full-time education selected to represent the State or Nation in a sporting or cultural event. Certain criteria must be met.

## Recipients in 2008/2009 are as follows:

<b>Mitchell Taylor</b> U15 Years 2008 Football Queensland Tour to the United Kingdom (soccer)	\$300
<b>Heidi Cridland</b> Qld Conservatorium State Honours Ensemble Programme 2008 on Voice at Qld Conservatorium South Bank Campus, Brisbane	\$150
<b>Ashleigh Oataway</b> Qld Conservatorium State Honours Ensemble Programme 2008 on Voice at Qld Conservatorium South Bank Campus, Brisbane	\$150
<b>Justin Sabadina</b> Qld Conservatorium State Honours Ensemble Programme 2008 on Voice at Qld Conservatorium South Bank Campus, Brisbane	\$150
<b>Laura Bromham</b> Qld Conservatorium State Honours Ensemble Programme 2008 on Voice at Qld Conservatorium South Bank Campus, Brisbane	\$150
<b>Stuart Woods</b> Qld Conservatorium State Honours Ensemble Programme 2008 on Voice at Qld Conservatorium South Bank Campus, Brisbane	\$150
<b>Chernel Butler</b> Qld Conservatorium State Honours Ensemble Programme 2008 on Voice at Qld Conservatorium South Bank Campus, Brisbane	\$150
<b>Rohan Watt</b> Qld Conservatorium State Honours Ensemble Programme 2008 on Voice at Qld Conservatorium South Bank Campus, Brisbane	\$150
<b>Kazzia Lammon</b> 2008 NAB State U15 Girls' Hockey Team competing in 2008 Australian U15 Women's Championship in Newcastle	\$225
<b>Nathan Castiglione</b> Under 13 Boys' Qld State Development Squad 2008 for Football (Soccer) at Gold Coast.	\$150
<b>Deni Caspanello</b> Under 13 Girls' Qld State Development Squad 2008 for Football (Soccer) at Gold Coast.	\$150
<b>Brianne Rossato</b> Qld Athletics Team 13 Years Javelin competing at the 2008 Pacific School Games in Canberra	\$225
<b>Jarrold Langford</b> 2009 NQ Junior Team for Tenpin Bowling competing in Australian National Junior Championships in Newcastle.	\$225
<b>Rohan Watt</b> Creative Generation Excellence Award in Instrumental Music 2009 Scholarship on clarinet – attending residential music programme in Brisbane.	\$150

## Special Rates & Charges

### Wunjunga SBS Translator Special Charge

A special charge for the Wunjunga SBS Translator Supply was levied during 2008-09 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 2007-08, on which the charge was based, were \$201.

### 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 \$5,040 for 2008/09.

## Land and Reserves

**Burdekin Shire Council has control of:**

1. 1,206 km of constructed roads excluding 269 km of constructed roads not controlled by the Council.
2. 2,718 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 \$266,653 was expended on consultancy services in the following areas of Council operations:

Asset Management	\$ 51,546
Asset Valuations	\$ 3,300
Software Upgrade	\$ 37,040
Development of Priority Infrastructure Plan	\$ 1,852
Records Management	\$ 40,781
Human Resources	\$ 9,130
Building Infrastructure upgrade	\$ 3,200
Recreation	\$ 23,770
Economic Development	\$ 75,664
Drainage	\$ 20,370
	<b>\$266,653</b>

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 \$63,217 was spent on entertainment and hospitality services. This amount included refreshments for community and council meetings, community functions, conferences held in the Shire, visitor's luncheons, civic receptions and morning tea expenses. This amount included \$26,155 expended towards the IPWEAQ and NQLGA Conferences which was recovered in sponsorships and registrations. 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 \$91,501 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 2008-09.

## **Code of Conduct**

The Model Code of Conduct for Councillors prepared by the Department of Infrastructure and Planning currently applies to all Councillors.

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

A draft Code of Conduct for Employees will be considered during 2009-10.

# 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 \$429,067 was expended on grants and in-kind support to community organisations as follows:

## Cash Grants

Burdekin Cultural Complex Board	\$ 305,500
Burdekin Community Association	\$ 26,876
Burdekin Neighbourhood Centre	\$ 11,172
Burdekin Water Festival	\$ 9,000
Ayr Pastoral, Agricultural & Industrial Soc.Inc.	\$ 8,000
Home Hill Harvest Festival	\$ 8,000
Burdekin Race Club	\$ 4,545
Burdekin Junior Eisteddfod Inc	\$ 3,000
Burdekin Arts Council	\$ 3,000
Burdekin Cruisers Car Club Inc	\$ 2,500
Burdekin Craft Spectacular	\$ 1,818
Lower Burdekin Caledonian Assoc.	\$ 1,500
Giru School of Arts Committee	\$ 1,500
Burdekin Art Society	\$ 1,000
Giru QCWA	\$ 1,000
Burdekin Church Leaders' Association	\$ 795
Burdekin Shire Youth Council	\$ 500
Clare Cricket Committee	\$ 500
Lower Burdekin Celtic Dancing Assoc.	\$ 500
Giru Pony Club	\$ 500
Ayr Motorcycle Club	\$ 500
Endeavour Foundation	\$ 500
Giru Agricultural, Horticultural & Industrial Soc.Inc.	\$ 300
SU Schools Ministry Fund	\$ 250
Burdekin Recreational Sport Fishing Club	\$ 250
Home Hill State Primary School	\$ 216
Home Hill State High School	\$ 75
Burdekin Catholic High School	\$ 75
Ayr State High School	\$ 75
	<b>\$ 395,447</b>

## In Kind Support

General	\$ 10,298
Ayr Ski Club	\$ 6,798
Ayr Pastoral, Agricultural & Industrial Society Inc.	\$ 4,579
Burdekin Water Festival	\$ 4,328
Burdekin Race Club	\$ 3,822
Home Hill Harvest Festival	\$ 2,860
Landcare	\$ 342
Returned Services League (Anzac Day)	\$ 334
Burdekin Tourism Association	\$ 217
Giru Show	\$ 42
	<b>\$ 33,620</b>

## 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 2008-09 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 2008-09.

### 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 2008/09:

Access Charge -  
\$316 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 Subordinate Local Laws (S895)
- ♦ Register of Regulatory Fees (S1071E)
- ♦ Register of Councillors' Material Personal Interest (S247(1)(a)) - Access is subject to the provisions of S248
- ♦ Register of Interests of Persons who are Related to a Councillor (S247(1)(b))
- ♦ 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 2008/09

# BURDEKIN SHIRE COUNCIL

## Financial Report

For the year ended 30 June 2009

---

### Table of Contents

Note

**Income Statement**

**Appropriation Statement**

**Balance Sheet**

**Statement of Changes in Equity**

**Statement of Cash Flows**

**Statement of Capital Funding**

**Notes to the Financial Statements**

1	Summary of Significant Accounting Policies
2	Analysis of results by function
3	Revenue analysis
4	Grants, subsidies, contributions and donations
5	Capital income
6	Gain (loss) on the disposal of capital assets
7	Employee benefits
8	Materials and services
9	Finance costs
10	Depreciation and amortisation
11	Capital expenses
12	Write off of capital assets
13	Cash assets and cash equivalents
14	Trade and other receivables
15	Inventories
16	Other financial assets
17	Property, plant and equipment
18	Capital work in progress
19	Intangible assets
20	Trade and other payables
21	Provisions
22	Borrowings
23	Other liabilities
24	Council capital
25	Restricted capital cash funds
26	Asset revaluation reserve
27	Retained surplus
28	Other reserves
29	Commitments for expenditure
30	Events after balance date
31	Contingent liabilities
32	Superannuation
33	Trust funds
34	Reconciliation of net result attributable to council to net cash flow from operating activities

# **BURDEKIN SHIRE COUNCIL**

## **Financial Report**

For the year ended 30 June 2009

---

### **Table of Contents - continued**

35	Controlled entity
36	Correction of error
37	Financial risk management
	Management Certificate
	Independent Audit Report

### **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 2009

		2009	2008
		Actual	Actual
	Note	\$	\$
<b>Income</b>			
<b>Revenue</b>			
<b>Recurrent Revenue</b>			
Rates and levies	3 (a)	24,356,756	22,702,452
Fees and charges		1,893,758	1,840,772
Interest received	3 (b)	1,430,125	1,791,794
Sales of contract and recoverable works	3 (c)	2,858,987	1,415,651
Other recurrent income	3 (d)	254,617	256,041
Grants, subsidies, contributions and donations	4 (i)	6,094,365	3,526,605
Total recurrent revenue		<u>36,888,608</u>	<u>31,533,315</u>
<b>Capital revenue</b>			
Grants, subsidies, contributions and donations	4 (ii)	1,851,957	1,749,334
		<u>1,851,957</u>	<u>1,749,334</u>
Total revenue		<u>38,740,565</u>	<u>33,282,649</u>
<b>Capital income</b>	5	-	34,598
Total income		<u>38,740,565</u>	<u>33,317,247</u>
<b>Expenses</b>			
<b>Recurrent expenses</b>			
Employee benefits	7	(14,063,436)	(12,426,572)
Materials and services	8	(14,345,111)	(11,792,208)
Finance costs	9	(893,450)	(992,721)
Depreciation and amortisation	10	(7,008,893)	(6,393,398)
Total recurrent expenses		<u>(36,310,890)</u>	<u>(31,604,899)</u>
<b>Capital expenses</b>	11	(1,312,296)	(447,139)
Total expenses	2	<u>(37,623,186)</u>	<u>(32,052,038)</u>
<b>Net result attributable to council</b>		<u><b>1,117,379</b></u>	<u><b>1,265,209</b></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 2009

		2009	2008
		Actual	Actual
	Note	\$	\$
Retained surplus (deficiency) from prior years		(26,572)	57,318
Net result attributable to council for the period		1,117,379	1,265,209
		<u>1,090,807</u>	<u>1,322,527</u>
<b>Transfers (to) from capital account:</b>			
Transfer of capital income	5	-	(34,598)
Transfer of capital expenses	11	1,312,296	447,139
Non monetary capital revenue	4 (ii)(b)	(300)	(19,535)
General revenue used for capital funding purposes	CFS*	(1,541,864)	(312,222)
Transfer from (to) capital to adjust the working capital cash		376,029	344,065
Net capital account transfers		<u>146,161</u>	<u>424,849</u>
Transfer from (to) the constrained works reserve	28 (c)(i)	(1,843,284)	(1,719,111)
Transfer from (to) the grants, subsidies and contributions reimbursed reserve	28 (c)(ii)	(905)	(10,688)
<b>Retained surplus (deficiency) available for transfer to reserves</b>		<u>(607,221)</u>	<u>17,577</u>
Transfers (to) from reserves for future capital funding purposes:			
Water reserve	28 (c)(iii)	880,318	(558,940)
Sewerage reserve	28 (c)(iv)	(212,696)	742,181
Transfers (to) from reserves for future general funding purposes:			
Recurrent maintenance reserve	28 (d)(i)	(56,259)	(227,390)
<b>Retained surplus (deficit) at end of period</b>		<u><u>4,142</u></u>	<u><u>(26,572)</u></u>

*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 30 June 2009

		2009	2008
		Actual	Actual
	Note	\$	\$
<b>Current Assets</b>			
Cash assets and cash equivalents	13	17,763,561	18,123,840
Trade and other receivables	14 (a)	3,275,070	2,349,525
Inventories	15	944,434	896,073
Other financial assets	16 (a)	370,876	297,546
		<u>22,353,941</u>	<u>21,666,984</u>
<b>Non-current Assets</b>			
Trade and other receivables	14 (b)	225,160	144,890
Other financial assets	16 (b)	532	-
Property, plant and equipment	17 (a)	395,147,760	389,420,549
Capital works in progress	18	2,192,420	2,682,960
Intangible assets	19	663,844	567,185
		<u>398,229,716</u>	<u>392,815,584</u>
<b>TOTAL ASSETS</b>		<u>420,583,657</u>	<u>414,482,568</u>
<b>Current Liabilities</b>			
Trade and other payables	20	3,025,035	2,739,317
Borrowings	22	1,561,981	2,046,661
Other	23	5,553	397
		<u>4,592,569</u>	<u>4,786,375</u>
<b>Non-current Liabilities</b>			
Trade and other payables	20	1,606,730	1,665,335
Provisions	21	6,812,136	5,718,842
Borrowings	22	5,587,485	7,149,526
		<u>14,006,351</u>	<u>14,533,703</u>
<b>TOTAL LIABILITIES</b>		<u>18,598,920</u>	<u>19,320,078</u>
<b>NET COMMUNITY ASSETS</b>		<u><b>401,984,737</b></u>	<u><b>395,162,490</b></u>
<b>Community Equity</b>			
Investment in capital assets	24	141,403,261	140,821,372
Restricted capital cash funds	25	8,177,093	6,263,142
Asset revaluation reserve	26	242,807,368	237,102,500
Retained surplus (deficiency)	27	4,142	(26,572)
Other reserves	28	9,592,873	11,002,048
<b>TOTAL COMMUNITY EQUITY</b>		<u><b>401,984,737</b></u>	<u><b>395,162,490</b></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 2009

	Total		Retained surplus (deficit) Note 27		Other reserves Note 28		Councils Capital Equity comprises					
							Restricted capital cash funds Note 25		Asset revaluation reserve Note 26		Council Capital Note 24	
	2009 \$	2008 \$	2009 \$	2008 \$	2009 \$	2008 \$	2009 \$	2008 \$	2009 \$	2008 \$	2009 \$	2008 \$
Balance at beginning of period	395,162,490	360,007,678	(26,572)	57,318	11,002,048	12,303,212	6,263,142	6,888,117	237,102,500	204,262,591	140,821,372	136,496,440
Corrections to opening balances		1,049,694										1,049,694
Net income/loss recognised direct to equity:												
Revaluations:												
Property, plant & equipment	5,819,251	32,744,221							5,819,251	32,744,221		
Change in value of future rehabilitation costs	(114,383)	95,688							(114,383)	95,688		
<b>Net income (loss) recognised direct equity</b>	<b>5,704,868</b>	<b>32,839,909</b>							<b>5,704,868</b>	<b>32,839,909</b>		
Net income (loss) recognised to the income statement:												
Operating result in period	577,718	(71,584)	577,718	(71,584)								
Capital revenue from activities	1,851,957	1,749,334	1,851,957	1,749,334								
Capital income from activities		34,598		34,598								
Capital expenses from activities	(1,312,296)	(447,139)	(1,312,296)	(447,139)								
<b>Net result for period</b>	<b>1,117,379</b>	<b>1,265,209</b>	<b>1,117,379</b>	<b>1,265,209</b>								
Transfers of capital amounts arising from council activities:												
Capital income				(34,598)								34,598
Capital expenses			1,312,296	447,139							(1,312,296)	(447,139)
Capital revenue of physical assets			(300)	(19,535)							300	19,535
General revenue expended on capital assets			(1,541,864)	(312,222)							1,541,864	312,222
Reserves and capital funds expended on capital assets					(2,642,001)	(3,075,112)	(91,560)	(624,975)			2,733,561	3,700,087
Capital cash funds set aside in period							2,005,511				(2,005,511)	
Working capital cash adjustment			376,029	344,065							(376,029)	(344,065)
<b>Change in capital capacity arising from council activities</b>			<b>146,161</b>	<b>424,849</b>	<b>(2,642,001)</b>	<b>(3,075,112)</b>	<b>1,913,951</b>	<b>(624,975)</b>			<b>581,889</b>	<b>3,275,238</b>
Transfer between retained surplus and council reserves:												
Capital revenue of cash			(1,850,752)	(1,719,111)	1,850,752	1,719,111						
General revenue funds available			(1,170,680)	(894,560)	1,170,680	894,560						
Transfers from general reserves			1,788,606	839,723	(1,788,606)	(839,723)						
<b>Net transfers to (from) retained surplus</b>			<b>(1,232,826)</b>	<b>(1,773,948)</b>	<b>1,232,826</b>	<b>1,773,948</b>						
Balance at end of period	401,984,737	395,162,490	4,142	(26,572)	9,592,873	11,002,048	8,177,093	6,263,142	242,807,368	237,102,500	141,403,261	140,821,372

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 2009

		2009	2008
	Note	\$	\$
<b>Cash flows from operating activities :</b>			
<b>Receipts</b>			
General rates and utility charges		24,342,256	22,549,551
Rental and levies, fees and charges		1,373,241	2,316,053
Grants, subsidies and contributions		6,094,365	3,526,605
Interest received		1,442,878	1,778,946
Other income		3,150,381	1,672,869
GST received		1,814,199	1,811,665
<b>Payments</b>			
Payments to suppliers		(14,217,589)	(11,723,507)
Payment to employees		(14,214,864)	(12,254,212)
Interest expense		(486,957)	(626,709)
GST paid		(1,991,087)	(1,839,305)
<b>Net cash inflow (outflow) from operating activities</b>	34	<u>7,306,823</u>	<u>7,211,956</u>
<b>Cash flows from investing activities:</b>			
Grants, subsidies and contributions for capital acquisitions:	4		
Commonwealth government grants		807,060	549,231
State Government subsidies & grants		981,545	1,136,694
Capital contributions		63,052	43,874
Payments for property, plant and equipment		(7,667,007)	(8,379,961)
Payments for intangible assets		(158,411)	(82,050)
Proceeds from sale of property plant and equipment	6	593,332	443,942
Net movement in loans and advances		(239,952)	(52,360)
<b>Net cash inflow (outflow) from investing activities</b>		<u>(5,620,381)</u>	<u>(6,340,630)</u>
<b>Cash flows from financing activities:</b>			
Repayment of borrowings	22	(2,046,721)	(2,359,308)
<b>Net cash inflow (outflow) from financing activities</b>		<u>(2,046,721)</u>	<u>(2,359,308)</u>
<b>Net increase (decrease) in cash held</b>		<u>(360,279)</u>	<u>(1,487,982)</u>
Cash at beginning of reporting period		18,123,840	19,611,822
<b>Cash at end of reporting period</b>	13	<u><b>17,763,561</b></u>	<u><b>18,123,840</b></u>

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

**BURDEKIN SHIRE COUNCIL****Statement of Capital Funding**

For the year ended 30 June 2009

	Note	2009 \$	2008 \$
<b>Sources of capital funding</b>			
General revenue used for capital purposes		1,541,864	312,222
Other capital revenue sources:			
Loan monies expended		91,560	85,503
Funded depreciation and amortisation		5,003,382	6,904,540
Proceeds from the sale of capital assets	6	593,332	443,942
Donated and contributed physical assets		300	19,535
Constrained grants, subsidies and contributions		2,080,995	2,634,336
Grants, Subsidies and Contributions Reimbursed Reserve		905	10,688
Capital Maintenance Reserve		-	21,528
Carryover Capital Works Reserve		560,101	408,560
		<u>9,872,439</u>	<u>10,840,854</u>
<b>Application of capital funding</b>			
Non current capital assets :			
Land and improvements		27,868	-
Buildings		646,263	554,649
Plant and equipment at cost		1,641,800	1,726,996
Leasehold Improvements		-	100,095
Road and bridge network		5,160,961	3,913,774
Water		5,262	5,100
Sewerage		147,703	197,668
Drainage		-	122,181
Other assets		527,990	723,776
Movement in capital work in progress		(490,540)	1,055,257
Intangible assets		158,411	82,050
		<u>7,825,718</u>	<u>8,481,546</u>
Principal loan redemptions :			
Queensland Treasury Corporation		2,046,721	2,359,308
		<u>2,046,721</u>	<u>2,359,308</u>
		<u>9,872,439</u>	<u>10,840,854</u>

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

# BURDEKIN SHIRE COUNCIL

## Notes to the Financial Statements

For the year ended 30 June 2009

---

### 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.

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

#### 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

The following Australian Accounting Standards, issued on the dates shown, are not mandatory for the period ending 30 June 2009, and have not been applied.

AASB8 Operating Segments (Feb 2007)

AASB123 Borrowing Costs (June 2007)

AASB 1039 Concise Financial Reports (August 2008)

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 2007-10 Further Amendments to Australian Accounting Standards arising from AASB 101

AASB 2008-1 Amendments to Australian Accounting Standard - Share-based Payments: Vesting Conditions and Cancellations (February 2008)

AASB2008-2 Amendments to Accounting Standards - Puttable Financial Instruments and Obligations arising on Liquidation (March 2008)

AASB2008-3 Amendments to Accounting Standards arising from AASB3 and AASB127 (March 2008)

AASB2008-5 Amendments to Australian Accounting Standards arising from the Annual Improvements Project (July 2008)

AASB2008-6 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project

AASB 2008-7 Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate (July 2008)

AASB2008-8 Amendments to Australian Accounting Standards - Eligible Hedged Items [AASB 139] (August 2008)

AASB 2008-9 Amendments to AASB 1049 for Consistency with AASB 101 (September 2008)

AASB 2008-11 Amendments to Australian Accounting Standard – Business Combinations Among Not-for-Profit Entities [AASB 3] (November 2008)

AASB 2008-13 Amendments to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-cash Assets to Owners (December 2008) [AASB 5 & AASB 110]

Interpretation 15 - Agreements for the Construction of Real Estate (August 2008)

Interpretation 16 - Hedges of a Net Investment in a Foreign Operation (August 2008)

Interpretation 17 – Distributions of Non-cash Assets to Owners (December 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.

# BURDEKIN SHIRE COUNCIL

## Notes to the Financial Statements

For the year ended 30 June 2009

---

### 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, Estimates and Errors

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

Errors that arise from the identification of assets that are owned by the council prior to the comparative reporting date, but have not been previously recognised, are brought to account at the beginning of the comparative reporting period at their gross and accumulated depreciation values at that date. The depreciation expense in the comparative reporting period is adjusted for the additional depreciation applicable to these assets. Refer to note 36 for more details.

### 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	As applicable
<b>Financial Liabilities</b>	
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.

The fair value of financial assets and liabilities must be estimated for recognition and measurement and for disclosure purposes.

The fair value of financial instruments is determined as follows:

The fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities approximate their carrying amounts and are not disclosed separately.

The fair value of borrowings, as disclosed in note 22 to the accounts, is determined by reference to published price quotations in an active market and/or by reference to pricing models and valuation techniques. It reflects the value of the debt if the Council repaid it in full at balance date. As it is the intention of the Council to hold its borrowings for their full term, no adjustment provision is made in these accounts.

## BURDEKIN SHIRE COUNCIL

### Notes to the Financial Statements

For the year ended 30 June 2009

---

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

The fair value of trade receivables and payables are assumed to approximate their nominal value less estimated credit adjustments.

The fair value of prepayments is represented by the book value as the period of time to consumption is short and there are no rates involved in the calculation.

Available for sale financial assets are measured at cost, as fair value cannot be reliably measured, therefore no fair value is disclosed.

#### **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, Subsidies and Contributions**

Grants, subsidy and contribution revenues are 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.

Where the Council has an obligation to use a grant, subsidy or contribution for a specified project, 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 1.17, are recognised as revenue and as non-current assets. Non-cash contributions below the thresholds are recorded as revenue and expense.

##### **1. 10 (d) Other Revenue**

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**

Cash and cash equivalents includes cash on hand, all cash and cheques receipted but not banked at the year end, deposits held at call with financial institutions, other short-term, liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. The Council considers all its term deposits, being for periods of less than one year to be cash equivalents.

#### **1. 12 Receivables**

Trade receivables are recognised initially at fair value due at the time of sale or service delivery and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Settlement of these amounts is required within 30 days from invoice date.

The collectability of receivables is assessed periodically and, if there is objective evidence that Council will not be able to collect all amounts due, the carrying amount is reduced with provision being made for impairment. The loss is recognised in finance costs.

The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated cash flows, discounted at the effective interest rate. Increases in the provision for impairment are based on loss events.

All known bad debts were written-off against the provision for impairment at the end of the reporting period. Subsequent recoveries of amounts previously written off are credited against finance costs in the income statement.

Loans and advances are recognised in the same way as other receivables. Terms are usually a maximum of ten years. Interest may be charged on default. Security is not normally obtained.

## **BURDEKIN SHIRE COUNCIL**

### **Notes to the Financial Statements**

For the year ended 30 June 2009

---

#### **1. 13 Other Financial Assets**

Other Financial Assets are recognised at cost.

#### **1. 14 Inventories**

Stores and raw materials held for resale 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 Land Held for Resale**

Land acquired with the intention of reselling it (with or without further development) is classified as inventory. As inventory this land is valued at the lower of cost or net realisable value. Inventory land is treated as a current asset except where it is anticipated that a material portion of land value will not be sold within 12 months. Land held beyond 12 months is reported as non-current inventory.

Profit arising upon sale of land is recognised in the Income Statement on the signing of a valid unconditional contract of sale.

#### **1. 16 Investments**

Financial institution deposits at call and term deposits maturing in less than twelve months, which can be immediately accessed without penalty, are treated as cash equivalents.

Interest and dividend revenues are recognised on an accrual basis.

#### **1. 17 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.

The classes of property plant and equipment recognised by the council are reported in note 17 (a).

The Burdekin Shire Council was required as part of the condition of receiving capital grant funds of \$1,050,000 from the Department of Communities to mortgage as security a parcel of freehold land and improvements. In the Council's budgets for 2008-2009 and 2009-2010 provision has been made to construct the building. It is not envisaged that Council will breach the contract.

##### **(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.

##### **(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.

## **BURDEKIN SHIRE COUNCIL**

### **Notes to the Financial Statements**

For the year ended 30 June 2009

---

#### **(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.

#### **(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 items of plant and equipment and intangible assets, 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.

Any revaluation increment arising on the revaluation of an asset is credited to the asset revaluation reserve of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation reserve relating to that asset class.

On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining useful life.

Separately identified components of assets are measured on the same basis as the assets to which they relate.

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.

Details of valuers and methods of valuations are disclosed in Note 17 (b).

#### **(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 17 (a).

## **BURDEKIN SHIRE COUNCIL**

### **Notes to the Financial Statements**

For the year ended 30 June 2009

---

#### **(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.

#### **(g) Land Under Roads**

Land under roads acquired before 30 June 2008 is recognised as a non current asset where the council holds title or a financial lease over the asset. Freehold land under roads which is controlled by Council and acquired prior to 1 July 2008 is recognised at fair value. Land under the road network within the council area that has been dedicated and opened for public use under the Land Act 1994 or the Land Title Act 1994 is not controlled by council but is controlled by the State pursuant to the relevant legislation. Therefore this land is not recognised in these financial statements.

#### **1. 18 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. 19 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. 20 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. 21 Impairment of Non Current Assets**

Each non-current physical and intangible asset and group of assets is assessed for indicators of impairment annually. 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. 22 Leases**

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

## **BURDEKIN SHIRE COUNCIL**

### **Notes to the Financial Statements**

For the year ended 30 June 2009

---

**(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. 23 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. 24 Liabilities - Employee Benefits**

Liabilities are recognised for employee benefits such 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 benefits 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.

**(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 represents an accrued expense and is included in note 20 as a payable.

**(b) Annual Leave**

A liability for annual leave is recognised. The current portion (based on the expected payment date) is calculated on current wage and salary levels and includes related employee on-costs. The non current portion is calculated on projected future wage and salary levels and related employee on-costs, discounted to present values. This liability represents an accrued expense and is reported in note 20 as a payable.

**(c) Sick Leave**

Sick leave taken in the future will be met by future entitlements and hence no recognition of accrued sick leave entitlements have been made in these financial statements. No entitlement vests with the employee on termination.

**(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 32.

**(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.

This liability represents an accrued expense and is reported in note 20 as a payable.

**1. 25 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 in payables.

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.

## BURDEKIN SHIRE COUNCIL

### Notes to the Financial Statements

For the year ended 30 June 2009

---

#### 1. 26 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 21.

The provision is measured at the expected cost of the work required and discounted to current day values using an appropriate rate. The relevant Discounting of Employee Benefits rate is considered an appropriate rate.

##### (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.

##### (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. 27 Council capital value

The council's capital value represents the net carrying value of the capital assets less the amount of capital debt at the reporting date and includes the initial value of operating assets and liabilities recognised at its inception. Where the council has accumulated unspent cash arising from the funding of depreciation, this cash is restricted for the purpose of maintaining the council's capital capacity through future asset purchases and as such forms part of its capital value. Should the council have unspent QTC loan funds at the reporting date, this unspent cash is also regarded as a restricted capital asset. The asset revaluation reserve reflects the change in the capital value of the property, plant and equipment and therefore forms part of the council's total capital value.

The maintenance of the Councils capital capacity is fundamental to its long term sustainability to continue to deliver essential services to the community, it has therefore been separately identified and the change in value is reported in the Statement of Changes in Equity.

#### 1. 28 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 a capital expense.

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

#### 1. 29 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. 29 (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 from the reserve 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.

The closing balance is also identified as restricted cash held at balance date in note 13.

## **BURDEKIN SHIRE COUNCIL**

### **Notes to the Financial Statements**

For the year ended 30 June 2009

---

**(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 funds expended in a prior period.

**(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.

**(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.

**(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.

**(f) Carryover Capital Works Reserve**

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

**1. 30 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.

**(a) 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. 31 Retained surplus**

The retained surplus represents that part of the Council's equity, that is cash backed and not identified to meet specific future funding needs at the reporting date. The balance of this account represents the cumulative unrestricted surplus amount available to Council that may be used as a general funding source to be offset against expenditure in the following year or, if a deficit, the additional amount of revenue required to be raised to achieve a total overall balanced funding position. In accordance with the Queensland Local Government Finance Standards all Councils must demonstrate the ability to recover any retained deficits in future years through the budget process.

**1. 32 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.

## **BURDEKIN SHIRE COUNCIL**

### **Notes to the Financial Statements**

For the year ended 30 June 2009

---

#### **1. 33 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 high risk investments.

When the Council borrows, it borrows from the Queensland Treasury Corporation unless another financial institution can offer a more beneficial rate, taking into account any risk. Borrowing by the Council is constrained by the provisions of the Statutory Bodies Financial Arrangements Act 1982.

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

#### **1. 34 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. 35 Judgements and Assumptions**

The council has made no judgements or assessments which may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

#### **1. 36 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 2009

**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				
	2009 \$	2009 \$				
Administration Services	1,957,087	18,509,383	20,466,470	6,654,299	13,812,171	41,810,485
Community & Cultural Services	379,335	121,928	501,263	2,445,656	(1,944,393)	16,611,634
Development Services	-	823,976	823,976	1,000,643	(176,667)	-
Environmental Services	285,938	3,233,718	3,519,656	7,636,996	(4,117,340)	9,182,129
Engineering Services	4,136,815	2,949,872	7,086,687	14,317,662	(7,230,975)	299,937,763
Sewerage	672,444	2,808,796	3,481,240	3,149,428	331,812	32,938,148
Water	-	2,861,273	2,861,273	2,418,502	442,771	20,103,498
<b>Total</b>	<b>7,431,619</b>	<b>31,308,946</b>	<b>38,740,565</b>	<b>37,623,186</b>	<b>1,117,379</b>	<b>420,583,657</b>

**Prior Year**

Functions	Income		Total income	Total expenses -	Net result for period	Assets
	Grants	Other				
	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	2,242,466	(1,941,982)	16,374,404
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
<b>Total</b>	<b>4,943,450</b>	<b>28,373,797</b>	<b>33,317,247</b>	<b>32,052,038</b>	<b>1,265,209</b>	<b>414,482,568</b>

## **BURDEKIN SHIRE COUNCIL**

### **Notes to the Financial Statements**

For the year ended 30 June 2009

---

#### **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 treatment, pumping, reticulation, connections, metering and asset management.

# BURDEKIN SHIRE COUNCIL

## Notes to the Financial Statements

For the year ended 30 June 2009

		2009	2008
		Actual	Actual
	Note	\$	\$
<b>3 Revenue analysis</b>			
<b>(a) Rates and levies</b>	1.10(a)		
General rates		19,407,584	17,809,325
Separate rates		245,634	243,619
Environmental levy		130,516	129,049
Water		2,689,361	2,540,692
Sewerage		2,639,921	2,798,901
Garbage charges		2,214,876	2,004,556
Rates and utility charge revenue		27,327,892	25,526,142
Less: Discounts		(2,501,741)	(2,343,273)
Less: Pensioner remissions		(469,395)	(480,417)
Net rates and utility charges		24,356,756	22,702,452
<b>(b) Interest received</b>			
Investments		1,406,300	1,776,481
Overdue rates and utility charges		23,825	15,313
		1,430,125	1,791,794
<b>(c) Sales of contract and recoverable works</b>			
Revenue		2,858,987	1,415,651
		2,858,987	1,415,651
<p>The amount recognised as revenue from contract works during the period is the amount receivable in respect of invoices issued during the period.</p> <p>The contract work carried out is not subject to retentions.</p>			
<b>(d) Other recurrent income</b>			
Other Income		254,617	256,041
		254,617	256,041
<b>4 Grants, subsidies, contributions and donations</b>	1.10(b)		
<b>(i) Recurrent - grants and subsidies, and other contributions are analysed as follows:</b>			
General purpose grants		1,893,337	1,332,565
State Government subsidies & grants		3,749,677	1,924,960
Contributions		451,351	269,080
Total recurrent revenue		6,094,365	3,526,605
<b>(ii) Capital - grants and subsidies, other contributions and donations are analysed as follows:</b>			
(a) Monetary revenue designated for capital funding purposes:			
Commonwealth government grants		807,060	549,231
State Government subsidies & grants		981,545	1,136,694
Contributions		63,052	43,874
		1,851,657	1,729,799

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

For the year ended 30 June 2009

		2009	2008
		Actual	Actual
	Note	\$	\$
(b) Non-monetary revenue received is analysed as follows:	1.10(c)		
Other physical asset contributed by developers at fair value		-	19,535
Donations from third parties at fair value		300	-
		300	19,535
Total capital revenue		1,851,957	1,749,334
<b>(iii) Conditions over contributions</b>			
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		471,237	424,397
Contributions for infrastructure		11,273	5,090
		482,510	429,487
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		718,721	1,347,504
Contributions for infrastructure		1,500	-
		720,221	1,347,504
<b>5 Capital income</b>			
Reduction in rehabilitation provision due to the change in the estimated future cost on land not controlled by council	1.26(a)	-	34,598
		-	34,598
<b>6 Gain (loss) on the disposal of capital assets</b>			
Proceeds from the sale of property, plant and equipment		593,332	443,942
Less: Book value of property, plant and equipment sold		(740,165)	(474,677)
Total gain (loss) on the disposal of capital assets	11	(146,833)	(30,735)
<b>7 Employee benefits</b>			
Total staff wages and salaries		10,675,354	9,734,792
Councillors' remuneration		290,884	365,925
Annual, sick and long service leave entitlements		2,153,584	1,709,799
Superannuation	32	1,427,818	1,215,663
		14,547,640	13,026,179
Other employee related expenses		410,353	308,074
		14,957,993	13,334,253
Less : Capitalised employee expenses		(894,557)	(907,681)
		14,063,436	12,426,572

## BURDEKIN SHIRE COUNCIL

### Notes to the Financial Statements

For the year ended 30 June 2009

	2009	2008
	Actual	Actual
Note	\$	\$

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

Total Council employees at June 2009:	2009	2008
Elected members	7	7
Administration staff	103	95
Depot and outdoors staff	127	121
Total full time equivalent employees	237	223

#### 8 Materials and services

Audit services	42,535	40,335
Contract payments	1,666,075	1,693,720
Electricity	981,944	931,467
Materials	2,622,597	1,473,044
Plant hire external	2,873,458	2,144,683
Trade/contract services	1,298,088	988,166
Plant and equipment expenses	1,296,714	1,264,591
Other material and services	3,563,700	3,256,202
	14,345,111	11,792,208

#### 9 Finance costs

Finance costs charged by the Queensland Treasury Corporation	486,957	626,709
Bank charges	32,608	28,087
Impairment of receivables	(2,144)	(6,231)
Other finance costs	-	91
Refuse sites - change in PV over time	376,029	344,065
	893,450	992,721

#### 10 Depreciation and amortisation

1.17(e)

##### (a) Depreciation of non-current assets

Land and improvements	10,541	10,541
Buildings	986,535	922,534
Plant and equipment at cost	730,266	741,739
Leasehold Improvements	13,050	9,788
Road and bridge network	3,107,094	2,752,613
Water	459,451	417,408
Sewerage	1,011,301	903,034
Drainage	216,711	215,254
Other assets	412,192	371,413
	6,947,141	6,344,324

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

For the year ended 30 June 2009

		2009	2008
		Actual	Actual
	Note	\$	\$
<b>(b) Amortisation of intangible assets</b>			
Computer software		53,843	41,824
Other intangible asset		7,909	7,250
Total amortisation of intangible assets		61,752	49,074
Total depreciation and amortisation		7,008,893	6,393,398
<b>11 Capital expenses</b>			
Loss on the sale of capital assets	6	146,833	30,735
Loss on write-off of non-current assets	12	562,581	416,404
Increase in rehabilitation provision, due to increase in the estimated future cost that pertains to closed landfill sites	1.26(a)	499,397	-
Changes arising from revision of the restoration expenditure		103,485	-
Total capital expenses		1,312,296	447,139
<b>12 Write off of capital assets</b>			
Buildings		147,606	-
Plant and equipment at cost		6,405	-
Road and bridge network		403,235	361,677
Water		2,890	467
Sewerage		2,445	5,565
Drainage		-	9,658
Other assets		-	39,037
		562,581	416,404
<b>13 Cash assets and cash equivalents</b>			
Cash in other banks and on hand	1.11	6,931,943	638,039
Investments held with other financial institutions with variable interest rate		-	6,033,617
Deposits and investments held with QTC at variable interest rate		10,831,618	11,452,184
Balance per statement of cash flows		17,763,561	18,123,840
Externally imposed expenditure restrictions at the reporting date relate to the following cash assets:			
Unspent government grants and subsidies	28 (i)	595,026	842,510
Unspent developer contributions	28 (i)	64,363	54,590
Unspent loan monies	25 (ii)	444,186	535,746
Total unspent restricted cash for capital projects		1,103,575	1,432,846

Cash in the operating bank account is held with Queensland Country Credit Union. Investment cash is held with the Queensland Treasury Corporation.

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

For the year ended 30 June 2009

		2009	2008
		Actual	Actual
	Note	\$	\$
<b>14 Trade and other receivables</b>	1.12		
<b>(a) Current</b>			
Rateable revenue and utility charges		565,947	479,411
Water charges yet to be levied		298,336	370,372
Fees and charges		1,691,340	1,170,894
GST recoverable		529,719	256,643
Other debtors		9,145	53,519
Less: Impairment provision		(5,647)	(7,862)
		<u>3,088,840</u>	<u>2,322,977</u>
Loans and advances to community organisations		<u>186,230</u>	<u>26,548</u>
		<u>3,275,070</u>	<u>2,349,525</u>
<b>(b) Non-current</b>			
Loans and advances to community organisations		<u>225,160</u>	<u>144,890</u>
		<u>225,160</u>	<u>144,890</u>
Interest is charged on outstanding rates at a rate of 11% per annum. No interest is charged on other debtors. There is no concentration of credit risk for rates and utility charges, fees and other debtors receivable.			
All loans and advances relate to loans made to various community bodies. These loans arise from time to time and are subject to negotiated interest rates. The credit risk on these loans is considered low.			
<b>15 Inventories</b>	1.14		
<b>Current</b>			
Inventories for distribution:			
Stores and raw materials		<u>944,434</u>	<u>896,073</u>
		<u>944,434</u>	<u>896,073</u>
Valued at cost, adjusted when applicable for any loss of service potential.			
<b>16 Other financial assets</b>			
<b>(a) Current</b>			
Prepayments		<u>370,876</u>	<u>297,546</u>
		<u>370,876</u>	<u>297,546</u>
<b>(b) Non-current</b>			
Prepayments		<u>532</u>	<u>-</u>
		<u>532</u>	<u>-</u>

# BURDEKIN SHIRE COUNCIL

## Notes to the Financial Statements

For the year ended 30 June 2009

### 17 (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	
	2009	2009	2009	2009	2009	2009	2009	2009	2009	2009
<b>Asset Values</b>	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening gross value	10,240,353	46,110,655	11,402,249	100,095	315,020,628	34,868,160	59,790,679	13,341,861	9,867,676	500,742,356
Additions at cost	27,868	646,263	1,641,800	-	5,160,961	5,262	147,703	-	527,990	8,157,847
Disposals	-	(71,184)	(1,526,477)	-	-	-	-	-	-	(1,597,661)
Write-offs	-	(379,663)	(168,404)	-	(564,525)	(5,100)	(128,152)	-	-	(1,245,844)
Revaluation adjustment to the ARR	492,132	413,881	-	-	(1,251,832)	1,370,478	6,917,126	-	231,618	8,173,403
Internal transfers	-	-	(77,970)	-	-	-	-	-	77,970	-
Closing gross value	10,760,353	46,719,952	11,271,198	100,095	318,365,232	36,238,800	66,727,356	13,341,861	10,705,254	514,230,101

### Accumulated depreciation and impairment

Opening balance	104,992	14,691,111	4,754,926	9,788	41,189,634	15,124,002	29,210,817	4,485,927	1,750,610	111,321,807
Correction to opening balance	-	-	-	-	-	-	-	-	-	-
Depreciation provided in period	10,541	986,535	730,266	13,050	3,107,094	459,451	1,011,301	216,711	412,192	6,947,141
Depreciation on disposals	-	(64,812)	(792,684)	-	-	-	-	-	-	(857,496)
Depreciation on write-offs	-	(232,057)	(161,999)	-	(161,290)	(2,210)	(125,707)	-	-	(683,263)
Revaluation adjustment to the ARR	-	(927,571)	-	-	(800,853)	630,447	3,724,926	-	(272,797)	2,354,152
Closing accumulated depreciation and impairment balance	115,533	14,453,206	4,530,509	22,838	43,334,585	16,211,690	33,821,337	4,702,638	1,890,005	119,082,341
Net value at 30 June 2009	10,644,820	32,266,746	6,740,689	77,257	275,030,647	20,027,110	32,906,019	8,639,223	8,815,249	395,147,760
Residual value	10,644,820	642,452	2,663,014	-	176,730,000	12,479	4,353	197,708	588,992	180,838,998
Range of estimated useful life in years		20 - 73	1.5 - 45	8	12 - 100	15 - 120	5 - 80	80	10 - 80	

# BURDEKIN SHIRE COUNCIL

## Notes to the Financial Statements

For the year ended 30 June 2009

### 17 (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	
	2008	2008	2008	2008	2008	2008	2008	2008	2008	2008
<b>Asset Values</b>	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
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	-	1,325,632	-	-	10,440	-	-	-	-	1,336,072
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	46,110,655	11,402,249	100,095	315,020,628	34,868,160	59,790,679	13,341,861	9,867,676	500,742,356

### 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	-	285,279	-	-	1,099	-	-	-	-	286,378
Depreciation provided in period	10,541	922,534	741,739	9,788	2,752,613	417,408	903,034	215,254	371,413	6,344,324
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	14,691,111	4,754,926	9,788	41,189,634	15,124,002	29,210,817	4,485,927	1,750,610	111,321,807

Net value at 30 June 2008	10,135,361	31,419,544	6,647,323	90,307	273,830,994	19,744,158	30,579,862	8,855,934	8,117,066	389,420,549
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		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 2009

		2009	2008
		Actual	Actual
	Note	\$	\$
<b>17 (b) Property, plant and equipment valuations were determined by reference to the following:</b>			
<b>Land</b>			
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 2009.			
Land under infrastructure that is controlled by the State and reserve land does not have a value for the purpose of a Local Government's financial statements.			
<b>Buildings</b>			
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 2009.			
<b>Plant and Equipment</b>			
Plant and equipment is measured at original cost less accumulated depreciation.			
<b>Infrastructure</b>			
Roads 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 2009.			
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 2009.			
Drainage has 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.			
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 2009. Internal valuations were also undertaken by qualified Council Staff as at 30 June 2009			
<b>Other Assets</b>			
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 2009.			

# BURDEKIN SHIRE COUNCIL

## Notes to the Financial Statements

For the year ended 30 June 2009

		2009	2008
		Actual	Actual
	Note	\$	\$
<b>Leasehold Improvements</b>			
Leasehold improvements have been valued at cost and are amortised over the term of the lease.			
<b>18 Capital work in progress</b>	1.19	<u>2,192,420</u>	<u>2,682,960</u>
		<u>2,192,420</u>	<u>2,682,960</u>
<b>19 Intangible assets</b>	1.18		
Net carrying value at period end:			
(a) Computer software		639,458	534,890
(c) Other intangible asset		<u>24,386</u>	<u>32,295</u>
		<u>663,844</u>	<u>567,185</u>
<b>(a) Computer software</b>			
Opening gross carrying value		697,538	655,033
Acquired at cost		158,411	42,505
Value of asset write off in the period		<u>(23,038)</u>	<u>-</u>
		<u>832,911</u>	<u>697,538</u>
<b>Accumulated amortisation</b>			
Opening balance		162,648	120,824
Amortisation in the period		53,843	41,824
Amortisation written off in period		<u>(23,038)</u>	<u>-</u>
		<u>193,453</u>	<u>162,648</u>
Net carrying value at the period end		<u>639,458</u>	<u>534,890</u>
Straight line amortisation has been used with no residual value.			
<b>(c) Other intangible asset</b>			
Opening gross carrying value		39,545	-
Acquired at cost		<u>-</u>	<u>39,545</u>
		<u>39,545</u>	<u>39,545</u>
<b>Accumulated amortisation</b>			
Opening balance		7,250	-
Amortisation in the period		<u>7,909</u>	<u>7,250</u>
		<u>15,159</u>	<u>7,250</u>
Net carrying value at the period end		<u>24,386</u>	<u>32,295</u>

The other intangible asset has a finite life of 5 years.

Straight line amortisation has been used with no residual value.

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

For the year ended 30 June 2009

		2009	2008
		Actual	Actual
	Note	\$	\$
<b>20 Trade and other payables</b>	1.23		
<b>Current</b>			
Creditors and accruals		1,290,483	1,407,908
GST payable		170,091	73,903
Employee related tax payable		19,449	16,783
Annual leave	1.24(b)	1,314,348	970,404
Long service leave	1.24(e)	230,664	270,319
		<u>3,025,035</u>	<u>2,739,317</u>
<b>Non Current</b>			
Annual leave	1.24(b)	318,267	536,065
Long service leave	1.24(e)	1,288,463	1,129,270
		<u>1,606,730</u>	<u>1,665,335</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 and long service leave is then discounted to the present value. Further details on employee entitlements are reported in Note 1.24.			
<b>21 Provisions</b>	1.26		
<b>Non-Current</b>			
Property restoration:			
Refuse sites		6,812,136	5,718,842
		<u>6,812,136</u>	<u>5,718,842</u>
<b>Details of movements in provisions:</b>			
<b>Refuse sites</b>			
Opening balance		5,718,842	5,505,063
Increase in provision - due to change in time		376,029	344,065
Increase in provision - change in discount rate		613,780	(130,286)
Increase (decrease) in estimate of future cost		103,485	-
Balance at the end of period		<u>6,812,136</u>	<u>5,718,842</u>
Current portion		-	-
Non-current portion		6,812,136	5,718,842
		<u>6,812,136</u>	<u>5,718,842</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 2009/10 financial year.			
<b>22 Borrowings</b>	1.25		
<b>(a) Bank overdraft</b>			
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.			
<b>(b) Unsecured borrowings</b>			
Unsecured borrowings are provided by the Queensland Treasury Corporation. All borrowings are in \$A denominated amounts and carried at amortised cost,			

## BURDEKIN SHIRE COUNCIL

### Notes to the Financial Statements

For the year ended 30 June 2009

	2009	2008
	Actual	Actual
Note	\$	\$
interest being expensed as it accrues. No interest has been capitalised during the current or comparative reporting period. Expected final repayment dates vary from 18 September 2010 to 03 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.		
<b>(c) Secured borrowings</b>		
The council has no secured borrowings.		
<b>Details of borrowings at balance date are:</b>		
<b>Current</b>		
Queensland Treasury Corporation	1,561,981	2,046,661
<b>Non Current</b>		
Queensland Treasury Corporation	5,587,485	7,149,526
<b>Details of movements in borrowings:</b>		
<b>Queensland Treasury Corporation</b>		
Opening balance	9,196,187	11,555,495
Principal repayments	(2,046,721)	(2,359,308)
Book value at period end	7,149,466	9,196,187
<b>Classified as :</b>		
Current	1,561,981	2,046,661
Non-current	5,587,485	7,149,526
	7,149,466	9,196,187
The loan market value at the reporting date was \$7,261,322. 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.		
<b>23 Other liabilities</b>		
<b>Current</b>		
Unearned revenue	5,553	397
	5,553	397

# BURDEKIN SHIRE COUNCIL

## Notes to the Financial Statements

For the year ended 30 June 2009

		2009	2008
		Actual	Actual
	Note	\$	\$
<b>24 Council capital</b>	1.27		
<b>(i) Calculation of capital value and retained surplus:</b>			
Cash and cash equivalents		17,763,561	18,123,840
Less restricted cash:			
Reserves (excluding the asset revaluation)		(9,592,873)	(11,002,048)
Unspent depreciation capital fund reserve		(7,732,907)	(5,727,396)
Unspent loan capital fund reserve		(444,186)	(535,746)
Revenue received in advance		(5,553)	(397)
Working capital cash (including employee entitlements)		16,100	(884,825)
Retained surplus (deficit) available for distribution	27	4,142	(26,572)
Council capital	24(ii)	141,403,261	140,821,372
Total capital and retained surplus at end of period		<u>141,407,403</u>	<u>140,794,800</u>
<b>(ii) Movement in council capital</b>			
Balance at beginning of period		140,821,372	136,496,440
Material adjustment to property, plant and equipment	36	-	1,040,353
Minor error corrections to property, plant and equipment	17	-	9,341
Adjustments from (to) retained surplus:			
Transfer from retained surplus capital income in the period		-	34,598
Transfer to retained surplus capital expenses in the period		(1,312,296)	(447,139)
Transfer from retained surplus non monetary capital revenue		300	19,535
Transfer from the retained surplus revenue expended on capital assets		1,541,864	312,222
Transfer from (to) retained surplus to adjust the working capital cash		(376,029)	(344,065)
Total transfers (to) from retained surplus		<u>(146,161)</u>	<u>(424,849)</u>
Transfer (to) from unspent depreciation cash		(2,005,511)	539,472
Transfer (to) from the unspent loan capital cash		91,560	85,503
Transfers from the constrained works reserve		2,080,995	2,634,336
Transfers from the grants, subsidies and contributions reimbursed reserve		905	10,688
Transfers from the capital maintenance reserve		-	21,528
Transfers from the carryover capital works reserve		560,101	408,560
Total transfers (to) from reserves		<u>728,050</u>	<u>3,700,087</u>
Balance at period end		<u>141,403,261</u>	<u>140,821,372</u>
The amount by which the Council has increased (decreased) its capital capacity to deliver future services to the community before inflation adjustments		<u>581,889</u>	<u>4,324,932</u>

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

For the year ended 30 June 2009

	2009	2008
	Actual	Actual
Note	\$	\$
<b>25 Restricted capital cash funds</b>		
This cash forms part of shire capital and represent cash held at the reporting date restricted to the future funding of capital assets.		
<b>(i) Unspent depreciation cash</b>		
Opening balance	5,727,396	6,266,868
Cash unspent (expended) in period	2,005,511	(539,472)
Balance at end of period	7,732,907	5,727,396
<b>(ii) Unspent loan capital cash</b>		
Opening balance	535,746	621,249
Cash unspent (expended) in period.	(91,560)	(85,503)
Balance at end of period	444,186	535,746
Total restricted capital cash funds	8,177,093	6,263,142
<b>26 (i) Asset revaluation reserve</b>	1.28	
Movements in the asset revaluation reserve were as follows:		
Balance at beginning of period	237,102,500	204,262,591
Net adjustment to non-current assets charged to the reserve:		
Adjustments to the fair value through revaluations:		
Land and improvements	492,132	470,000
Buildings	1,341,452	2,000,442
Road and bridge network	(450,979)	23,293,621
Water	740,031	1,805,922
Sewerage	3,192,200	4,293,571
Drainage	-	64,266
Other assets	504,415	816,399
Revaluations movements charged to the reserve	5,819,251	32,744,221
Change in value of future rehabilitation costs charged to the reserve	(114,383)	95,688
Balance at end of the year	242,807,368	237,102,500
<b>(ii) Asset revaluation reserve analysis</b>		
The closing balance of the asset revaluation reserve is comprised of the following asset categories:		
Land and improvements	7,441,837	7,064,088
Buildings	15,996,894	14,655,442
Road and bridge network	184,457,019	184,907,998
Water	9,750,178	9,010,147
Sewerage	20,493,088	17,300,888
Drainage	162,877	162,877
Other assets	4,505,475	4,001,060
	242,807,368	237,102,500

# BURDEKIN SHIRE COUNCIL

## Notes to the Financial Statements

For the year ended 30 June 2009

		2009	2008
		Actual	Actual
	Note	\$	\$
<b>27 Retained surplus</b>	1.31		
<b>Movement in retained surplus</b>			
Retained surplus (deficit) at the beginning of period		(26,572)	57,318
Net result attributable to council		1,117,379	1,265,209
Transfers (to) from capital account:			
Transfer of capital income		-	(34,598)
Transfer of capital expenses		1,312,296	447,139
Non monetary capital revenue		(300)	(19,535)
General revenue used for capital funding purposes		(1,541,864)	(312,222)
Transfer from (to) capital to adjust the working capital cash		376,029	344,065
Net capital account transfers		146,161	424,849
Transfer from (to) the constrained works reserve		(1,843,284)	(1,719,111)
Transfer from (to) the grants, subsidies and contributions reimbursed reserve		(905)	(10,688)
Retained surplus (deficiency) available for transfer to reserves		(607,221)	17,577
Transfers (to) from reserves for future capital funding purposes:			
Water reserve		880,318	(558,940)
Sewerage reserve		(212,696)	742,181
Transfers (to) from reserves for future general funding purposes:			
Recurrent maintenance reserve		(56,259)	(227,390)
		<u>4,142</u>	<u>(26,572)</u>
<b>28 Other reserves</b>	1.29		
<b>(a) Summary of reserves held for funding future capital expenditure:</b>			
(i) Constrained Works Reserve		659,389	897,100
(ii) Grants, Subsidies and Contributions Reimbursed Reserve		-	-
(iii) Water Reserve		3,001,965	3,882,283
(iv) Sewerage Reserve		2,526,179	2,313,483
(v) Capital Maintenance Reserve		97,711	97,711
(vi) Carryover Capital Works Reserve		1,399,001	1,959,102
		<u>7,684,245</u>	<u>9,149,679</u>
<b>(b) Summary of reserves held for funding future recurrent expenditure:</b>			
(i) Recurrent Maintenance Reserve		1,908,628	1,852,369
		<u>1,908,628</u>	<u>1,852,369</u>
Total reserves		<u>9,592,873</u>	<u>11,002,048</u>
<b>(c) Movements in capital reserves are analysed as follows:</b>			
<b>(i) Constrained Works Reserve</b>			
Balance at the beginning of period		897,100	1,812,325
Transfer from retained earnings grants, subsidies and contributions received in the period which restricted to specific capital projects		1,850,752	1,719,111
Transfers to the capital account funds expended in the period		(2,080,995)	(2,634,336)
Transfer to retained earnings		(7,468)	-
Balance at period end		<u>659,389</u>	<u>897,100</u>

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

For the year ended 30 June 2009

	2009	2008
	Actual	Actual
Note	\$	\$
<b>(ii) Grants, Subsidies and Contributions Reimbursed Reserve</b>		
Transfer from retained earnings grants, subsidies and contributions received in the period which are a reimbursement or are uncommitted at time of receipt	905	10,688
Transfer to the capital account funds expended in the period	(905)	(10,688)
Balance at period end	-	-
<b>(iii) Water Reserve</b>		
Balance at the beginning of period	3,882,283	3,323,343
Transfer from retained earnings for future expenditure	-	558,940
Transfer to retained earnings	(880,318)	-
Balance at period end	3,001,965	3,882,283
<b>(iv) Sewerage Reserve</b>		
Balance at the beginning of period	2,313,483	3,055,664
Transfer from retained earnings for future expenditure	212,696	-
Transfer to retained earnings	-	(742,181)
Balance at period end	2,526,179	2,313,483
<b>(v) Capital Maintenance Reserve</b>		
Balance at the beginning of period	97,711	119,239
Transfer to the capital account funds expended in the period	-	(21,528)
Balance at period end	97,711	97,711
<b>(vi) Carryover Capital Works Reserve</b>		
Balance at the beginning of period	1,959,102	2,367,662
Transfer to the capital account funds expended in the period	(560,101)	(408,560)
Balance at period end	1,399,001	1,959,102
<b>(d) Movements in recurrent reserves are analysed as follows:</b>		
<b>(i) Recurrent Maintenance Reserve</b>		
Balance at the beginning of period	1,852,369	1,624,979
Transfer from retained earnings for future expenditure	957,079	324,932
Transfer to retained earnings	(900,820)	(97,542)
Balance at period end	1,908,628	1,852,369

# BURDEKIN SHIRE COUNCIL

## Notes to the Financial Statements

For the year ended 30 June 2009

	2009	2008
	Actual	Actual
Note	\$	\$
<b>29 Commitments for expenditure</b>		
<b>Contractual Commitments</b>		
Contractual commitments at balance date but not recognised in the financial statements are as follows:		
Service contracts over next 1 to 8 years.	16,140,461	1,885,641
	<u>16,140,461</u>	<u>1,885,641</u>
<b>Capital Commitments</b>		
Commitment for the construction of the following assets contracted for at the reporting date but not recognised as liabilities are as follows:		
Infrastructure	1,017,285	-
	<u>1,017,285</u>	<u>-</u>
These expenditures are payable :		
Within one year	1,017,285	-
	<u>1,017,285</u>	<u>-</u>
<b>30 Events after balance date</b>		
There were no material financial adjusting events after balance date.		
<b>31 Contingent liabilities</b>		
Details and estimates of maximum amounts of contingent liabilities are as follows:		
Potential excess amounts payable against various insurance claims as at 30 June 2009 should not exceed:	24,989	7,630
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:	194,380	193,350
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 2008 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 2009

	2009	2008
	Actual	Actual
Note	\$	\$
<b>32 Superannuation</b>		
<p>The Burdekin Shire Council contributes to the Local Government Superannuation Scheme (Qld) (the scheme). The scheme is a Multi-employer Plan as defined in the Australian Accounting Standard AASB119 Employee Benefits. The scheme has two elements referred to as the Defined Benefits Fund (DBF) and the Accumulation Benefits Fund (ABF).</p>		
<p>The ABF is a defined contribution scheme as defined in AASB119. Council has no liability to or interest in the ABF other than the payment of the statutory contributions as required by the Local Government Act.</p>		
<p>The DBF is a defined benefit plan as defined in AASB119. The Council is not able to account for the DBF as a defined benefit plan in accordance with AASB119 because the scheme is unable to account to the Council for its proportionate share of the defined benefit obligation, plan assets and costs.</p>		
<p>Under amendments to the Local Government Act 1993 passed in June 2009, the trustee of the scheme has the power to levy additional contributions on councils which have employees in the DBF when the actuary advises such additional contributions are payable - normally when the assets of the DBF are insufficient to meet members' benefits. Clause 56(e) of the scheme's Trust Deed indicates that any increase in the contributions is limited to 6% of the relevant employee's salary.</p>		
<p>In its letter to Council dated 5 June 2009 the trustee advised that "at this stage, there is no requirement for Councils to contribute any additional contributions." The letter further stated that "any additional contributions above 12% (standard rate of contribution) that may be required would be on a temporary basis only, and would be requested based on independent actuarial advice. When possible, the contribution rate would reduce at a later date to offset additional costs - for example, councils may be asked to pay 18% contributions instead of 12% for a period, then contributions may reduce to 6% for a compensatory period before returning to the regular 12% contribution rate."</p>		
<p>Any amount by which either fund is over or under funded would only affect future benefits and contributions to the DBF, and is not an asset or liability of the council. 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 2008 (the most recent available) which was not subject to any audit qualification, indicates that the assets of the scheme are sufficient to meet the vested benefits.</p>		

# BURDEKIN SHIRE COUNCIL

## Notes to the Financial Statements

For the year ended 30 June 2009

		2009	2008
		Actual	Actual
	Note	\$	\$
<p>The general purpose financial report discloses that the most recent actuarial assessment of the scheme was undertaken as at 1 July 2006. The actuary indicated that without improvements to benefit conditions, or other unanticipated events, current contribution rates would be sufficient to meet members benefits as they accrue. The next actuarial investigation will be made as at 1 July 2009.</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 scheme in this period for the benefit of employees was:</p>			
		<u>1,427,818</u>	<u>1,215,663</u>
<b>33 Trust funds</b>	1.34		
Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities		2,739	6,890
Security deposits		<u>29,466</u>	<u>27,120</u>
		<u>32,205</u>	<u>34,010</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>			
<b>34 Reconciliation of net result attributable to council to net cash flow from operating activities</b>			
Net result attributable to council		<u>1,117,379</u>	<u>1,265,209</u>
Non-cash operating items:			
Depreciation and amortisation	10	7,008,893	6,393,398
Change in restoration provisions expensed to finance costs		<u>376,029</u>	<u>344,065</u>
		<u>7,384,922</u>	<u>6,737,463</u>
Investing and development activities:			
Capital grants, subsidies and contributions	4	(1,851,957)	(1,749,334)
Capital income	5	-	(34,598)
Capital expenses	11	<u>1,312,296</u>	<u>447,139</u>
		<u>(539,661)</u>	<u>(1,336,793)</u>
Changes in operating assets and liabilities :			
(Increase) decrease in receivables		(765,863)	327,888
(Increase) decrease in inventories (excluding land)		(48,361)	8,010
(Increase) decrease in other operating assets		(73,862)	26,448
Increase (decrease) in payables		227,113	183,731
Increase (decrease) in other liabilities		<u>5,156</u>	<u>-</u>
		<u>(655,817)</u>	<u>546,077</u>
<b>Net cash inflow from operating activities</b>		<u>7,306,823</u>	<u>7,211,956</u>

## BURDEKIN SHIRE COUNCIL

### Notes to the Financial Statements

For the year ended 30 June 2009

	2009	2008
	Actual	Actual
Note	\$	\$
<b>35 Controlled Entity</b>		
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 2008 to 30th April 2009, 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	311,611	306,175
Other Income	232,932	237,581
Promotions/Rentals	234,539	292,440
	<u>779,082</u>	<u>836,196</u>
Expenditure		
Administration	175,920	117,595
Depreciation	3,287	1,751
Operating Expenditure	357,725	341,720
Promotions/Rentals	305,077	364,615
	<u>842,009</u>	<u>825,681</u>
Operating Surplus/(Deficit)	<u>(62,927)</u>	<u>10,515</u>
Accumulated Funds		
Balance at beginning of period	204,863	194,348
Plus/(less) Surplus/(deficit) for period	(62,927)	10,515
	<u>141,936</u>	<u>204,863</u>
Represented by		
Assets		
Current	183,485	267,813
Non Current	19,614	22,901
	<u>203,099</u>	<u>290,714</u>
Liabilities		
Current	47,150	75,989
Non Current	14,013	9,862
	<u>61,163</u>	<u>85,851</u>
Net Assets	<u>141,936</u>	<u>204,863</u>

## BURDEKIN SHIRE COUNCIL

### Notes to the Financial Statements

For the year ended 30 June 2009

2009	2008
Actual	Actual
\$	\$

#### 36 Correction of error

In the process of valuing the Council assets at 30 June 2009 it was discovered that certain assets had been omitted (recorded) from previous financial reports in error.

This error has been corrected, as required by the Australian Accounting Standards, by adjusting the opening balances at 1 July and the comparative amounts for 2007 - 2008.

The effect on the financial statements is as follows:

Increase in property, plant and equipment at fair value	17	-	1,012,023
(Increase) in equity capital	24 (ii)	-	(1,040,353)
Decrease in retained earnings		-	28,330
Increase in depreciation charge		-	28,330
(Decrease) in net result attributable to council		-	(28,330)

Details of property plant and equipment corrections:

		At 30 June 2008	At 1 July 2007
Gross value of asset adjustments	17	1,325,632	1,325,632
Accumulated depreciation relating to those assets	17	(313,609)	(285,279)
Fair value of adjusted assets (off-set to capital)		1,012,023	1,040,353

## BURDEKIN SHIRE COUNCIL

### Notes to the Financial Statements

For the year ended 30 June 2009

#### 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 counterparts. Deposits are capital guaranteed. Other investments are held with highly rated and regulated financial institutions and whilst not capital 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 agricultural, there is also a concentration in the agricultural 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	2009 \$	2008 \$
Cash and cash equivalents - bank	6,931,943	638,039
Cash and cash equivalents - QTC	10,831,618	11,452,184
Cash and cash equivalents - other ADI	-	6,033,617
Receivables - rates	864,283	849,783
Receivables - other	2,635,947	1,644,632
Total	21,263,791	20,618,255

##### 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.

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	1,597,664	1,181,973	3,229	2,339	720,672	(5,647)	3,500,230

## BURDEKIN SHIRE COUNCIL

### Notes to the Financial Statements

For the year ended 30 June 2009

---

#### (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
	\$	\$	\$	\$
2009	4,973,842	6,603,777	8,245,038	19,822,657
2008	5,276,332	8,502,954	7,310,832	21,090,118

#### Financing Arrangements

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

	2009	2008
	\$	\$
QTC unused loan facility		
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	
	2009	2008	2009	2008	2009	2008
	\$	\$	\$	\$	\$	\$
Financial Assets	10,831,618	17,485,801	108,316	174,858	108,316	174,858
Financial Liabilities at variable interest rates	7,149,466	9,196,187	71,495	91,962	71,495	91,962

# **BURDEKIN SHIRE COUNCIL**

## **Annual Financial Statements**

For the year ended 30 June 2009

---

### **MANAGEMENT CERTIFICATE**

For the year ended 30 June 2009

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

In accordance with Section 48 of the Standard 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 final financial statements for the year ended 30 June 2009 and supporting notes present the council's income, equity, balance sheet and cash flows as required by the *Local Government Act 1993*.

***Original Signed 10/9/09***

**Mayor**

Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

***Original Signed 10/9/09***

**Chief Executive Officer**

Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

## **INDEPENDENT AUDITOR'S REPORT**

To the Mayor of Burdekin Shire Council

### **Matters Relating to the Electronic Presentation of the Audited Financial Report**

The auditor's report relates to the financial report of Burdekin Shire Council for the financial year ended 30 June 2009 included on Burdekin Shire Council's website. The Council is responsible for the integrity of the Burdekin Shire Council's website. I have not been engaged to report on the integrity of the Burdekin Shire Council's website. The auditor's 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 website.

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

### **Report on the Financial Report**

I have audited the accompanying financial report of Burdekin Shire Council, which comprises the balance sheet as at 30 June 2009, 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 to express an opinion on the financial report based on the audit is prescribed in the *Auditor-General Act 2009*. This Act, including transitional provisions, came into operation on 1 July 2009 and replaces the previous requirements contained in the *Financial Administration and Audit Act 1977*.

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 or 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 *Auditor-General Act 2009* 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 s.40 of the *Auditor-General Act 2009* –

- (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 establishment and keeping of accounts 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 2008 to 30 June 2009 and of the financial position as at the end of that year.

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

Townsville

25 September 2009

**BURDEKIN SHIRE COUNCIL**

For the year ended 30 June 2009

---

**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 2009

		2009	2008
		Actual	Actual
	Note	\$	\$
<b>Operating Income</b>			
Rates and utility charge revenue	3 (a)	27,327,892	25,526,142
Less: Discounts		(2,501,741)	(2,343,273)
Less: Pensioner remissions		(469,395)	(480,417)
Net rates and utility charges		24,356,756	22,702,452
Fees and charges		1,893,758	1,840,772
Interest received	3 (b)	1,430,125	1,791,794
Sales of contract and recoverable works	3 (c)	2,858,987	1,415,651
Other recurrent income	3 (d)	254,617	256,041
Grants, subsidies, contributions and donations	4 (i)	6,094,365	3,526,605
Total recurrent revenue		36,888,608	31,533,315
<b>Operating Expenses</b>			
Employee benefits	7	(14,063,436)	(12,426,572)
Materials and services	8	(14,345,111)	(11,792,208)
Finance costs	9	(893,450)	(992,721)
Depreciation and amortisation	10	(7,008,893)	(6,393,398)
Total recurrent expenses		(36,310,890)	(31,604,899)
<b>Operating surplus (deficit) for the period</b>		<b>577,718</b>	<b>(71,584)</b>
<b>Capital revenue</b>			
Grants, subsidies, contributions and donations	4 (ii)	1,851,957	1,749,334
<b>Capital income</b>			
Reduction in rehabilitation provision due to the change in the estimated future cost on land not controlled by council	1.26(a)	-	34,598
Total capital revenue and income		1,851,957	1,783,932
<b>Capital expenses</b>			
Loss on the sale of capital assets	6	(146,833)	(30,735)
Loss on write-off of non-current assets	12	(562,581)	(416,404)
Increase in rehabilitation provision, due to increase in the estimated future cost that pertains to closed landfill sites	1.26(a)	(499,397)	-
Changes arising from revision of the restoration expenditure		(103,485)	-
Total capital expenses		(1,312,296)	(447,139)
<b>Net result attributable to council</b>		<b>1,117,379</b>	<b>1,265,209</b>

## BURDEKIN SHIRE COUNCIL

### Notes to the Financial Statements

For the year ended 30 June 2009

	2009	2008
	Actual	Actual
Financial Ratios of the Accounts	%	%
<b>Change in community equity ratio:</b>		
The percentage change in the net wealth of the Council	1.7%	9.8%
<b>Interest cover:</b>		
The percentage of interest costs to total recurrent revenue	1.3%	2.0%
<b>Debt servicing ratio:</b>		
The percentage that the Council's total recurrent revenue that is used to service loan interest and principal repayments	6.9%	9.5%
<b>General rate revenue ratio:</b>		
The Council's dependence on general rate revenue as a percentage of total recurrent revenue	52.6%	56.5%
<b>Revenue ratio:</b>		
The Council's dependence on net rates and utility charges as a percentage of total recurrent revenue	66.0%	72.0%
<b>Debt exposure ratio:</b>		
The percentage of Council's capital debt to total community equity	1.8%	2.3%
<b>Working capital ratio:</b>		
The ratio of unrestricted current assets available to meet current liabilities	4.6 : 1	4.2 : 1
<b>Rate arrears ratio</b>		
The percentage of rates and charges receivable to net rate and charges revenue	2.3%	2.1%
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 2009

	Note	Total on Consolidation	Eliminations on Consolidation	Sub-total of all Council programs	Administration Services	Community & Cultural Services
		Actual \$	Actual \$	Actual \$	Actual \$	Actual \$
<b>Operating revenue</b>						
Rates and utility charges		27,327,892		21,998,610	19,653,218	
Less: Discounts & pensioner remissions		(2,971,136)		(2,412,417)	(2,174,567)	
Fees and charges, rental and levies &		1,893,758		1,726,296	90,993	35,418
Interest		1,430,125		867,643	867,643	
Operational contributions and donations	4	451,351		324,812		46,964
Operational Government grants and subsidies for recurrent expendi	4	5,643,014		4,970,570	1,957,087	196,491
Sales of contract and recoverable works		2,858,987		2,858,987		
Internal service provider revenue			(1,113,000)	1,113,000	1,113,000	
Other operating revenue		254,617		211,894	72,096	38,641
Internal dividends received			(300,000)	300,000	300,000	
<b>Total operating revenue</b>		<b>36,888,608</b>	<b>(1,413,000)</b>	<b>31,959,395</b>	<b>21,879,470</b>	<b>317,514</b>
<b>Operating Expenses</b>						
Employee benefits	7	14,063,436		12,706,132	4,935,288	468,006
Materials and services		14,345,111		12,655,873	1,874,386	1,430,414
Internal service provider expenditure			(1,113,000)	68,000		
Depreciation	10	7,008,893		5,538,141	430,650	533,101
External finance costs		893,450		893,149	517,120	
<b>Total operating costs</b>		<b>36,310,890</b>	<b>(1,113,000)</b>	<b>31,861,295</b>	<b>7,757,444</b>	<b>2,431,521</b>
<b>Surplus (deficit) from operations</b>		<b>577,718</b>	<b>(300,000)</b>	<b>98,100</b>	<b>14,122,026</b>	<b>(2,114,007)</b>
Capital cash contributions received		63,052		63,052		905
Capital cash revenue from government sources		1,788,605		1,788,605		182,844
Physical assets contributed		300				
Other capital expenses	11	(1,312,296)		(1,306,961)	(9,855)	(14,135)
<b>Net result for the period</b>		<b>1,117,379</b>	<b>(300,000)</b>	<b>642,796</b>	<b>14,112,171</b>	<b>(1,944,393)</b>
Retained surplus (deficit) brought fwd from prior year		(26,572)		(26,572)	26,226,344	(3,969,678)
Net result from above		1,117,379	(300,000)	642,796	14,112,171	(1,944,393)
From (to) capital - items of capital income & expense		1,311,996		1,306,961	9,855	14,135
From (to) capital to adjust working capital cash		376,029		376,029		
Transfer (to) capital general revenue expended		(1,541,864)		(1,541,864)	(2,917,817)	495,953
Internal dividends paid			300,000			
Other transfers between functions				1,147,240	1,147,240	
Surplus/(deficit) available for transfer to reserves		1,236,968		1,904,590	38,577,793	(5,403,983)
Net transfers from (to) capital reserves	28	(1,176,567)		(1,844,189)		(183,749)
Net transfers from (to) recurrent reserves	28	(56,259)		(56,259)	94,750	(26,320)
<b>Retained surplus (deficit) funds at period end</b>		<b>4,142</b>		<b>4,142</b>	<b>38,672,543</b>	<b>(5,614,052)</b>
<b>Capital Funding Sources</b>						
General revenue used (excess funds provided)		1,541,864		1,541,864	2,917,817	(495,953)
Disposal proceeds of capital assets	6	593,332		593,332	45	
Funded depreciation & amortisation expended		5,003,382		4,738,360	(438,265)	533,101
Government capital grants and subsidies	4	2,028,621		2,028,621		77,844
Developer contributions and capital donations	4	52,674		52,374		
Funds held in capital reserves	28	561,006		561,006		905
Loans for capital purposes	21	91,560		91,560	91,560	
<b>Total capital funding sources</b>		<b>9,872,439</b>		<b>9,607,117</b>	<b>2,571,157</b>	<b>115,897</b>
<b>Capital Funding Applications</b>						
Non-current assets		8,157,847		8,004,882	481,509	146,649
Movement in capital work in progress		(490,540)		(567,759)	(80,346)	(30,752)
Intangible assets		158,411		158,411	158,411	
Total capital asset acquisitions		7,825,718		7,595,534	559,574	115,897
Loan redemptions		2,046,721		2,011,583	2,011,583	
Total capital applications		9,872,439		9,607,117	2,571,157	115,897
<b>Reserve balances held at beginning of period</b>						
Capital reserve balances		9,149,679		2,953,913	33,416	45,211
Unspent loans and depreciation cash		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 beginning of the period		<b>17,265,190</b>		<b>5,111,162</b>	<b>1,465,165</b>	<b>148,046</b>
<b>Reserve balances held at the end of period</b>						
Capital reserve balances		7,684,245		2,156,101	33,416	150,211
Unspent loan and depreciation cash held		8,177,093		1,013,101	1,013,101	
Recurrent reserve balances		1,908,628		1,908,628	1,101,253	129,155
Total reserve cash held at the end of the period		<b>17,769,966</b>		<b>5,077,830</b>	<b>2,147,770</b>	<b>279,366</b>

**BURDEKIN SHIRE COUNCIL**  
**Statement of Actual Results by Program**  
For the year ended 30 June 2009

	Development Services	Environmental Services	Engineering Services	Sewerage	Water
	Actual \$	Actual \$	Actual \$	Actual \$	Actual \$
<b>Operating revenue</b>					
Rates and utility charges		2,345,392		2,639,921	2,689,361
Less: Discounts & pensioner remissions		(237,850)		(276,929)	(281,790)
Fees and charges, rental and levies &	822,497	772,189	5,199	95,160	72,302
Interest				281,241	281,241
Operational contributions and donations		270,848	7,000	62,149	64,390
Operational Government grants and subsidies for recurrent expenditure		197,735	2,619,257	672,444	
Sales of contract and recoverable works			2,858,987		
Internal service provider revenue					
Other operating revenue	1,479	77,422	22,256	6,954	35,769
Internal dividends received					
<b>Total operating revenue</b>	<b>823,976</b>	<b>3,425,736</b>	<b>5,512,699</b>	<b>3,480,940</b>	<b>2,861,273</b>
<b>Operating Expenses</b>					
Employee benefits	805,935	2,246,525	4,250,378	764,512	592,792
Materials and services	194,708	3,834,663	5,321,702	861,170	828,068
Internal service provider expenditure		68,000		510,000	535,000
Depreciation		375,426	4,198,964	1,011,301	459,451
External finance costs		376,029			301
<b>Total operating costs</b>	<b>1,000,643</b>	<b>6,900,643</b>	<b>13,771,044</b>	<b>3,146,983</b>	<b>2,415,612</b>
<b>Surplus (deficit) from operations</b>	<b>(176,667)</b>	<b>(3,474,907)</b>	<b>(8,258,345)</b>	<b>333,957</b>	<b>445,661</b>
Capital cash contributions received		5,717	56,430		
Capital cash revenue from government sources		88,203	1,517,558		
Physical assets contributed				300	
Other capital expenses		(736,353)	(546,618)	(2,445)	(2,890)
<b>Net result for the period</b>	<b>(176,667)</b>	<b>(4,117,340)</b>	<b>(7,230,975)</b>	<b>331,812</b>	<b>442,771</b>
Retained surplus (deficit) brought fwd from prior year	48,593	(6,104,687)	(16,227,144)		
Net result from above	(176,667)	(4,117,340)	(7,230,975)	331,812	442,771
From (to) capital - items of capital income & expense		736,353	546,618	2,145	2,890
From (to) capital to adjust working capital cash		376,029			
Transfer (to) capital general revenue expended		(52,994)	932,994		
Internal dividends paid				(300,000)	
Other transfers between functions				178,739	(1,325,979)
Surplus/(deficit) available for transfer to reserves	(128,074)	(9,162,639)	(21,978,507)	212,696	(880,318)
Net transfers from (to) capital reserves		(90,728)	(1,569,712)	(212,696)	880,318
Net transfers from (to) recurrent reserves		(124,689)			
<b>Retained surplus (deficit) funds at period end</b>	<b>(128,074)</b>	<b>(9,378,056)</b>	<b>(23,548,219)</b>		
<b>Capital Funding Sources</b>					
General revenue used (excess funds provided)		52,994	(932,994)		
Disposal proceeds of capital assets			593,287		
Funded depreciation & amortisation expended		375,426	4,268,098	163,668	101,354
Government capital grants and subsidies		107,139	1,843,638		
Developer contributions and capital donations		7,217	45,157	300	
Funds held in capital reserves			560,101		
Loans for capital purposes					
<b>Total capital funding sources</b>		<b>542,776</b>	<b>6,377,287</b>	<b>163,968</b>	<b>101,354</b>
<b>Capital Funding Applications</b>					
Non-current assets		545,851	6,830,873	147,703	5,262
Movement in capital work in progress		(3,075)	(453,586)	16,265	60,954
Intangible assets					
Total capital asset acquisitions		542,776	6,377,287	163,968	66,216
Loan redemptions					35,138
Total capital applications		542,776	6,377,287	163,968	101,354
<b>Reserve balances held at beginning of period</b>					
Capital reserve balances		144,298	2,730,988	2,313,483	3,882,283
Unspent loans and depreciation cash			69,134	3,744,039	2,214,223
Recurrent reserve balances		553,531			
Total reserve cash held at beginning of the period		<b>697,829</b>	<b>2,800,122</b>	<b>6,057,522</b>	<b>6,096,506</b>
<b>Reserve balances held at the end of period</b>					
Capital reserve balances		120,670	1,851,804	2,526,179	3,001,965
Unspent loan and depreciation cash held				4,591,672	2,572,320
Recurrent reserve balances		678,220			
Total reserve cash held at the end of the period		<b>798,890</b>	<b>1,851,804</b>	<b>7,117,851</b>	<b>5,574,285</b>

**BURDEKIN SHIRE COUNCIL**
**Analysis of Cash Holdings**

For the year ended 30 June 2009

					2009						2008
					Actual						Actual
					\$						\$
<b>CASH HOLDINGS AT PERIOD END</b>					17,763,561						18,123,840
Represented by :-											
(i)	Constrained Works Reserve			659,389						897,100	
(ii)	Grants, Subsidies and Contributions Reimbursed Reserve			-						-	
(iii)	Water Reserve			3,001,965						3,882,283	
(iv)	Sewerage Reserve			2,526,179						2,313,483	
(v)	Capital Maintenance Reserve			97,711						97,711	
(vi)	Carryover Capital Works Reserve			1,399,001						1,959,102	
(i)	Recurrent Maintenance Reserve			1,908,628						1,852,369	
					9,592,873						11,002,048
(i)	Unspent depreciation cash				7,732,907						5,727,396
(ii)	Unspent loan capital cash				444,186						535,746
Other Cash Balances held :-											
Revenue received in advance					5,553						397
Retained surplus (deficit) at end of period					4,142						(26,572)
<b>Cash backing of rehabilitation provisions</b>											
		Cash to date	Provision balance	(Shortfall)	Cash held	Cash to date	Provision balance	(Shortfall)	Cash held		
Refuse sites		-	6,812,136	(6,812,136)	-	-	5,718,842	(5,718,842)	-		
<b>Movement in Working Capital Cash</b>											
		Actual 2009				Actual 2008					
	Capital A/c	Current Period	Movement			Capital A/c	Current Period	Movement			
<b>Assets</b>	Analysis	Balances				Analysis	Balances				
Trade receivables	586,134	3,088,840	(2,502,706)			586,134	2,322,977	(1,736,843)			
Loans to community assoc.	423,544	411,390	12,154			423,544	171,438	252,106			
Inventories	253,803	944,434	(690,631)			253,803	896,073	(642,270)			
Inventory land for devel. & sale	70,689	-	70,689			70,689	-	70,689			
Other financial assets		371,408	(371,408)				297,546	(297,546)			
Net movement in assets	1,334,170	4,816,072	(3,481,902)			1,334,170	3,688,034	(2,353,864)			
<b>Liabilities</b>											
Creditors and accruals	337,062	1,480,023	1,142,961			337,062	1,498,594	1,161,532			
Employee entitle- current	828,901	1,545,012	716,111			828,901	1,240,723	411,822			
Entitlements - non current		1,606,730	1,606,730				1,665,335	1,665,335			
Net movement in liabilities	1,165,963	4,631,765	3,465,802			1,165,963	4,404,652	3,238,689			
Net Assets minus Liabilities	168,207	184,307				168,207	(716,618)				
<b>Net working capital cash (deficit) at period end</b>				A - B =	(16,100)	<b>A - B =</b>				884,825	
<b>CASH HOLDINGS AT PERIOD END</b>					17,763,561	<b>CASH HOLDINGS AT PERIOD END</b>					18,123,840
<b>Analysis of the Council's Capital A/c</b>											
Non current capital assets				398,004,024		392,670,694					
Add - Unspent capital cash held				8,177,093		6,263,142					
Total capital assets				406,181,117		398,933,836					
Capital loans				7,149,466		9,196,187					
Rehabilitation provisions				6,812,136		5,718,842					
Net debt				13,961,602		14,915,029					
Net capital assets minus net capital debt				392,219,515	X	384,018,807				X	
<b>Capital account</b>				149,580,354		147,084,514					
Asset revaluation reserve				242,807,368		237,102,500					
Total of Council capital value				392,387,722	Y	384,187,014				Y	
<b>Net working capital accounts balances in Capital A/c</b>				168,207	Y - X = A	<b>Y - X = A</b>				168,207	