



*Confirmed Minutes
Burke Shire Council Ordinary General Meeting
23rd August 2012
9.00am Council Chamber*

INDEX

01.	Opening of Meeting.....	3
02.	Present	3
03.	Prayer.....	3
04.	Consideration of applications for leave of absence.....	3
05.	Confirmation of Minutes of Previous Meeting(s)	3
	05.01 General Meeting Thursday 19 July 2012	3
06.	Condolences	3
07.	Works and Services Reports	4
	07.01.01 Works and Services Monthly Update Report.....	4
16.	Deputations and Presentation Scheduled for Meeting	5
	16.01 MMG Century/GCA Update	5
10.	Late Item Reports.....	5
	10.05 Revenue Policy	5
	10.06 National Competition Policy	6
	10.07 Borrowing Policy	6
	10.08 Revenue Statement	6



10.09 Budget Adoption – General Rates Categories 2012/13	7
10.09 Budget Adoption – Cleansing Charges 2012/13	7
10.09 Budget Adoption – Sewerage Charges 2012/13	7
10.09 Budget Adoption – Water Charges 2012/13.....	8
10.09 Budget Adoption – 11 Percent Compounding Interest 2012/13	8
10.09 Budget Adoption – Discount on Full Year Rates 2012/13	8
10.09 Budget Adoption – Discount on Half Year Rates 2012/13.....	9
10.09 Budget Adoption – Pensioner Discount on Rates 2012/13.....	9
10.09 Budget Adoption – Operating Fund, Forecasts, Income and Expenditure, Cash Flow, Financial Position and Changes in Equity Statements	10
10.09 Budget Adoption - Rates and Charges 2012-13.....	10
10.10 Fees and Charges 2012-13	12
 08. Corporate and Community Services Reports.....	13
08.01.01 Corporate and Community Services Officer Monthly Update Report	13
08.02.01 Home and Community Care Monthly Update Report	13
08.02.02 Payroll HR Monthly Update Report	14
 10. Late Item Reports	14
10.01 Audited Financial Statements and Annual Report 2010/2011	14
10.02 Tidy Yard Competition	14
10.03 Donations Requests 2012-13 (relisted).....	15
10.04 Draft General Purpose Financial Statements 2011-12	16
 09. Chief Executive Officer Reports	17
09.01.01 Chief Executive Officer Monthly Update Report	17
09.01.02 Proposed House Plans New Dwellings	17
09.01.03 2013 Special Holiday – Tuesday 5th November 2013.....	17
09.01.04 Gulf Savannah Development Board Chair	18
09.01.05 Penalties and Sentences Act 1992 Penalty Unit	18
 11. Consideration of Notice(s) of Motion and Petitions	18
 12. Mayoral Minute and Report.....	19
 13. Councillor Reports.....	19
 14. New business of an urgent nature admitted by Council	21
 15. Closed session reports	21
15.01 Confidential – Claim Mrs Annie Clarke.....	22
 17. Closure of Meeting	22

01. Opening of Meeting

The Chair declared the Meeting open at 9.19am.

02. Present

Cr Ernie Camp, Mayor - Chair
Cr Paul Poole, Deputy Mayor
Cr Zachary Duff
Cr Tracy Forshaw
Cr Tonya Murray

John Page; Chief Executive Officer
Trevor Connors; Acting Works and Services Manager
Jenny Williams; Executive Assistant (Minutes)

03. Prayer

Cr Camp led Council in Prayer.

04. Consideration of applications for leave of absence

That Council notes that no consideration of applications for leave of absence were received.

05. Confirmation of Minutes of Previous Meeting(s)

05.01 General Meeting Thursday 19 July 2012

That the Minutes of the General Meeting of Council held on 19th July 2012 as presented be confirmed by Council.

Moved: Cr Murray
Seconded: Cr Poole

Carried 01.120823 5/0

FILE NO: BCS/G/CM/Minutes

Note - Appendix One

06. Condolences

Council noted the passing of Robert (Ted) Hollingsworth and expressed their condolences to the Family.

Council would like to send their best wishes and speedy recovery to Mr George Watson who is currently in Mount Isa Hospital.

Attendance

Jenny Williams left the meeting at 9.35am.

07. Works and Services Reports

07.01.01 Works and Services Monthly Update Report

That council notes the contents of the Works and Services Manager August 2012 Update report.

Moved: Cr Duff
Seconded: Cr Forshaw

Carried 02.120823 5/0

FILE NO: BCS/G/CM/R/WM

Content - Job 213/6801/1 - This job has been completed. Gregory – Lawn Hill Road TIDS this project is complete with signs in place and clean up finalised. Truganini Road R2R Project - This job is underway with earth works completed and gravel carting being carried out. Tenders are being called this week for the bitumen seal. Monies available for R2R. Town Grid - The CEO had another meeting with CLCAC and they said that the grid would be okay to start. The gravel pits for the TIDS jobs near Hells Gate. Flood Damage - We have had no word from QRA on when monies will be available to complete the flood damage repairs. Gregory Water - The pump and generator in the river is working well.

Attendance

Terry Melchert entered the meeting at 9.45am.

Adjournment

That Council suspended the standing orders at 9.45am to allow consideration of the Budget.

Adjournment

That Council adjourned at 11.00am for Morning Tea.

Mayor met with Paul Woodhouse Chair NW Health Board, Susan Belsham DCEO Mt Isa Health at the Clinic for introduction and general discussions.

Resume Proceedings

Meeting resumed proceedings with Standing Orders at 11:30am with all present except Terry Melchert.

Attendance

Trevor Connors left the meeting at 11.34am.

Attendance

Barry Riddiford - MMG entered the meeting at 11.35am.

16. Deputations and Presentation Scheduled for Meeting

16.01 MMG Century/GCA Update

Discussions held on the life of the mine and what MMG are planning to do in the future.

To discuss the 15 Year of the Gulf Communities Agreement (GCA) and Social Impact Assessment (SIA). The GCA 15 Review is being conducted, as is required every five years, to determine progress against the desired intent and aspirations of the agreement. Concurrently, the SIA is being conducted to help Century fully understand economic, social and other impacts/contributions of the mine since its development.

The Centre for Social Responsibility in Mining (CSRm) is conducting both studies, and will propose strategies that Century, Traditional Owners, all levels of government and other stakeholders can work together to implement to mitigate the impact of the end of production at the mine.

Attendance

Cr Murray left the meeting from 12.19pm to 12.20pm.

Adjournment

That Council suspended the standing orders at 12.37pm to break for Lunch

Resume Proceedings

That Council resume proceedings of standing orders at 1.24pm.

Terry Melchert entered the meeting at 1.24pm

Attendance

Cr Murray left the meeting from 2.50pm to 2.51pm..

10. Late Item Reports

10.05 Revenue Policy

Council adopts version two of the Revenue Policy for 2012-13 financial years.

Moved: Cr Camp

Seconded: Cr Forshaw

Carried 03.120823 5/0

FILE NO: BCS/P&P/Policy

Content - As part of the Local Government requirements, Councils must prepare and adopt a policy about spending on Revenue Policy under s.134 of the Finance, Plans and Reporting Regulation 2010.

Note - Appendix Two

10.06 National Competition Policy

Council adopts version two of the National Competition Policy for 2012-13 financial years.

Moved: Cr Forshaw
Seconded: Cr Murray

Carried 04.120823 5/0

FILE NO: BCS/P&P/Policies

Content - Council is required to resolve annually, as part of its budget process its policy in respect of National Competition Policy matters. Under the Local Government Act 2009, Chapter 3, Part 2 s 43, local governments must prepare a National Competition Policy each financial year.

Note - Appendix Three

10.07 Borrowing Policy

Council adopts version two of the Borrowing Policy for 2012-13 financial years.

Moved: Cr Forshaw
Seconded: Cr Poole

Carried 05.120823 5/0

FILE NO: BCS/P&P/Policy

Content - Under the Local Government Act 2009, Chapter 3, Part 3 s133, local governments must prepare a debt policy each financial year.

Note - Appendix Four

Attendance

Cr Duff left the meeting from 3.05pm to 3.08pm

10.08 Revenue Statement

That in accordance with Section 106 of the Local Government (Finance, Plans and Reporting) Regulation 2010, Council adopts version two of the Revenue Statement for 2012-13 financial years as presented.

Moved: Cr Poole
Seconded: Cr Camp

Carried 06.120823 5/0

FILE NO: BCS/P&P/Policy

Content – As part of the Local Government requirements, Councils must prepare and adopt a Revenue Statement under s.106 of the Finance, Plans and Reporting Regulation 2010.

Note - Appendix Five

10.09 Budget Adoption – General Rates Categories 2012/13

That in accordance with Section 15 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* the Burke Shire Council adopts the general rates categories for the year ending 30th June 2013 as presented.

Moved: Cr Camp
Seconded: Cr Poole

Carried 07.120823 5/0

FILE NO: BCS/FM/B/2012-13

Content - Adoption of Council budget statements and policies for 2012-13 financial years as per Local Government (Finance, Plans and Reporting) Regulation 2010. Councils are required to adopt a budget annual for each financial year under the Local Government (Finance, Plans and Reporting) Regulation 2010.

Note - Appendix Five

10.09 Budget Adoption – Cleansing Charges 2012/13

That in accordance with Section 33 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* the Burke Shire Council cleansing charges for the 2012-13 year are made and will be levied for the purposes of providing for the removal of refuse from all occupied premises (domestic and commercial). The cleansing unit charge shall be \$19.30 for the year ending 30th June 2013.

Moved: Cr Murray
Seconded: Cr Forshaw

Carried 08.120823 5/0

FILE NO: BCS/FM/B/2012-13

Content - Adoption of Council budget statements and policies for 2012-13 financial years as per Local Government (Finance, Plans and Reporting) Regulation 2010. Councils are required to adopt a budget annual for each financial year under the Local Government (Finance, Plans and Reporting) Regulation 2010.

Note - Appendix Five

10.09 Budget Adoption – Sewerage Charges 2012/13

That in accordance with Section 33 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* sewerage charges for the 2012-13 year, are made and will be levied on each property both vacant or occupied, that Council has or is able to provide with sewerage services. A sewerage charge of \$25.72 per unit per annum shall apply.

Moved: Cr Duff
Seconded: Cr Camp

Carried 09.120823 5/0

FILE NO: BCS/FM/B/2012-13

Content- Adoption of Council budget statements and policies for 2012-13 financial years as per Local Government (Finance, Plans and Reporting) Regulation 2010. Councils are required to adopt a budget annual for each financial year under the Local Government (Finance, Plans and Reporting) Regulation 2010.

Note - Appendix Five

10.09 Budget Adoption – Water Charges 2012/13

That in accordance with Section 33 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* water charges for the 2012-13 year will be levied on each rateable property, both vacant and occupied (domestic and commercial) that Council has or is able to provide with a water connection. A water charge of \$45.02 per unit per annum shall apply.

Moved: Cr Camp
Seconded: Cr Poole

Carried 10.120823 5/0

FILE NO: BCS/FM/B/2012-13

Content - Adoption of Council budget statements and policies for 2012-13 financial years as per Local Government (Finance, Plans and Reporting) Regulation 2010. Councils are required to adopt a budget annual for each financial year under the Local Government (Finance, Plans and Reporting) Regulation 2010.

Note - Appendix Five

10.09 Budget Adoption – 11 Percent Compounding Interest 2012/13

That in accordance with Section 67 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* a charge of 11 percent compounding interest calculated on daily rests be hereby made and levied on rates and charges that are 30 days overdue.

Moved: Cr Murray
Seconded: Cr Forshaw

Carried 11.120823 5/0

FILE NO: BCS/FM/B/2012-13

Content - Adoption of Council budget statements and policies for 2012-13 financial years as per Local Government (Finance, Plans and Reporting) Regulation 2010. Councils are required to adopt a budget annual for each financial year under the Local Government (Finance, Plans and Reporting) Regulation 2010.

Note - Appendix Five

10.09 Budget Adoption – Discount on Full Year Rates 2012/13

That in accordance with Section 64 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* a discount of 15% be allowed for all current Council Full Year rates and charges (excluding fire levy) if paid within 30 days of the Rate Notice being issued, and that such discount be calculated as a percentage of the gross rate/charges levied, and only be granted if all current and outstanding rates have been paid in full.

Moved: Cr Forshaw
Seconded: Cr Camp

Carried 12.120823 5/0

FILE NO: BCS/FM/B/2012-13

Content - Adoption of Council budget statements and policies for 2012-13 financial years as per Local Government (Finance, Plans and Reporting) Regulation 2010. Councils are required to adopt a budget annual for each financial year under the Local Government (Finance, Plans and Reporting) Regulation 2010.

Note - Appendix Five

10.09 Budget Adoption – Discount on Half Year Rates 2012/13

Further that in accordance with Section 64 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* a discount of 5% be allowed for all current Council Half Year rates and charges (excluding fire levy) if paid within 30 days of the Rate Notice being issued, and that such discount be calculated as a percentage of the gross rate/charges levied, and only be granted if all current and outstanding rates have been paid in full.

Moved: Cr Duff
Seconded: Cr Poole

Carried 13.120823 5/0

FILE NO: BCS/FM/B/2012-13

Content - Adoption of Council budget statements and policies for 2012-13 financial years as per Local Government (Finance, Plans and Reporting) Regulation 2010. Councils are required to adopt a budget annual for each financial year under the Local Government (Finance, Plans and Reporting) Regulation 2010.

Note - Appendix Five

10.09 Budget Adoption – Pensioner Discount on Rates 2012/13

That in accordance with Section 56 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* a maximum of 20% of general rates and utility charges may be granted to eligible pensioners which conform to the criterion set by the State Government Pensioner Rate Subsidy Scheme. This amount is in addition to the remission granted by the aforementioned scheme.

Moved: Cr Murray
Seconded: Cr Duff

Carried 14.120823 5/0

FILE NO: BCS/FM/B/2012-13

Content - Adoption of Council budget statements and policies for 2012-13 financial years as per Local Government (Finance, Plans and Reporting) Regulation 2010. Councils are required to adopt a budget annual for each financial year under the Local Government (Finance, Plans and Reporting) Regulation 2010.

Note - Appendix Five

Attendance

John Page left the meeting from 3.17pm to 3.30pm.

Terry Melchert left the meeting at 3.17pm.

Adjournment

That Council suspended the standing orders from 3.33pm.

Terry Melchert entered the meeting at 3.41pm.

Resume Proceedings

That Council resume proceeding of standing orders at 3:41 pm with all in attendance.

10.09 Budget Adoption – Operating Fund, Forecasts, Income and Expenditure, Cash Flow, Financial Position and Changes in Equity Statements

That in accordance with Section 100 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* the Operating Fund for the year ending 30th June 2013 and forecasts for the years ended 30th June 2014 to 30th June 2015 and Income and Expenditure, Cash Flow, Financial Position and Changes in Equity Statements as presented be hereby adopted.

Moved: Cr Duff
Seconded: Cr Murray

Carried 15.120823 5/0

FILE NO: BCS/FM/B/2012-13

Content - Adoption of Council budget statements and policies for 2012-13 financial years as per Local Government (Finance, Plans and Reporting) Regulation 2010. Councils are required to adopt a budget annual for each financial year under the Local Government (Finance, Plans and Reporting) Regulation 2010.

Note - Appendix Six

Attendance

John Page left the meeting from 4.06pm to 4.08pm.
Terry Melchert left the meeting from 4.07pm to 4.12pm.

10.09 Budget Adoption - Rates and Charges 2012-13

Council adopts the schedule of rates and charges for 2012-13 financial years.

A. SCHEDULE OF RATES AND CHARGES

Schedule of Rates and Charges for the financial year 2012/13 as an addendum to the Revenue Statement 2012/13.

B. DIFFERENTIAL GENERAL RATES

Category No	Differential Category Description	Differential Rate		
		Cents in dollar	Minimum	Increase Cap
1	Urban – Burketown	2.7258	\$899.95	25%
2	Urban - Gregory	5.0499	\$899.95	25%
3	Rural – From 0Ha and up to and including 300,000Ha	1.0297	\$899.95	25%
4	Rural – From 300,001Ha and up to and including 500,000H	2.3490	\$899.95	
5	Rural – 500,001Ha and above	1.4418	\$899.95	
6	Rural – Agriculture/Crop Cultivation	106.1874	\$899.95	
7	Rural Tourism & Commercial	128.9196	\$899.95	
8	Rural Infrastructure	11.5218	\$899.95	
9	Rateable Prospecting	7.2660	\$899.95	

10	Rateable Mining Intensity 1	72.71	\$899.95	
11	Rateable Mining Intensity 2	807.937	\$899.95	
12	Rateable Mining Intensity 3	127.251	\$899.95	
13	Rateable Mining Intensity 4	863.616	\$899.95	

C. UTILITY CHARGES

(a) Cleansing Charges

Burketown and Gregory

A cleansing charge of \$19.30 per unit will apply. 20 units are the equivalent of one 240L wheelie bin. The following table comprises minimum charges on a per bin service basis:

Category	No of Units	Charge
Occupied Residential	20 units (equivalent 1 x 240L wheelie bin) per residential unit	\$386
Occupied Non-Residential	60 units (equivalent 3 x 240L wheelie bins)	\$1158
Per Additional Service	20 units (equivalent 1 x 240L wheelie bin)	\$386
Unoccupied	nil	nil

(b) Water Charges

A water charge of \$45.02 per unit per annum shall apply. Units shall apply as per the table below:

General Categories	No of Units	Charge
Vacant	20	\$900.40
Occupied	20	\$900.40
Residential	20	\$900.40
Commercial	20	\$900.40
Community	20	\$900.40
Ovals and Parks	100	\$4,502
Commercial Accommodation	200	\$9004
Hotel with Accommodation	200	\$9004
Special Categories - Burketown		
Hospital	250	\$11255
School	250	\$11255
Kindergarten	40	\$1,800.80
Special Categories – Gregory		
School	40	\$1,800.80
Special Categories – Rural		
Rural property connected to town water supply - untreated	100	\$4,502
Stock Trough – treated or untreated	50	\$2,251
Turkey Nest Dam – treated or untreated	100	\$4,502

(c) Sewerage Charges

A sewerage charge of \$25.72 per unit per annum shall apply. Minimum units shall apply as per the table below:

Category	No of Units	Minimum Charge
Vacant	20 units	\$514.40
Residential	20 units per residential unit	\$514.40
Non-Residential	20 units per pedestal	\$514.40

D. GENERAL CHARGES

Council's Regulatory and Non-regulatory Fees and Charges Schedule contain all general charges made.

E. REBATES AND CONCESSIONS

(a) Pensioner Rating Remissions

A maximum of remission of 20% of general rates and utility charges may be granted to eligible pensioners which conform to the criterion set by the State Government Pensioner Rate Subsidy Scheme. This amount is in addition to the remission granted by the aforementioned scheme.

F. INTEREST ON OVERDUE RATES

Council shall apply an interest rate compound on daily rest to be charged on overdue rates from previous financial years and rates levied in the 2012/13 Budget year that have not been paid by the due date:-

11 percent per annum

G. DISCOUNT

Discount of 15% is allowed for all current Council Full Year rates and charges (excluding fire levy) if paid within 30 days of the Rate Notice being issued, and such discount is calculated as a percentage of the gross rate/charges levied, and will only be granted if all current and outstanding rates have been paid in full.

Discount of 5% is allowed for all current Council Half Year rates and charges (excluding fire levy) if paid within 30 days of the Rate Notice being issued, and such discount is calculated as a percentage of the gross rate/charges levied, and will only be granted if all current and outstanding rates have been paid in full.

Moved: Cr Poole
Seconded: Cr Forshaw

Carried 16.120823 5/0

FILE NO: BCS/FM/F&C

10.10 Fees and Charges 2012-13

Council adopts the fees and charges for 2012-13 financial years.

Moved: Cr Camp
Seconded: Cr Duff

Carried 17.120823 5/0

FILE NO: BCS/FM/F&C

Content - Under the Local Government Act 2009, Part 2 s 97, Councils are required to set and maintain a register of regulatory fees and charges for the financial year.

Note - Appendix Seven

08. Corporate and Community Services Reports

08.01.01 Corporate and Community Services Officer Monthly Update Report

Council notes the contents of the Corporate and Community Services Manager August 2012 report.

Moved: Cr Forshaw

Seconded: Cr Murray

Carried 18.120823 5/0

FILE NO: BCS/G/CM/R/CCSM

Content - Over the last few weeks I have been focusing on a number of specific projects which include:- Land Sales As instructed by Council, Mr. Keith Douglas has been appointed to conduct the auction sale of three (3) Council Lots in Burketown and three (3) Council owned lots in Gregory. Tidy Yard Competition - Nominations closed on Monday 6th August 2012 and attached is the schedule of nominations received. Development of 2012/2013 Budget - The budget has been prepared in alignment with the Operational Plan. Financial Statements and Annual Report - At the time of writing it is expected the audited 2010/2011 Financials will be available for review by Council at its August meeting along with the annual report. The 2011/2012 Financials will also for presented for consideration by Council and subject to approval forwarded to the auditor for review. Internal Audit - I have completed Internal Audit reviews of the payroll and rating systems. Enterprise Bargaining - The process is being advanced quite quickly by Mr. Ken Hunt, the CEO and the Mayor and Deputy Mayor. Housing - Housing tenancy changes and upgrades and documentation. Business Continuity Planning - Mr. Heath's report has been forwarded to all Councilors for review.

08.02.01 Home and Community Care Monthly Update Report

That Council notes the contents of the Home and Community Care Team Leader Officers August 2012 Monthly Update Report.

Moved: Cr Camp

Seconded: Cr Duff

Carried 19.120823 5/0

FILE NO: BCS/CommS/HACC/CR

CBDC Clients:--- -9

Social Support Clients:----6

Content - Expanding HACC meetings to Gregory has been delayed, however once we return from our Camooweal Trip I will commence. At present I am keeping in touch with the station clients by visits and regular phone calls. I am looking forward to holding HACC meetings in Gregory with the the out of town clients. By involving them I will be able to determine what.

08.02.02 Payroll HR Monthly Update Report

That Council notes the contents of the Payroll HR Officer's August 2012 Monthly Update Report.

Moved: Cr Murray
Seconded: Cr Poole

Carried 20.120823 5/0

FILE NO: BCS/G/CM/R/PHR

Content - Council has recently employed one (1) casual employee. The employee is working on records management and general administration duties. Council is not advertising any positions are present. Council currently has four (4) staff members from employment agencies. There are two (2) Lo-Go Appointments members – an Acting Works Manager and an Acting Deputy CEO/CCSM. The other two (2) staff members are from Precruitment. One (1) staff member is working on records management and the other is carrying out general administration duties. Two (2) staff members attended a two day RMPC training course from Tuesday 31st July 2012 – Friday 3rd August 2012 in Cloncurry. One (1) staff member will be attending a 3 day Workforce Management Forum in Caloundra, Sunshine Coast from Tuesday 7th August – Friday 10th 2012. One (1) staff member will be attending an NDRRA Working Group Meeting in Mount Isa from Wednesday 15th August – Saturday 18th August 2012.

10. Late Item Reports

10.01 Audited Financial Statements and Annual Report 2010/2011

Council adopts:-

- (i) The audited Financial Statements for the 2010/2011 Financial Year;
- (ii) The Annual Report for the 2010/2011 year

Moved: Cr Camp
Seconded: Cr Forshaw

Carried 21.120823 5/0

FILE NO: BCS/CorpM/Report/AR

Content - Under the provisions of the Finance, Plans and Reporting Regulation 2010 Councils must prepare and adopt audited Financial Statements and an Annual report each Financial Year.

Note - Appendix Eight

10.02 Tidy Yard Competition

Council note the competition results and arrange authorise the finalisation of the 2012 event with a formal presentation ceremony.

Moved: Cr Murray
Seconded: Cr Duff

Carried 22.120823 5/0

FILE NO: BCS/CR/E/TYC

Content - Each year Council Facilitates a Tidy Yards Competition The winners for 2012 are:-

Best Urban Yard (Burketown and Gregory)

Shared First Place (\$300) – Sue Arnold
Brett & Deb Harris

Runner Up (\$150) - Brian Gaunt

Best Rural Yard (Station Homestead or Quarters)

First Place (\$300) – Gregory Downs Station

Runner Up (\$150) - Armraynald Station (Main House)

Best Non Residential Yard (Business/School/Hospital/Police Station etc)

First Place (\$300) – Savannah Lodge Amanda Wilkinson

Runner Up (\$150) - Burke Shire HAAC
Best Patio
 First Place (\$300) – Armraynald Station
 Runner Up (\$150) - Jasmine Matters

Declaration: Conflict of Interest

Cr Forshaw declared that a perceived conflict of interest in this matter could exist (as per section 173 of the *Local Government Act 2009*), due to her involvement in the Gregory Jockey Club, Gregory Educational Facility, Gregory SES, Burketown SES, ICPA and the Gregory Sports Grounds, but that she had considered her position and was firmly of the opinion she could participate in debate and vote on this matter in the public interest.

Cr Murray declared that a perceived conflict of interest in this matter could exist (as per section 173 of the *Local Government Act 2009*), due to her involvement in the Burketown Barramundi Fishing Org, but that she had considered her position and was firmly of the opinion she could participate in debate and vote on this matter in the public interest.

Cr Camp declared that a perceived conflict of interest in this matter could exist (as per section 173 of the *Local Government Act 2009*), due to his involvement in the Gregory Jockey Club, Burketown SES, ICPA and Gregory Sports Grounds, but that he had considered his position and was firmly of the opinion he could participate in debate and vote on this matter in the public interest.

Cr Poole declared that a perceived conflict of interest in this matter could exist (as per section 173 of the *Local Government Act 2009*), due to his involvement in the Burketown Biggest Morning Tea, but that he had considered his position and was firmly of the opinion he could participate in debate and vote on this matter in the public interest.

10.03 Donations Requests 2012-13 (relisted)

Council approves the donation requests as presented subject to budget approval:-

Organisation	Donation(s) Requested	
	cash	in-kind
Gregory Downs Jockey Club Incorporated	\$ 5,000.00	Printing of racebooks; printing of programme; rubbish removal and slashing of grounds after wet Inkind - above
Gregory District Sporting Association Incorporated	\$ 2,500.00	Printing of programmes and rubbish collection Inkind - above
ICPA	\$ 500.00	4 Day Camp

Burketown Barramundi Fishing Organisation Incorporated	\$ 5,000.00	In-kind - printing
<i>Burketown Campdraft & Rodeo</i>	<i>\$0.00</i>	<i>Water Truck \$1200.00</i>
Burketown Kindergarten	\$0.00	Rates proposal to be reviewed, no mowing or maintenance to be undertaken
Burketown Primary Health Clinic	\$0.00	\$300 inkind
Biggest Morning Tea	\$0.00	Fund raising will be conducted during the event in aid of Cancer Research \$500 inkind support

Moved: Cr Duff
Seconded: Cr Murray

Carried 23.120823 5/0

FILE NO: BCS/CR/S/D

Content - Donations are requested from community organisations annually. These have been called and the following requests have been received. As per Grants to Community Organisations Policy Council asks for organisations to submit their requirements for cash and in-kind donations for the financial year.

Note - Appendix Nine

10.04 Draft General Purpose Financial Statements 2011-12

Council

1. Receives the draft General Purpose Financial Statements as per section 161 of the Local Government (Finance, Plans and Reporting) Regulation 2010, and authorises the presentation of the financial statements to the auditor-general for auditing; and
2. Authorises the Mayor and CEO to sign the management certificate.

Moved: Cr Poole
Seconded: Cr Murray

Carried 24.120823 5/0

FILE NO: BCS/FM/FR/AFR

Content - A local government must prepare general purpose financial statements for the auditor-general and must be accompanied by a certificate in the approved form given by the Mayor and the Chief Executive Officer.

Note Appendix Ten

Attendance

Terry Melchert left the meeting at 5.36pm.

09. Chief Executive Officer Reports

09.01.01 Chief Executive Officer Monthly Update Report

That council notes the contents of the Chief Executive Officer August 2012 Monthly Update Report.

Moved: Cr Duff
Seconded: Cr Murray

Carried 25.120823 5/0

FILE NO: BCS/G/CM/R/CEO

Content- Councillors Camp, Poole and the CEO have attended the NQLGA Conference in Townsville. There are a few upcoming conferences, CEO Forum, Local Laws Forum and the LGAQ Conference. There are three Current Tenders, 12-16 Tender Advertisement Supply Bitumen Full Service Various Roads BSC, 12-12 For Sale by Tender- Plant No. 512 Prado 4wd Wagon, Plant No. 513 Prado 4wd Wagon and 12-17 Construction of reinforced concrete protection for floodways on Floraville Road. There are various development matters within our shire. Food Licensing for 2012/13 certificates will be sent out soon. An extension till 31st August, 2012 has been approved by the Minister for Presentation of Financial Statements and Annual Report. Quotes still being obtained for water, concreting and sewerage connection for the Council House in Anthony Street.

09.01.02 Proposed House Plans New Dwellings

That consideration of this matter be deferred to the next meeting of Council.

Moved: Cr Murray
Seconded: Cr Forshaw

Carried 26.120823 5/0

FILE NO: BCS/CP/SH/NH

Content – To present to Council locally sourced floor plans for a three bedroom dwelling, two bedroom dwellings and a two bedroom Duplex for consideration and modification if Council so requires.

09.01.03 2013 Special Holiday – Tuesday 5th November 2013

That Council authorise the Chief Executive Officer to apply for Tuesday, 5th November 2013 as a Special Holiday for 2013.

Moved: Cr Forshaw
Seconded: Cr Murray

Carried 27.120823 5/0

FILE NO: BCS/G/L/PH

Content - To seek Council's direction on the appointment of a Public Holiday for the district in respect of an annual agricultural, horticultural or industrial show or other event which would be significant to Burke Shire. Council in the past has requested the first Tuesday in November which incidentally coincides with Melbourne Cup Day as there are no Shows etc held within Burke Shire.

09.01.04 Gulf Savannah Development Board Chair

That Council nominates the Mayor, Councillor Ernie Camp as Chairman of the Gulf Savannah Development Board.

Moved: Cr Poole
Seconded: Cr Duff

Carried 28.120823 5/0

FILE NO: BCS/ED/A/GSD

Content - To seek Council's direction on the appointment of the Mayor, Cr Ernie Camp as Chair of the Gulf Savannah Development Board. Previously the nominations for Chair of the board have been received off the floor at the Annual General Meeting, however for this year Council has been requested to put forward a nomination.

09.01.05 Penalties and Sentences Act 1992 Penalty Unit

That Council elects to opt-in the value of a penalty unit to \$110.00 making the value of the local law penalty \$110.00.

Moved: Cr Forshaw
Seconded: Cr Camp

Carried 29.120823 5/0

FILE NO: BCS/G/L/AAR

Content - To seek Council's direction on the option to increase the value of the penalty unit from \$75.00 to \$110.00. Council in 2008 were given the opportunity to "opt-in" or "opt-out" of the then proposed increase in the value of the penalty unit from \$75.00 to \$100.00 and decided to maintain the value of the local law penalty at \$75.00. To my knowledge Council has not issued any penalties over recent years for local law breaches.

09.01.06 LGAQ Conference Appointment of Delegates and Motion

That Council

- a) Appoint the Mayor; Cr Camp, Deputy Mayor; Cr Poole as Delegates and the CEO as an Observer to the LGAQ Conference and meet all expenses in line with Council's Remuneration Policy; and
- b) Authorise the Chief Executive Officer to forward motions framed at this meeting.

Moved: Cr Murray
Seconded: Cr Duff

Carried 30.120823 5/0

FILE NO: BCS/G/Councillors/UM

Content - To present to Council the details for the Annual Conference of the LGAQ to be held at the Brisbane Convention and Exhibition Centre from Monday 22nd October, 2012 to Thursday 25th October 2012 with the theme "Making a Difference – Growing Queensland's Four Pillar Economy and seek Appointment of Delegates as well as development of Motions to be submitted.

11. Consideration of Notice(s) of Motion and Petitions

That Council notes that no Notices(s) of Motion and Petitions were received.

12. Mayoral Minute and Report

That the report provided by Councillor Camp be noted by Council.

Mayoral Report August 2012

1. Gregory Forum – attended with all councillors, important to ensure we follow up on issues raised, welcomed community members to communicate with Council any ideas they may have and encouraged to put in writing
2. EBA Meeting with Ken Hunt – attended with CEO and Deputy Mayor
3. NQLGA Conference – Townsville – attended with CEO and Deputy Mayor, discussions with Bob Abbot LGAQ Mentor – AMPs , mayoral mentor programme, discussions with Alf Lacey Palm Is Mayor - AMPs, legal discussions with Preston Law re Land Negotiations/Tenure, Discussions with Council Auditors, discussions Jo Stephenson,/Selena Hale - new govt trying to streamline processes, LG Minister – David Crisafulli – along with CEO -royalties to regions pilot programme, Minister will visit Shire in not too distant future to engage with BSC, 2 resolutions from BSC – accepted and will be sent to State Conference – rebate on drink containers as in SA/NT and guaranteed solar rebate for regional/remote customers,
4. MMG Pipeline Update – attended with various stakeholders
5. MMG Roads Discussion – with MMG reps, CEO and WM – re: ongoing maintenance, initial discussions re: drawing up new Roads Agreement
6. Budget Workshop –
7. GSD Happenings – press releases re Water releases/building business interest, organising Southern Gulf Infrastructure meeting with various stakeholders, AGM planning, letter to Minister re threat to funding of Regional Development Bodies, letter to Simon Crean re RDA and need to give appropriate weighting to projects from small regional/remote Shires

Moved: Cr Murray
Seconded: Cr Forshaw

Carried 31.120823 5/0

13. Councillor Reports

That the reports provided by Councillors Duff, Forshaw, Murray and Poole be noted by Council.

Cr Poole

Attended the following meetings:-

EBA – Burke Shire
Budget Meeting – 06/08/12
NQLGA Conference –
DLG – Jo Stevenson
Gregory Community Forum
MMG Century

Cr Tracy Forshaw

25-27th July Cairns – Australian Local Government Women's Association Qld (ALGWAQ) Conference

- Henrietta gave the Welcome to Country.
 - o Australia Day Honours & Awards, Queens Birthday Honours – we need to

nominate ordinary people as well

- Heather Ford (Channel 9 Presenter for over 25 years) also Local Government Ambassador – very funny and interesting speaker. Spoke about how she juggled 3 children under 3 and a fulltime career.
- Cairns Regional Council Economic Officers gave an overview on how to progress regions.
 - Economics Development Australia has free economic officers that can help.
 - Smaller communities could share an Economic Development officer.
 - Do Business Survey every 18 months to see how things are progressing/what the business community needs are.
- Mackay Regional Council – Best Practice Marketing for Councils
 - Branding – keep same logo and template for everything
 - Council to use Facebook and Twitter more
 - Media stories every week – What Council is doing – good news stories
- Constitution Recognitions – need for more robust discussion between Federal and Local Governments - this will also mean more funding for Local Councils without going through State
- \$100,000 grants for the Assessable Library Scheme
- Cairns Regional Council – Reconciliation Plan – Hand up not hand-outs
- Council data storage – make sure the Internet Provider's storage is in Australia – as many other countries do not have the same security and privacy laws as Australia – information can become vulnerable.
- Use State Procurement Policy

6th August – Burketown – Budget Workshop

11th August – Burketown

- HACC Trash & Treasure
- QCWA Meeting at the Church Hall

14th August – Gregory – Town Meeting. – Discussion points included

- Reticulated power supply at Gregory
- Street lights
- TV & Radio transmission
- Mobile Phone service
- Information Centre and Info board
- Camping in the River – permits, caravan parks
- Welcome signs
- BBQ, seat and table facilities at the park
- Footpath to the school
- Line Marking and street repairs
- Cemetery – signs and Arboretum proposal
- Weed control
- Water metres and charges
- Computer at Council Depot

16th August – Gregory - Community Forum with Councillors. Well attended by the Gregory Business, Residents, Pastoralists and Community Groups – discussion over items raised at Town Meeting (above). Also Councillors was advised of the infrastructure that the local community has put at the sports and recreational grounds in the last few years (\$300,000 plus), the health clinic (\$300,000) and the school oval (\$70,000).

Cr Murray

ALGWA Conference – open up attendance to all female staff within Council.

Use of Social Media – Set up a Facebook Page for Burke Shire Council.

Gregory Meeting – good meeting, great opportunity to listen to people's views

Arboretum – Gregory

MMG Pipeline Update – amount of weeds on the pipeline, works on the pipeline will be continued

MMG 15 year review meeting – follow up required

Cr Duff

Attended the Gregory meeting - some really good points raised. We need to make sure that we have answers for the community in the next few weeks and plan another date to meet with the local community.

Points to consider:-

- Power at Gregory – solar or reticulated generator power? What is the answer?
- Control of campers along the river
- Caravan Park
- TV rebroadcasting
- Line marking & zebra crossing at school
- Upkeep and slashing of Showgrounds at the start of the each year
- Mobile phone tower
- Weeds on roads' edge
- Rates and general billing

Moved: Cr Poole

Seconded: Cr Camp

Carried 32.120823 5/0

14. New business of an urgent nature admitted by Council

That Council notes that no new business of an urgent nature was admitted by Council.

15. Closed session reports

That Council move into closed session to discuss confidential items as stated in the *Local Government (Operations) Regulation 2010* in Chapter 5 Administration, Part 2 Local government meetings and committees, under *Sections 72 (1) (h)*.

Council moved into closed session at 6.52pm.

Moved: Cr Camp

Seconded: Cr Forshaw

Carried 33.120823 5/0

Move into Open Session

That the meeting resume in open session to consider recommendations arising out of the closed session.

Council resumed open session at 7.44pm.

Moved: Cr Camp

Seconded: Cr Murray

Carried 34.120823 5/0

15.01 Confidential – Claim Mrs Annie Clarke

That Council authorise the CEO to advise Mrs Annie Clarke of its decision.

Moved: Cr Duff
Seconded: Cr Camp

Carried 35.120823 5/0

FILE NO: BCS/G/Councillors/Clarke

17. Closure of Meeting

The Chair declared the Meeting closed at 7.46pm.

I hereby certify that these pages numbered 1 to 22 - constitute the
Confirmed minutes of the Council Meeting of Burke Shire Council held on
Thursday 23rd August 2012

Mayor Cr Ernie Camp



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Musgrave Street Burketown
PO Box 90
BURKETOWN QLD 4830

*Confirmed Minutes
Burke Shire Council Ordinary General Meeting
Thursday 19th July 2012
9.00am Council Chamber*

INDEX

01.	Opening of Meeting.....	3
02.	Present	3
03.	Prayer.....	3
04.	Consideration of applications for leave of absence.....	3
05.	Confirmation of Minutes of Previous Meeting(s)	3
	05.01 General Meeting 21 June 2012.....	3
06.	Condolences	3
07.	Works and Services Reports	4
	07.01.01 Works and Services Monthly Update Report.....	4
	07.02.01 Burketown Airport Cross Strip 14/32.....	4
08.	Corporate and Community Services Reports.....	4
	08.01.01 Corporate and Community Services July Update Report	4
	08.01.02 Review of Delegations – Acquisition of Goods and Services	5
	08.01.03 2012/2013 Operational Plan	5
	08.01.04 Sale of Council Land and Sale of Land for Arrears of Rates	5
	08.02.01 Finance Manager Monthly Update Report	6
16.	Deputations and presentation scheduled for meeting.....	6
	16.01 Burketown Police	6



Sign

08.	Corporate and Community Services Reports.....	6
	08.02.02 Advertising Policy.....	6
	08.02.03 Entertainment and Hospitality Policy.....	7
	08.02.05 Purchasing Policy	7
	08.02.06 Bad Debts	7
	08.02.08 Payroll HR Monthly Update Report	8
	08.02.09 Order of the Outback Ball (OOTOB) Update Report	8
09.	Chief Executive Officer Reports	9
	09.01.01 Chief Executive Officer Monthly Update Report	9
	09.01.03 Roads to Recovery Funding – Future of Program.....	9
	09.01.04 Native Title Update	9
10.	Late Item Reports	10
11.	Consideration of Notice(s) of Motion and Petitions	10
	11.01 Notices of Motion	10
	11.02 Petitions.....	10
12.	Mayoral Minute and Report.....	10
13.	Councillor Reports.....	10
14.	New business of an urgent nature admitted by Council	12
15.	Closed session reports	12
	15.01 Resolution of Issues – non Council Owned Land.....	12
	15.02 Appointment of Acting Chief Executive Officer.....	13
	15.03 Floraville Road Floodways 2010/11	13
	15.04 Claim for expenses Mrs A Clarke.....	13
17.	Closure of Meeting	13

Sign

01. Opening of Meeting

The Chair declared the Meeting open at 9.01am.

02. Present

Cr Ernie Camp, Mayor - Chair
Cr Paul Poole, Deputy Mayor
Cr Zachary Duff
Cr Tracy Forshaw
Cr Tonya Murray

John Page; Chief Executive Officer
Trevor Connors; Acting Works and Services Manager
Jenny Williams; Executive Assistant
Madison Marshall; Trainee (Minutes)

03. Prayer

Cr Duff led Council in Prayer.

04. Consideration of applications for leave of absence

That Council notes that no consideration of applications for leave of absence were received.

05. Confirmation of Minutes of Previous Meeting(s)

05.01 General Meeting 21 June 2012

That the Minutes of the General Meeting of Council held on 21st June 2012 as presented be confirmed by Council subject to the following amendments:-

- a) page 14 the inclusion of moved Cr Poole seconded Cr Forshaw for committee to resume in open council
- b) to include the RDA in Cr Forshaw's report

Moved: Cr Forshaw
Seconded: Cr Poole

Carried 01.120719 5/0

FILE NO: BCS/G/CM/Minutes

06. Condolences

Council noted the passing of Dennis Foster and Ryan Blair, expressed their condolences to the Family.

Sign

07. Works and Services Reports

07.01.01 Works and Services Monthly Update Report

That Council notes the contents of the Works Manager July 2012 report.

Moved: Cr Forshaw

Seconded: Cr Murray

Carried 02.120719 5/0

FILE NO: BCS/G/CM/R/WM

Attendance

Cr Camp left the meeting at 9.57am. Cr Poole assumed chair.

Cr Camp entered the meeting at 9.59 am and resumed chair

07.02.01 Burketown Airport Cross Strip 14/32

That council close the Burketown Airport Cross Strip 14/32 effective immediately and that the relevant parties be advised.

Moved: Cr Duff

Seconded: Cr Murray

Carried 03.120719 5/0

FILE NO: BCS/TAT/AB/AOAM

Attendance

Cr Duff left the meeting at 10.13am.

Adjournment

That Council suspended the standing orders at 10.14am.

Resume Proceedings

That Council resume proceedings of standing orders at 10.30am, all present.

Attendance

Terry Melchert and Debbie Glyde entered the meeting at 10.31am.

08. Corporate and Community Services Reports

08.01.01 Corporate and Community Services July Update Report

That Council notes the contents of the Corporate and Community Services July 2012 report.

Moved: Cr Forshaw

Seconded: Cr Camp

Carried 04.120719 5/0

FILE NO: BCS/CM/R/CCSM

Sign

08.01.02 Review of Delegations – Acquisition of Goods and Services

The proposal be adopted by Council and monitored over the next twelve months.

Moved: Cr Forshaw
Seconded: Cr Murray

Carried 05.120719 5/0

FILE NO: BCS/CorM/A/DR

Attendance

Debbie Glyde left the meeting at 11.30am.

08.01.03 2012/2013 Operational Plan

That Council adopts the Operational Plan for the 2012/2013 Financial Year.

Moved: Cr Forshaw
Seconded: Cr Camp

Carried 06.120719 5/0

FILE NO: BCS/CorM/Plan/OP

08.01.04 Sale of Council Land and Sale of Land for Arrears of Rates

That Council:-

- (i) Confirm its intention to proceed with the sale of the following parcels of land:-

Burketown

Lot 80 Plan B 13610 Cnr Beames and Firefly Streets (Council freehold land)

Lot 402 Plan B 1361 Bowen Street (Council freehold land)

Gregory

Lot 51 RP 743009 Gleeson Avenue (Council freehold land)

Lot 63 RP 743009 Clarke Street (Council freehold land)

Lot 64 RP 743009 Clarke Street (Council freehold land)

Lot 65 RP 743009 Clarke Street (Sale for Rate Arrears)

Lot 66 RP 743009 Clarke Street (Sale for Rate Arrears)

Lot 38 RP 743008 Murray Avenue (Sale for Rate Arrears)

- (ii) Council delegate to the Mayor and the Chief Executive Officer pursuant to Section 257 of the Local Government Act 2009 to act on Council's behalf for the auction of the abovementioned properties, including the establishment of reserve prices, and that they be authorised to finalise all matters relevant to the formation, conditions and administration of any contracts arising from the proposed land sales including final contract price, settlement, and to negotiate and agree any variations to conditions including time and resolve disputes (whether by legal proceedings or otherwise) about the auction, any contracts of sale or the like.

Sign

- (iii) That Council confirm that it is of the view that Auctioneer Mr. Keith Douglas has such long term experience in land dealings and the like in the Burke Shire area that in accordance with Sec 184 Local Government (Finance, Plans and Reporting) Reg 2010 and the Local Government Act 2009 and Council's Purchasing Policy he be appointed to auction the abovementioned land without the calling of tenders or quotes.

Moved: Cr Poole

Seconded: Cr Duff

Carried 07.120719 5/0

FILE NO: BCS/FM/R/DR; BCS/CP/VLS

Attendance

Debbie Glyde entered the meeting at 11.54am.

08.02.01 Finance Manager Monthly Update Report

That Council notes the contents of the Finance Managers July Update Report.

Moved: Cr Forshaw

Seconded: Cr Murray

Carried 08.120719 5/0

FILE NO: BCS/G/CM/R/FM

Adjournment

That Council suspended the standing orders at 12.02pm to have an address from Sgt Peta Jenkins–Burketown Police and Sandy Christianson – Acting DON Burketown Clinic.

16. Deputations and presentation scheduled for meeting

16.01 Burketown Police

Resume Proceedings

That Council resume proceedings of standing orders at 1.20pm.

08. Corporate and Community Services Reports

08.02.02 Advertising Policy

Council adopts Version three of the Advertising Policy as per section 142 of the Local Government (Operations) Regulations 2010.

Moved: Cr Duff

Seconded: Cr Forshaw

Carried 09.120719 5/0

FILE NO: BCS/PAP/Policy

Sign

08.02.03 Entertainment and Hospitality Policy

Council adopts Version four of the Entertainment and Hospitality Policy as per section 140 of the Local Government (Operations) Regulations 2010.

Moved: Cr Poole
Seconded: Cr Murray

Carried 10.120719 5/0

FILE NO: BCS/PAP/Policy

08.02.04 Grants to Community Organisations Policy

Council adopts Version three of the Grants to Community Organisations Policy as per section 138 of the Local Government (Operations) Regulations 2010.

Moved: Cr Poole
Seconded: Cr Murray

Carried 11.120719 5/0

FILE NO: BCS/PAP/Policy

08.02.05 Purchasing Policy

Council adopts Version four of the Purchasing Policy as per section 143 of the Local Government (Operations) Regulations 2010.

Moved: Cr Murray
Seconded: Cr Camp

Carried 12.120719 5/0

FILE NO: BCS/PAP/Policy

08.02.06 Bad Debts

Council writes off the following bad debt: Mt Isa Furniture Removals for \$436.75 on the basis that the company has either gone into receivership or bankruptcy and cost of attempted recovery would be greater than the debt.

Moved: Cr Camp
Seconded: Cr Murray

Carried 13.120719 5/0

FILE NO: BCS/FM/D/WO

Declaration: Conflict of Interest

Cr Forshaw declared that a perceived conflict of interest in this matter could exist (as per section 173 of the *Local Government Act 2009*), due to her involvement in the Gregory Jockey Club, Gregory Educational Facility, Gregory SES, Burketown SES, ICPA and the Gregory Sports Grounds, but that she had considered her position and was firmly of the opinion she could participate in debate and vote on this matter in the public interest.

Cr Murray declared that a perceived conflict of interest in this matter could exist (as per section 173 of the *Local Government Act 2009*), due to her involvement in the Burketown Barramundi Fishing Org, but that she had considered her position and was firmly of the opinion she could participate in debate and vote on this matter in the public interest.

Sign

Cr Camp declared that a perceived conflict of interest in this matter could exist (as per section 173 of the *Local Government Act 2009*), due to his involvement in the Gregory Jockey Club, Burketown SES, ICPA and Gregory Sports Grounds, but that he had considered his position and was firmly of the opinion he could participate in debate and vote on this matter in the public interest.

Cr Poole declared that a perceived conflict of interest in this matter could exist (as per section 173 of the *Local Government Act 2009*), due to his involvement in the Burketown Biggest Morning Tea, but that he had considered his position and was firmly of the opinion he could participate in debate and vote on this matter in the public interest.

08.02.07 Donations Requests 2012-13

Council defer consideration to this matter until a special budget meeting.

Moved: Cr Camp
Seconded: Cr Forshaw

Carried 14.120719 5/0

FILE NO: BCS/CR/S/D

Attendance

Terry Melchert left the meeting from 2.40pm to 2.41pm.
Hayley Booth entered the meeting at 2.41pm.

08.02.08 Payroll HR Monthly Update Report

That Council notes the contents of the Payroll HR Officer's July 2012 Monthly Update Report.

Moved: Cr Murray
Seconded: Cr Poole

Carried 15.120719 5/0

FILE NO: BCS/G/CM/R/PHR

08.02.09 Order of the Outback Ball (OOTOB) Update Report

Council notes the contents of the OTOB report for 2012.

Moved: Cr Camp
Seconded: Cr Murray

Carried 16.120719 5/0

FILE NO: BCS/CommS/E/OOTOB/2012

Attendance

Hayley Booth left the meeting at 3.00pm
Terry Melchert left the meeting at 3.00pm
Debbie Glyde left the meeting at 3.00pm.

Sign

09. Chief Executive Officer Reports

09.01.01 Chief Executive Officer Monthly Update Report

That council notes the contents of the Chief Executive Officer July 2012 Monthly Update Report.

Moved: Cr Poole
Seconded: Cr Murray

Carried 17.120719 5/0

FILE NO: BCS/G/CM/R/CEO

09.01.02 Purchase of Council Land

That Council

1. Offer Lot 46 B1364 Musgrave Street, Burketown for Sale by Public Auction;
2. Delegate to the Mayor and the Chief Executive Officer pursuant to Section 257 of the Local Government Act 2009 to act on Council's behalf for the auction of the abovementioned property, including the establishment of reserve price, and that they be authorised to finalise all matters relevant to the formation, conditions and administration of any contract arising from the proposed land sale including final contract price, settlement, and to negotiate and agree any variations to conditions including time and resolve disputes (whether by legal proceedings or otherwise) about the auction, any contract of sale or the like.

Moved: Cr Forshaw
Seconded: Cr Murray

Carried 18.120719 5/0

FILE NO: BCS/CP/VLS

09.01.03 Roads to Recovery Funding – Future of Program

That Council;

1. Endorses the actions of the Australian Local Government Association in seeking increased Roads to Recovery Program funding as well as making this funding permanent; and
2. Authorises the Chief Executive Officer to write to the Federal Member, Mr Bob Katter MP seeking his support for the campaign.

Moved: Cr Forshaw
Seconded: Cr Murray

Carried 19.120719 5/0

FILE NO: BCS/R/RTR

09.01.04 Native Title Update

That Council notes the information provided by the Chief Executive Officer.

Moved: Cr Poole
Seconded: Cr Duff

Carried 20.120719 5/0

FILE NO: BCS/NT/QUD84

Sign

10. Late Item Reports

That Council notes that no late item reports were received.

11. Consideration of Notice(s) of Motion and Petitions

11.01 Notices of Motion

11.02 Petitions

That Council notes that no Notices(s) of Motion and Petitions were received.

12. Mayoral Minute and Report

That the verbal report provided by Councillor Camp be noted by Council.

Moved: Cr Murray

Seconded: Cr Duff

Carried 21.120719 5/0

- Worked with MMG and OTOBall committee to have Ernie Dingo as MC at the ball.
- Attended Ball – presented award to Ian “Macca” McNamara who though unable to attend sent through an audio to be played on the evening. Ernie Dingo accepted the award on his behalf. Have received much positive feedback about the event and wish to thank all who contributed to the success of the event. Had a number of interviews with ABC Radio Mt Isa and Brisbane regarding the event.
- Spoke informally with Billy Gordon, Skytrans, regarding reinstating Air Users Group and strengthening relationships within the Shire.
- Attended GSD Meeting. Present were reps from Burke, Mornington, Carpentaria and Etheridge Shires. Doomadgee was unable to attend due to a tragic accident of a well-known community member. Our sympathies go to his extended family and friends. All Councils seem very willing and interested in engaging and taking forward regional issues as one voice.
- Attended Local Government training along with fellow councillors, CEO and EA. Also in attendance were Councillors from Mornington and Boulia Shires. The value of these workshops was enhanced by the attendance of the whole Council team and I thank you all for making the effort and finding the time in your busy schedules to attend.

13. Councillor Reports

That the verbal reports provided by Councillors Poole, Forshaw, Murray and Duff be noted by Council.

Moved: Cr Camp

Seconded: Cr Forshaw

Carried 22.120719 5/0

Cr Paul Poole

On the 8th July 2012 Tonya, Zach and myself took a bit of a tour around the western part of the Shire. This note gives a brief description of our observations.

- We left town and went to the tip. As a priority the tip needs fencing as rubbish blows continually from the site.
- The airport fencing and closure of the cross strip were also discussed whilst in the vicinity.

Sign

- Discussion took place on many subjects but the “passive closure” of the “Century Mine”.
- The road out to the border we thought was in good condition. The DASC were working to the west of Doomadgee. The road formation was of a very high standard where the Doomadgee crew had been working.
- We observed a lot of signage was missing or damaged. A new sign is required at the border for introduction to The Shire.
- One washout needed urgent attention.
- The Gregory Crossing has a section missing out of the concrete slab and is in urgent need of repair and it was noted that no signage has been erected to warn of the rough section.
- We stopped at Hells Gate twice and spoke with Bill and Lee. Bill requested the road verges be raked, slashed or leveled. He pointed out damage to crossings at McGilbys Creek (16 Mile Creek?) and also damage to gabion baskets at Scruttons Creek. Bill and Lee otherwise had no real complaints.
- Our trip took just on 8 hours and we plan to head to Bowthorn, Century and Gregory by the end of August 2012.

Pictures of the trip are available and some have already been sent to the Works Manager. The amount of rubbish and rubble along the road verges was also noted.

Cr Tracy Forshaw

- 23rd & 24th June – Gregory Camp draft – Nominations were down but it was still a good weekend besides the horrid windy weather.
- 25th June – I attended Regional Development Australia (RDA) meeting in Richmond. I got to visit the Silver Hills Cotton Farm just outside of Richmond and learnt about environmental insect control.
- 30th June – I help with the some of the set up with Outback Ball. The Ball was just enchanting and my thanks go to all the volunteers and organisers on doing a wonderful job – Burke Shire can be very proud that we can put on a 10/10 function.
- 3rd Burketown - Budget meeting and discussions.
- 10th & 11th July – Mt Isa - Local Government Councillor Training – all Councillors, CEO John Page & EA Jenny Williams attended with Boulia & Mornington Shires. It was very informative, and it was good that our team heard the same information at the same time.
- 14th July – I was invited to attend the NAIDOC presentation and Ball in Normanton. The candidates for female and male Junior, Senior and Mr & Mrs NAIDOC were very impressive and worthy of the applause. My family also enjoyed the lovely kup-murri and damper.
- 17th July – Crs Camp and Poole with CEO and Works Manager and I had a meeting at Gregory with RoadTek/Main Roads in regards to the Gregory/Burketown Road. The formation and sealing of the road is on track to be finished by December 2013. Whilst in Gregory we did a tour or recent roadworks on the Camooweal and Lawn Hill Roads.
- 18th July – Crs Camp, Poole, Murray with CEO and myself visited with Doomadgee Councillors and their CEO. It was pleasing that we all plan to work together to find solutions for a better region.

Cr Tonya Murray

- Trip to the western side of our shire with Zach and Paul
- MMG progress on pipeline
- Attended rodeo/ camp draft meeting
- MMG progressing dongas and rocks for signage
- Involved with the Order of the Outback Ball
- Attended Local Government Councillor Training in Mount Isa.
- Attended a meeting with Doomadgee Councillors and their CEO.

Sign

Cr Zach Duff

- Trip to the western side of our shire with Tonya and Paul
- Recently, attended Local Government Councillor Training in Mount Isa with all Councillors, CEO John Page & EA Jenny Williams.

14. New business of an urgent nature admitted by Council

That Council notes that no Business of Urgent Nature was received.

15. Closed session reports

That Council move into closed session to discuss confidential items as stated in the *Local Government (Operations) Regulation 2010* in Chapter 5 Administration, Part 2 Local government meetings and committees, under *Sections 72 (1) (a, and h)*.

Council moved into closed session at 4.37pm.

Moved: Cr Murray

Seconded: Cr Poole

Carried 23.120719 5/0

Move into Open Session

That the meeting resume in open session to consider recommendations arising out of the closed session.

Council resumed open session at 6.02pm.

Moved: Cr Murray

Seconded: Cr Camp

Carried 24.120719 5/0

Attendance

Jenny Williams entered the meeting at 6.03pm

Cr Duff left the meeting at 6.09pm

15.01 Resolution of Issues – non Council Owned Land

That Council notes the legal advice and directs its officers to:

- (i) identify all lots which fall into the described category by a full review of Council's land register.
- (ii) in terms of (i) above Council request a schedule be brought back detailing all relevant affected land and the best option for Council to resolve tenure issues.

Moved: Cr Forshaw

Seconded: Cr Camp

Carried 25.120719 4/0

FILE NO: BCS/CP/TD

Sign

15.02 Appointment of Acting Chief Executive Officer

That Council delegate authority to the Mayor to appoint an officer as Acting CEO in the absence of the CEO.

Moved: Cr Murray
Seconded: Cr Poole

Carried 26.120719 4/0

FILE NO: BCS/P/A/D

Attendance

Cr Duff entered the meeting at 6.12pm.

15.03 Floraville Road Floodways 2010/11

That Council advise Male Plumbing Services that this matter is still being investigated.

Moved: Cr Murray
Seconded: Cr Camp

Carried 27.120719 5/0

FILE NO: BCS/R/BAC/FRF

15.04 Claim for expenses Mrs A Clarke

That Council request the Chief Executive Officer to furnish a further report to the August Meeting on this matter.

Moved: Cr Forshaw
Seconded: Cr Murray

Carried 28.120719 5/0

FILE NO: BCS/G/C/CCI

17. Closure of Meeting

The Chair declared the Meeting closed at 6.13pm.

I hereby certify that these pages numbered 1 to 13 - constitute the
Confirmed minutes of the Council Meeting of Burke Shire Council held on
Thursday 19th July 2012

Mayor Cr Ernie Camp

Sign



Burke Shire Council

Revenue Policy 2012/2013

Document Control

Document Details:

Document Reference Number: FIN04

Version Number: 2

Next Scheduled Review Date: August 2013

Version History

Version Number	Date	Reason / Comments
	June 2010	
39.110520	July 2011	Revision
03.120823	August 2012	Revision

Sign

PURPOSE:

The purpose of this Revenue Policy pursuant to Section 134 of the Local Government (Finance, Plans and Reporting) Regulation 2010 is to set out the principles used by Council in 2012/13 for:

- (1) A local government must prepare a revenue policy each financial year.
- (2) The revenue policy must state –
 - (a) The principles that the local government intends to apply in the financial year for
 - (i) the levying of rates and charges; and
 - (ii) granting concessions for rates and charges; and
 - (iii) recovering overdue rates and charges; and
 - (iv) cost-recovery fees; and
 - (b) if the local government intends to grant concessions for rates and charges – the purpose for the concessions; and
 - (c) the extent to which physical and social infrastructure costs for a new development are to be funded by charges for the development; and
 - (d) the amount of each reserve to be kept in the operating fund and the way in which the local government intends to ensure funding is available to support the purpose of each reserve.
- (3) The revenue policy may state guidelines that may be used for preparing the local government's revenue statement.
- (4) The local government must adopt the revenue policy in sufficient time before the start of the financial year to allow an annual budget that is consistent with the revenue policy to be adopted for the financial year.
- (5) the local government may amend the revenue policy at any time before the end of the financial year.

PRINCIPLES:

To adopt principles for setting rates and charges for the raising of revenue by Council in respect of the 2012/13 year. Council's objective is to maintain:

- A "user pays" principle approach to the making of rates and charges;
- Equity - the Council strives to distribute the revenue burden in a fair manner between landowners and classes of landowner; and
- Consistency - the Council strives to achieve some consistency in the distribution of the revenue burden from year to year by limiting the overall increase in revenue across the Local Government Area.

In outlining the revenue policy the Council will adhere to specific legislative requirements for the content of the revenue policy.

POLICY:**A. MAKING OF RATES & CHARGES**

Rates and charges levied pursuant to Section 94 of the Local Government Act and Chapter 2 for the Local Government (Finance, Plans and Reporting) Regulation 2010 are to be determined after due consideration of the following factors:

- the objectives outlined in Council's Corporate Plan;
- the statutory obligations as outlined in the Local Government Act 2009;
- the statutory obligations as outlined in the Local Government(Finance, Plans and Reporting) Regulation 2010;
- the needs and expectations of the community;
- the expected change in prices for goods and services;
- the ability of the community to pay; and
- the ten year strategic financial plan;

B. LEVYING OF RATES & CHARGES

In accordance with Section 38 of the Local Government (Finance, Plans and Reporting) Regulation 2010, Council shall issue rate notices as follows:

- (a) Annual Rates and Charges shall be issued for the financial year (current, ensuing and previous) following Council's statutory budget meeting.
- (b) Supplementary Rate Notices will be issued on a regular basis for those properties that have had a new service or a current valuation has only been issued since and not included in (a) above.
- (c) In accordance with Section 43 of the Local Government (Finance, Plans and Reporting) Regulation 2010 council must adjust the rates or charges so that the rates or charges are calculated only for the period when the person was entitled to occupy the land.
- (d) In accordance with Section 38 of the Local Government (Finance, Plans and Reporting) Regulation 2010, the rates notice states the date when the rates notice is issued, the due date for the payment and if applicable the terms of the discount and the last day of the discount period.

C. RECOVERY OF UNPAID AMOUNTS OF RATES AND CHARGES

Council requires payment of rates and charges within the specified period and it is Council's policy to pursue the collection of outstanding rates and charges diligently but with due concern for the financial hardship faced by some members of the community.

Council has established administrative processes which allow for the payment of rates and charges by instalment and for the selection of various options (including legal action) for the recovery of debt.

In so doing, it will be guided by the following principles:

- making the obligations clear to ratepayers and the processes used by Council to assist ratepayers to meet these obligations;
- making clear the processes utilised by Council to recover outstanding rates and charges; and
- the provisions of Chapter 2, part 12 of the Local Government (Finance, Plans and reporting) Regulation 2010.

D. EXERCISING POWERS TO GRANT REBATES AND CONCESSIONS

In considering the application of concessions under Chapter 2, Part 10 of the Local Government (Finance, Plans and Reporting) Regulation 2010, Council will be guided by the principles of:

- equity by having regard to the different levels of capacity to pay within the local community;
- consistent treatment for ratepayers/organisations with similar circumstances; and
- Transparency by making clear the requirements necessary to receive concessions.



Burke Shire Council

National Competition Policy 2012/2013

Document Control

Document Details:

Document Reference Number: FIN03

Version Number: 2

Next Scheduled Review Date: July 2013

Version History

Minute Number	Date	Reason / Comments
	15 June 2010	Adopted council meeting
19.110817	17 August 2011	Adopted at Council Meeting – 17 August 2011
04.120823	23 rd August 2012	Adopted at Council Meeting – 23 August 2012

Sign

OBJECTIVE:

The purpose of Council's National Competition Policy annual review of Council's Business Activities is to state the outcomes of the annual review of Council's Business Activities and Water and Sewerage Reforms.

POLICY:**A. STRATEGIC DIRECTIONS**

1. Council has resolved not to apply the Code of Competitive Conduct (CCC) to the activities identified hereunder. This involves the classification and treatment of them as business activities of Council and will be reflected in the costing and pricing structures applied to them. Council's decision is based on the need to ensure that its resources are applied as efficiently as possible to the attainment of its corporate goals; the desire for transparency in its charging regimes; and the necessity to ensure equity among users of resources.
2. Application of this reform will assist Council and the community to recognize the true costs involved in providing its range of services and will identify those services which are commercially competitive from those which are necessary to enhance wider social objectives (community service obligations), enabling Council to set appropriate pricing policies.
3. The discipline imposed by the rigorous assessment of the minimum levels of property, plant and infrastructure required to deliver adequate service will enable Council to isolate assets which are surplus to requirements or are obsolescent. This will improve efficiencies in the total management planning and upkeep of infrastructure assets.

B IDENTIFICATION AND PERFORMANCE MEASUREMENT

i) The business activities to which CCC will be applied are as follows:

Other Roads Activities Non Type 3

This covers government construction and maintenance contract work under sole supplier arrangements and flood damage restoration. The application of the Code of Competitive Conduct provides additional opportunities for operating improvements.

Water and Sewerage Non Type 3

The reform consists of the application of full cost pricing and the separation of the component elements of community service obligations.

ii) These business activities will be separately identified within Council's financial management system and will be reported on at monthly meetings of Council. Each activity falls under the specific control of the nominated manager who will be responsible for the achievement of the corporate objectives applying to that business activity in terms of volume, service standards, profitability, staff, and resource management.

C OTHER COMPETITION ISSUES**i) COAG Water Reform**

Under Schedule 4 of the Local Government Act 2009, Councils with significant business activities identified under Chapter 8 are required to assess the cost effectiveness of introducing a two-part water tariff for water services. At present under this Legislation, Burke Shire Council is not identified as having a significant business activity and is therefore not required to comply with this process due to size. However the Council of Australian Governments agreement (COAG agreement) in relation to reform of Australia's water supply industry requires

that Councils investigate and, where appropriate, implement a two part tariff for water supply, involving a fixed connection or access charge designed to fund infrastructure provision and replacement, and a 'user pays' consumption charge to provide operating revenue.

As the finalisation of the metering has not been completed Council has decided not to apply the tariff to its water infrastructure at this time.

ii) Social Objectives of Related Community Service Obligations - Water and Sewerage

Water

Council uses treated water for a number of its activities:

1. The maintenance of its parks, gardens and reserves;
2. For public conveniences; and
3. Its in-house administrative functions.

These are to be recognized as community service obligations. Until a full analysis is carried out, no amount will be recognised in the 2012-2013 budget.

Sewerage

Council provides a number of toilet facilities and caravan waste dump facilities for the general public use. The value of these services was not valued. Until a full analysis is carried out, no amount will be recognised in the 2012/2013 budget.



Burke Shire Council

Borrowing Policy 2012/2013

Document Control

Document Details:

Document Reference Number: FIN05

Version Number: 2

Next Scheduled Review Date: July 2013

Version History

Meeting Resolution	Date	Reason / Comments
	July 2010	Original
	July 2011	As per Local Government Act 2009
05.120823	August 2012	As per Local Government Act 2009

OBJECTIVE:

The objective of this Borrowing Policy is to establish principles and set the level of borrowings for the 2012/2013 financial year and anticipated levels of borrowing for the following four (4) financial years.

Under the Local Government Act 2009, Chapter 3, Part 3 s133 requires that a Policy about borrowing must be prepared for a financial year and must state the following:

- (a) the new borrowings planned for the financial year and;
- (b) the purpose of the new borrowings; and
- (c) the time over which it is planned to repay existing and proposed borrowings.

POLICY:**A. NEW BORROWINGS**

Council has no new borrowings planned for 2012/2013.

B. PURPOSE OF NEW BORROWINGS

As there are no planned borrowings in the 2012/2013 financial year, the purpose is not applicable. However, in principle, planned borrowings are to be raised to fund the acquisition, construction, replacement and major refurbishment of non-current physical assets.

C. REPAYMENT TERM

As there are no planned borrowings in 2012/2013, the repayment term is not applicable.

D. PRINCIPLES

Council will consider the following principles when determining the annual borrowing program.

1. Long Term Financial Viability

Council will maintain a Long Term Strategic Financial Plan in order to demonstrate its long term financial viability and ability to service loan repayments.

This plan will forecast future revenue and expenditure levels including loan borrowings and servicing costs.

The plan will be reviewed annually during the budget process to ensure that Council remains financially viable in the long term and that the proposed budgets are consistent with the adopted strategy

Approval will be sought annually for proposed maximum borrowings from the Department of Infrastructure and Planning for Capital works listed in the Long Term Strategic Financial Plan.

Should the completion of capital works be delayed during the financial year, the loan draw down amount will be adjusted to avoid drawing down funds not required until the following financial year.

2. Appropriate Debt/Revenue Ratios

Council proposes to keep debt servicing costs below a maximum ceiling of 25% of annual rates revenue within the respective funds so as not to place undue burden upon future generations.

3. Inter-Generational Equity

Consideration for borrowing will be given to capital projects with an estimated useful life of ten years or more in order to apportion costs on an equitable basis over future generations of ratepayers.

4. Internal Borrowings

As an underlying strategy, Council will utilise unspent Capital Reserves before borrowing for specific functions.



Burke Shire Council

Revenue Statement 2012/2013

Document Control

Document Details:

Document Reference Number: FIN07

Version Number: 2

Next Scheduled Review Date: July 2013

Version History

Council Minute	Date	Reason / Comments
	15 June 2010	
22.110817	17 August 2011	Revised
06.120823	23 August 2012	Revised

Sign

POLICY:**A. MAKING OF RATES & CHARGES**

Rates and charges levied pursuant to Sections 92 and 94 963 of the Local Government Act 2009 are to be determined after due consideration of Council's 2012/13 Revenue Policy.

B. GENERAL RATES**(a) DIFFERENTIAL GENERAL RATES****1. Basis of Rate**

Council will continue a system of differential general rates for the 2012/13 financial year. The Council is required to raise an amount of revenue appropriate to maintain assets and provide services to the Local Government area as a whole. In deciding how that revenue is raised, the Council has taken into account the following factors:

- the rateable value of the land and the rates which would be payable if only one general rate were adopted;
- 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;
- the use of land in so far as it relates to the extent of utilisation of Council's services; and
- the location and access to services.

The differential general rates will be determined having regard to the land valuations, the number of multiple dwellings, units, or flats that applies within the relevant categories and Council's property type code, together with the application of the Council's minimum general rate.

2. Minimum General Rates

In accordance with Section 11 of the Local Government (Finance, Plans and Reporting) Regulation 2010, Council may levy a minimum general rate for each differential general rate category determined during the course of budget deliberations.

The minimum general rate will be determined at a level that also takes into account the minimum cost per annum of providing common services which are provided to every ratepayer as well as basic general administration costs.

3. Rate

Pursuant to Section 14 of the Local Government (Finance, Plans and Reporting) Regulation 2010, the scheme will have 13 categories of land.

Definitions

"Single residential dwelling":-

Properties used solely for a single residential dwelling, consists of a single dwelling built on only one allotment or built over the common boundary of two contiguous allotments used solely for domestic accommodation. A home unit is in respect to lots under "The Body Corporate and Community Management Act 1997" used solely for domestic accommodation.

“Residential unit”:-

Is defined as a detached building used for residential purposes (whether single or multiple accommodation).

“Land”: -

Shall mean a single surveyed allotment or multiple surveyed allotments having a single rateable valuation as assessed by the Queensland Department of Environment and Resource Management.

“Primary or secondary land use codes”:-

Shall mean the system adopted and assigned by the Queensland Department of Environment and Resource Management to identify the use of land.

“Council’s Property Type Code”:-

Shall mean the system adopted and assigned by Council to identify the type of land.

“Council’s Land Use Code”: -

Shall mean the system adopted and assigned by Council to identify the use of land.

The categories and the considerations taken into account in determining the differentials are:-

URBAN

Category 1 – Urban Burketown

All rateable land within the township of Burketown.

Category 2 – Urban Gregory

All rateable land within the township of Gregory.

RURAL

Category 3 - Rural (Size <= 300,000 Hectares)

All rateable rural land in the shire with a size of 300,000 hectares or less, and with cattle grazing as the primary land use.

Category 4 - Rural (Size 300,001 – 500,000 Hectares)

All rateable rural land in the shire with a size of 300,001 to 500,000 hectares, and with cattle grazing as the primary land use.

Category 5 - Rural (Size >= 500,001 Hectares)

All rateable rural land in the shire with a size of 500,001 hectares or greater, and with cattle grazing as the primary land use.

Category 6 - Rural Agriculture/Crop Cultivation

All rateable rural land in the shire where the primary use is crop cultivation.

Category 7 - Rural Tourism & Commercial

All rateable land outside the townships of Burketown and Gregory that do not have rural type uses as their primary use, and are used for commercial or tourism purposes.

Category 8 - Rural Telecommunications Infrastructure

All rateable land outside the townships of Burketown and Gregory used for telecommunications infrastructure services.

MINING**Category 9 - Prospecting**

All rateable land within the Shire which are mining leases and not included in Categories 10 – 13.

Category 10 – Mining Intensity 1

All rateable land within the Shire with areas involved in sample production and development, where such land is only part of the area included in the valuation.

Category 11 – Mining Intensity 2

All rateable land within the Shire with areas involved in sample production and development, where a separate valuation is issued for the area of the mining lease.

Category 12 – Mining Intensity 3

All rateable land within the Shire with areas involved in mining production, where such land is only part of the area included in the valuation.

Category 13 – Mining Intensity 4

Land that is a mine that, according to statistics published by the Department of Mines and Energy as at March 2011 had more than 500 workers (employees and/or contractors).

4. Limitation on Increases in Rates and Charges

In accordance with the principles set out in the Revenue Policy 2012/2013, and *Council Resolution 26.100616*, a capping of 25% of the amount of the rate levied for the previous financial year is to apply to Differential Rate Categories 1, 2 and 3.

C. UTILITY CHARGES

Utility charges will be set on an annual basis having regard to the costs associated with providing the services. Rates will be determined with reference to maintaining assets and providing services and will generally reflect a user pays principle. Allowances will be made to balance the user pays system and to provide a service to ratepayers and/or the community at large.

(a) CLEANSING CHARGES

1. Basis of Charge

Cleansing Utility Charges are levied under Section 92 (4) of the Local Government Act 2009, for the purpose of defraying the costs of operating, maintaining and managing the collection and disposal of waste in the Shire.

A minimum level of service will be charged for occupied residential and commercial properties.

Burketown and Gregory

A Standard Waste Service consists of a (weekly) 240 litre bin collection. All occupied properties within the townships of Burketown and Gregory attract the cleansing charge irrespective of whether they use the service or not.

2. Charges

Burketown and Gregory

The following minimum charges apply on a per bin service basis:

- Occupied Residential – 20 units (equivalent 1 x 240L wheelie bin) per residential unit.
- Occupied Non-Residential – 60 units (equivalent 3 x 240L wheelie bins)
- Additional Services – 20 units (equivalent 1 x 240L wheelie bin) per service
- Unoccupied – Nil

Provided that where a service is commenced or terminated during a year, a pro-rata charge shall be levied.

No adjustment shall be made for non occupancy or use of premises less than six months in duration. No adjustment shall be made for non occupancy or use of premises until written advice is given to Council and only from the date of receipt of that advice and the return of the relevant bins provided to Council.

Charges for refuse services will commence upon premises being considered to be able to be occupied and the delivery of the 240 litre bin to the premises by Council.

(b) WATER CHARGES

1. Basis of Charge

Water Utility Charges are levied under Section 92 (4) of the Local Government Act 2009. Water undertakings are operated in the townships of Burketown and Gregory. Council provides a water supply to all properties within the serviced areas. Council operates a rating regime based on a unit allocation scheme whereby all allotments in the water areas are allocated a certain number of units of water. A residential unit is defined as a detached building used for residential purposes (whether single or multiple accommodation).

Vacant properties attract a vacant water charge recognising that a water service is available to the land as water infrastructure has been installed ready to supply the property once it is occupied. In an effort to encourage development of serviced land, Council does not differentiate between vacant and improved land.

2. Charges

The water units table for Burketown and Gregory is below.

General Categories	No of Units
Vacant	20
Occupied	20
Residential	20
Commercial	20
Community	20
Ovals and Parks	100
Commercial Accommodation	200
Hotel with Accommodation	200
Special Categories - Burketown	
Hospital	250
School	350
Kindergarten	40
Special Categories – Gregory	
School	40
Special Categories – Rural	
Rural property connected to town water supply - untreated	100
Stock Trough – treated or untreated	50
Turkey Nest Dam – treated or untreated	100

(c) SEWERAGE CHARGES

1. Basis of Charge

Council provides a sewerage reticulation system within the defined sewerage area of the township of Burketown. Council charges are rated for provision of this service. The rate is based upon the operating and maintenance cost of the system, together with a provisional component seeking to recover an amount toward future replacement and augmentation of the system.

Vacant properties attract a vacant sewerage charge recognising that a sewerage service is available to the land as infrastructure has been installed ready to service the property once it is occupied.

Council has adopted a unit allocation scheme whereby all allotments within the sewerage area are allocated a number of units.

2. Charges

The following minimum charges apply:

- Vacant – 20 units
- Residential – 20 units per residential unit
- Non-Residential – 20 units per pedestal

D. REBATES AND CONCESSIONS

(a) Pensioner Rating Remissions

Pursuant to Sections 53 and 54 of the Local Government (Finance, Plans and Reporting) Regulation 2010, Council grants eligible pensioners a subsidy on their principal place of residence only. This remission is in addition to the State Government Pensioner Rate Subsidy Scheme.

Eligibility for these rebates is determined by the criteria for eligibility set for the State Government Pensioner Rate Subsidy Scheme. The remission of the rates granted to eligible pensioners which conform to the criterion set by the aforementioned scheme shall be allowed in each year without further application so long as the pensioner(s) remain qualified to receive such remission.

Applications must be received prior to the levying of each rating period in order to receive such remission for said period.

(b) Charitable, Non-Profit or Community Organisations

Charitable, non-profit or community organisations may be granted a concession in respect to any of the charges imposed by the Council.

E. DISCOUNT

To encourage the prompt payment of rates and charges a discount will be allowed, on all rates and charges levied, if all rates and charges are paid in 30 clear days after the issue of a rate notice. The discount rate will be determined by resolution at the budget meeting.

Pursuant to Section 64 of the Local Government (Finance, Plans and Reporting) Regulation 2010, discount on rates and charges will be allowed if payment is received by Council by the close of business hours on or before the due date.

1. Discount for payment in 30 clear days

If the full amount of rates is paid in 30 clear days after the date of issue of the relevant rate notice, a discount will be allowed.

Council will allow discount where the postmark clearly shows the rates payment was posted, in Australia, to Council on a day that was before the last day of discount.

Council will also allow discount where an electronically transmitted payment is received on the next working day after close of discount.

2. No discount if other rates or charges are overdue

A discount is not allowable for a rate levied on land if there are other overdue rates and/or interest for the land.

3. Discount when special circumstances prevent prompt payment

That delegated authority be given to the Chief Executive to allow discount if it is proven that the person liable to pay the rate was prevented, by circumstances beyond the person's control, from paying the rate within the period required. Any circumstances that cannot be resolved will then be reported to Council.

F. PAYMENT BY INSTALMENTS

In accordance with Section 63 of the Local Government (Finance, Plans and Reporting) Regulation 2010, Council will allow property owners who are unable to pay their full rates by the due date, to pay by instalments with no recovery action being taken on any instalment payment that is not overdue. **To access the scheme ratepayers need to make application to Council.**

G. ISSUING OF NOTICES

In accordance with Section 41 of the Local Government (Finance, Plans and Reporting) Regulation 2010, Council shall issue rate notices in accordance with Council's revenue policy.

H. TIME WITHIN WHICH RATES MUST BE PAID

In accordance with Section 52 of the Local Government (Finance, Plans and Reporting) Regulation 2010, the due date by which each rate must be paid is 30 clear days after the date of issue of the rate notice.

I. INTEREST ON OVERDUE RATES

It is Council's policy to ensure that the interests of ratepayers are protected by discouraging avoidance of responsibilities for meeting rates and charges debts. To this end Council will impose interest on rates and charges which remain overdue and unpaid. The rate of interest will be determined annually by resolution.

In accordance with Section 67 of the Local Government (Finance, Plans and Reporting) Regulation 2010, Council shall apply an interest rate compounded daily to be charged on overdue rates from previous financial years and rates levied in the 2012/13 Budget year that have not been paid by the due date.

Interest charges will not be made from the date an agreed instalment arrangement is entered into. However, such charges will be reapplied as if no instalment arrangements had been entered into if there is any default in keeping to the agreed instalment arrangements, without prior agreement to any variance in said arrangements.

J. OTHER

PHYSICAL & SOCIAL INFRASTRUCTURE COSTS FOR NEW DEVELOPMENT

As a consequence of the Sustainable Planning Act 2009 the Council is required to produce infrastructure charges plans.

The infrastructure charges plan must, among other things, include:

- a statement of the desired standard of service for the item (i.e. user benefits, environmental outcomes, engineering standards, planned operational life etc);
- an evaluation of alternative ways of funding (there may be more efficient ways, such as periodic charges, to fund the item);
- the timing of supply and estimated cost of items; and
- the method used to calculate the charge.

The Council is in the process of developing the plans. Until such time as the plans come into force Council's Local Planning Policies will be the basis for Council's charging practices. The policies provide for the cost of infrastructure for new developments to be fully funded by developers to the extent that Council has the legal ability to achieve that outcome.

BUDGET AND OPERATING CAPABILITY

Council's budget has been prepared on an accrual basis. The change in operating capability of the local government is disclosed as the bottom line of the Operating Statement. It reflects the change in total wealth of the Council.

Council estimates population and business levels within the Local Government area will remain in line with the long term strategic forecasts. This is reflected in the Long Term Strategic Financial Plan of the Council.

Council's operating capability is to be maintained for 2012/13 as compared to the previous year.

FUNDING OF DEPRECIATION AND OTHER NON CURRENT ASSETS

Depreciation

Council will endeavour to set rates and charges to provide revenue sufficient to fund depreciation.

Provisions

Council will ensure funds are available to cover 100% of the current liability in respect of Long Service Leave and of Annual Leave.

OTHER MATTERS CONCERNING RATES AND CHARGES, SUNDRY DEBTORS AND CREDIT FACILITIES

Collection of Outstanding Rates and Charges

Council shall collect rate and charges in accordance with Councils Revenue Policy and the provisions of the Local Government Act 2009.

Collection of Outstanding Credit Accounts

Council requires payment of fees and charges within the specified period and it is Council's policy to pursue the collection of outstanding fees and charges. To this end Council has established administrative processes which allow for the payment of fees and charges by arrangement and for the selection of various options (including legal action) for the recovery of debt.

Credit Facilities

Credit facilities are only available to customers on completion and approval of a Commercial Credit Account Application. All accounts are to be paid in full no later than thirty (30) days following the issue date of the invoice.

Payments in Advance

Council accepts payments in advance by lump sum or by instalments. Interest is not payable on any credit balances held.

FEES AND CHARGES

Cost recovery fees

In accordance with Section 97 of the Local Government Act 2009, the Council shall by resolution fix a fee for services and facilities including but not limited to, an application for, or the issue of, an approval, consent, licence, permission, registration or other authority under a Local Government Act.

In accordance with Section 97, the fees shall be no more than the cost to the local government of providing the service or taking the action for which the fee is charged.

Fees and charges will generally be contained in the Regulatory and Non Regulatory Fees and Charges Schedule as adopted by Council from time to time. The Council's Regulatory and Non-Regulatory charges schedule contains all commercial and regulatory charges made by the Council and is open to inspection at the Council's public office.

Statement of Comprehensive Income

For the year ended 30 June 2013

	<u>Notes</u>	<u>Amend. 12/13</u>	<u>13/14 Budget</u>	<u>14/15 Budget</u>
Income				
Revenue				
Recurrent revenue				
Rates, levies and charges	3	3,656,040	3,765,720	3,878,680
Fees and charges	3	68,100	70,250	52,520
Rental income	3	184,000	184,000	120,000
Interest received	3	400,000	250,000	250,000
Sales revenue	3	5,263,500	553,370	556,030
Other income	3	0	0	6,620
Grants, subsidies, contributions and donations	4	4,389,960	3,980,600	4,095,410
Total recurrent revenue		13,961,600	8,803,940	8,959,260
Capital revenue				
Grants, subsidies, contributions and donations	4	860,000	672,950	672,950
Total capital revenue		860,000	672,950	672,950
Total revenue		14,821,600	9,476,890	9,632,210
Capital income	5	0	0	0
Total income		14,821,600	9,476,890	9,632,210
Expenses				
Recurrent expenses				
Employee benefits	6	(2,955,150)	(2,985,550)	(3,080,000)
Materials and services	7	(5,714,970)	(1,740,230)	(2,406,825)
Finance costs	8	(15,000)	(15,750)	(16,540)
Depreciation and amortisation	9	(3,573,570)	(3,552,400)	(3,492,400)
Total recurrent expenses		(12,258,690)	(8,293,930)	(8,995,765)
Capital Expenses	10	(15,000)	(15,750)	(16,540)
		(15,000)	(15,750)	(16,540)
Total expenses		(12,273,690)	(8,309,680)	(9,012,305)
Net operating surplus		2,547,910	1,167,210	619,905

	<u>Notes</u>	<u>Amend. 12/13</u>	<u>13/14 Budget</u>	<u>14/15 Budget</u>
Appendix Six				
Other comprehensive income				
Increase / (decrease) in asset revaluation surplus		0	0	0
Available-for-sale financial assets				
Current year gains / (losses)		0	0	0
Reclassification to profit or loss		0	0	0
Cash flow hedging				
Current year gains / (losses)		0	0	0
Reclassification to profit or loss		0	0	0
Share of comprehensive income of associates		0	0	0
Total other comprehensive income for the year		0	0	0
Total comprehensive income for the year		2,547,910	1,167,210	619,905

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

Statement of Cash Flows

For the year ended 30 June 2013

	<u>Notes</u>	<u>Amend. 12/13</u>	<u>13/14 Budget</u>	<u>14/15 Budget</u>
Cash flows from operating activities:				
Receipts from customers		9,517,640	4,414,340	4,518,850
Payments to suppliers and employees		(8,700,120)	(5,304,460)	(5,652,465)
		817,520	(890,120)	(1,133,615)
Dividends received		0	0	0
Interest received		400,000	250,000	250,000
Rental income		184,000	184,000	120,000
Non-capital grants and contributions		3,859,960	3,955,600	4,070,410
Income from investments		0	0	0
Borrowing costs		0	0	0
Net cash inflow (outflow) from operating activities	35	5,261,480	3,499,480	3,306,795
Cash flows from investing activities:				
Payments for property, plant and equipment		(7,391,371)	(6,106,800)	(6,094,470)
Payments for intangible assets		0	0	0
Net movement on loans and advances		0	0	0
Proceeds from sale of property, plant and equipment	5	910,991	0	0
Grants, subsidies, contributions and donations		860,000	672,950	672,950
Net cash inflow (outflow) from investing activities		(5,620,380)	(5,433,850)	(5,421,520)
Cash flows from financing activities				
Proceeds from borrowings		0	0	0
Repayment of borrowings		0	0	0
Repayments made on finance leases		0	0	0
Net cash inflow (outflow) from financing activities		0	0	0
Net increase (decrease) in cash held		(358,900)	(1,934,370)	(2,114,725)
Cash at beginning of reporting period		14,407,071	14,048,171	12,113,801
Cash at end of reporting period	11	14,048,171	12,113,801	9,999,076

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

BURKE SHIRE COUNCIL

Statement of Financial Position

Appendix Six

For the year ended 30 June 2013

	<u>Notes</u>	<u>Amend. 12/13</u>	<u>13/14 Budget</u>	<u>14/15 Budget</u>
Current Assets				
Cash and cash equivalents	11	14,048,171	12,113,801	9,999,076
Trade and other receivables	12	837,715	837,715	837,715
Inventories	13	472,500	472,500	472,500
Other financial assets	14	0	0	0
		15,358,386	13,424,016	11,309,291
Total current assets	2	15,358,386	13,424,016	11,309,291
Non-current Assets				
Property, plant and equipment	15 43	83,682,425	86,236,825	88,838,895
Total non-current assets	2	83,682,425	86,236,825	88,838,895
TOTAL ASSETS		99,040,811	99,660,841	100,148,186
Current Liabilities				
Trade and other payables	20	491,277	491,277	491,277
Provisions	23	10,000	10,000	10,000
Other	24	0	0	0
Total current liabilities		501,277	501,277	501,277
Non-current Liabilities				
Trade and other payables	20	19,448	19,448	19,448
Provisions	23	569,863	569,863	569,863
Total non-current liabilities		589,311	589,311	589,311
TOTAL LIABILITIES		1,090,588	1,090,588	1,090,588
NET COMMUNITY ASSETS		97,950,223	98,570,253	99,057,598
Community Equity				
Asset revaluation reserve	25	44,976,115	44,976,115	44,976,115
Retained surplus/(deficiency)	26	42,269,981	42,890,011	43,377,356
Other reserves	28	10,704,127	10,704,127	10,704,127
TOTAL COMMUNITY EQUITY		97,950,223	98,570,253	99,057,598

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

Appendix Six

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

Appendix Six

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Page 1



FEES & CHARGES 2012/2013

Adopted 23/08/12 - 17.120823

Table of Contents

	PAGE
FINANCE PROGRAM	3
RATES	3
DEVELOPMENT SERVICES	4
AERODROME OPERATIONS	4
RECOVERABLE WORKS & PLANT HIRE	4
ANIMAL CONTROL	5
ENVIRONMENTAL HEALTH	5 & 6
CEMETERY	6
PUBLIC HALLS	7
LIBRARY FEES	7
BURKETOWN AQUATIC FACILITY	7
WASTE DISPOSAL FEES	8
SEWERAGE	8
WATER	8
REGULATORY FEES NOT ELSEWHERE MENTIONED	8
COMMERCIAL FEES NOT ELSEWHERE MENTIONED	8

Details	2012-13		GST	Legislation	Section	Fee Type	GL#
FINANCE PROGRAM							
REPORTS							
Annual Report, Budgets & Financial Statements per printed copy	\$50.00	per publication	No GST	Local Govt Act 2009	Part 2 s97	Regulatory	2200-1501-0000
Council Minutes & Business Papers - printed copy	free	Per mailing	No GST	Local Govt Act 2009	Part 2 s97	Regulatory	2200-1501-0000
Council Minutes & Business papers - emailed copy	free						
LOCAL LAWS							
Council local laws - fully copy	\$125.00	per set	No GST	Local Govt Act 2009	Part 2 s97	Regulatory	2200-1501-0000
Freedom of Information Application (non personal) plus associated cost		per application	No GST	Freedom of Information Regulation 1992	s6(a)	Regulatory	2200-1501-0000
PHOTOCOPYING							
A4 Sheet - first 5 pages	\$1.20	per sheet	GST			Commercial	2200-1500-0000
A4 Sheet - first 5 pages colour	\$1.60						
A4 Sheet - subsequent pages	\$0.30	per sheet	GST			Commercial	2200-1500-0000
A4 Sheet - subsequent pages colour	\$0.40						
A3 Sheet - first 5 pages	\$1.80	per sheet	GST			Commercial	2200-1500-0000
A3 Sheet - first 5 pages colour	\$1.90						
A3 Sheet - subsequent pages	\$0.40	per sheet	GST			Commercial	2200-1500-0000
A3 Sheet - subsequent pages colour	\$0.50						
<i>NB: Photocopying on both sides of a single sheet of paper is the equivalent of 2 sheets of paper.</i>							
LAMINATING							
A4 Sheet	\$2.70	per sheet	GST			Commercial	2200-1500-0000
A3 Sheet	\$3.20	per sheet	GST			Commercial	2200-1500-0000
FAX SENDING SERVICE							
First page only	\$5.30	per sheet	GST			Commercial	2200-1500-0000
Second page and subsequent page	\$2.70	per sheet	GST			Commercial	2200-1500-0000
RATES							
RATE & PROPERTY SERVICES							
Rate and property search - written	\$100.00	per assessment	No GST	Local Govt Act 2009	Part 2 s97	Regulatory	2200-1501-0000
Rate record search fee - outside current rating period	\$12.00	per receipt/rate notice	No GST	Local Govt Act 2009	Part 2 s97	Regulatory	2200-1501-0000
Ownership search	\$12.00	per assessment	No GST	Local Govt Act 2009	Part 2 s97	Regulatory	2200-1501-0000

Details	2012-13		GST	Legislation	Section	Fee Type	GL#
DEVELOPMENT SERVICES							
Development Application Fees							
Lodgement of Private Certifier Approvals - Building	\$80.00	Per application	No GST	Sustainable Planning Act		Regulatory	3400-1500-0000
Lodgement of Applications for Assessment - Planning	\$80.00	Per application	No GST	Sustainable Planning Act		Regulatory	3400-1500-0000
Assessment Fees - Planning Application Assessment Fees	At Cost to Council plus \$160.00 (\$160.00 deposit to be paid on application lodgement)	Per application	No GST	Sustainable Planning Act		Regulatory	3400-1500-0000
Copies of any Approvals	As per Photocopying Charges plus \$5.00 postage		No GST	Sustainable Planning Act		Regulatory	3400-1500-0000
Planning Certificates - Full	\$480 plus inspection Costs	per certificate	No GST	Sustainable Planning Act		Regulatory	3400-1500-0000
Planning Certificate - Standard (No inspection Required)	\$265.00	per certificate	No GST	Sustainable Planning Act		Regulatory	3400-1500-0000
Planning Certificates - Limited	\$105.00	per certificate	No GST	Sustainable Planning Act		Regulatory	3400-1500-0000
AERODROME OPERATIONS							
AIRPORT LANDING FEES							
Burketown	\$9.00/tonne	Collected by Avdata	GST			Commercial	4300-1516-0000
	minimum of \$22.50/tonne						
Gregory	nil		GST			Commercial	4301-1500-0000
AIRCRAFT OVERNIGHT PARKING							
Nightly	\$6.00	per aircraft	GST			Commercial	4300-1515-0000
Weekly	\$32.00	per aircraft	GST			Commercial	4300-1515-0000
Per Annum	\$500.00	per aircraft	GST			Commercial	4300-1515-0000
<i>RA aircraft are exempt from all airport fees</i>							
<i>The RFDS are exempt from all airport fees</i>							
RECOVERABLE WORKS & PLANT HIRE							
PRIVATE WORKS							
Private Works including plant hire	at cost plus 21%+GST		GST			Commercial	4600-1500-0000
Approved Station Access Work	at cost						
Approved Land Care Activities	at cost						
COUNCIL BUS							
Hire of Bus	\$525.00	per day	GST			Commercial	4500-1510-0000
BOND - Hire of Bus	\$500.00		No GST			Commercial	9991-5131-0000

Details	2012-13		GST	Legislation	Section	Fee Type	GL#
ANIMAL CONTROL							
REGISTRATION OF ANIMALS							
Regulated Dog Registration	\$220.00	per animal	No GST	Animal (Cats & Dogs) Act		Regulatory	5000-1500-0000
Cat Registration	\$11.00	per annum	No GST	Animal (Cats & Dogs) Act		Regulatory	5000-1500-0000
Dog Registration - entire	\$55.00	per annum	No GST	Animal (Cats & Dogs) Act		Regulatory	5000-1500-0000
Dog Registration - desexed	\$11.00	per annum	No GST	Animal (Cats & Dogs) Act		Regulatory	5000-1500-0000
Lodgement of Ownership Advice (Including update)	\$0.00	per animal	No GST	Animal (Cats & Dogs) Act		Regulatory	5000-1500-0000
IMPOUNDING OF ANIMALS							
Dogs, Cats	\$30.00	per animal	No GST	Local Govt Act 2009	Local Law 2	Regulatory	5000-1500-0000
Repeat offenders (12 month period)	\$60.00						
Horses, Cattle, Donkeys, Goats and Swine	Full Cost with \$110.00 Minimum	per animal	No GST	Local Govt Act 2009	Local Law 2	Regulatory	5000-1500-0000
Officer Callout Fee (For impoundings outside of ordinary hours)	\$150.00	per animal	No GST	Local Govt Act 2009	Local Law 2	Regulatory	5000-1500-0000
RELEASE FEE (Payment of Impound Fee PLUS)							
Dogs, Cats	\$40.00	per animal	No GST	Local Govt Act 2009	Local Law 2	Regulatory	5000-1500-0000
Horses, Cattle, Donkeys, Goats and Swine	\$110.00	per animal	No GST	Local Govt Act 2009	Local Law 2	Regulatory	5000-1500-0000
Officer Callout Fee (For release outside of ordinary hours)	\$150.00	per animal	No GST	Local Govt Act 2009	Local Law 2	Regulatory	5000-1500-0000
Sustenance and maintenance fee	\$25.00	per animal per day	No GST	Local Govt Act 2009	Local Law 2	Regulatory	5000-1500-0000
Additional Fee for unregistered Dog or cat	\$55.00	per animal	No GST	Local Govt Act 2009	Local Law 2	Regulatory	5000-1500-0000
ENVIRONMENTAL HEALTH							
GENERAL							
Application fees	\$55.00	Applicable to all applications. Approval fee to be invoiced after assessment	No GST	Local Govt Act 2009	Part 2 s97	Regulatory	5100-1500-0000
ENVIRONMENTAL PROTECTION ACT							
Environmentally Relevant Activity (ERA) Applications	\$215.00	per application	No GST	Environmental Protection Act 1994	s73d	Regulatory	5100-1500-0000
Annual Licensing Fee	\$160.00	per licence	No GST	Environmental Protection Act 1994	s73d	Regulatory	5100-1500-0000
FLAMMABLE & COMBUSTABLE LIQUID STORAGE							
Application & Assessment fees	\$160.00	Applicable to all applications. Annual Registration fee to be invoiced after approval	No GST	Local Govt Act 2009	Part 2 s97	Regulatory	5100-1500-0000
							5100-1500-0000

Details	2012-13		GST	Legislation	Section	Fee Type	GL#
ENVIRONMENTAL HEALTH							
Annual Registration Fee							5100-1500-0000
Fuel Depot	\$160.00	per renewal	No GST	DGSMR 2001	s182(a)	Regulatory	5100-1500-0000
Retail Fuel Outlet	\$160.00	per renewal	No GST	DGSMR 2001	s182(a)	Regulatory	5100-1500-0000
Commercial and Industrial - Fuel for own use	\$105.00	per renewal	No GST	DGSMR 2001	s182(a)	Regulatory	5100-1500-0000
Private Storage - Minor	\$55.00	per licence	No GST	DGSMR 2001	s182(a)	Regulatory	5100-1500-0000
Licence Transfer	\$55.00	per renewal	No GST	DGSMR 2001	s182(a)	Regulatory	5100-1500-0000
Alterations or Additions to Fuel Tanks or Dispensing Pumps - Minor	\$55.00	per renewal	No GST	DGSMR 2001	s182(a)	Regulatory	5100-1500-0000
Alterations or Additions to Fuel Tanks or Dispensing Pumps - Major	\$160.00	per renewal	No GST	DGSMR 2001	s182(a)	Regulatory	5100-1500-0000
Pre-Sale inspections	Actual Cost + 21%	per inspection	GST			Commercial	5100-1500-0000
Copies of Plans for Alterations							
Search Fee	\$55.00	per renewal	No GST	DGSMR 2001	s182(a)	Regulatory	5100-1500-0000
Copy of Approved Plan	As per Photocopy fee	per renewal	No GST	DGSMR 2001	s182(a)	Regulatory	5100-1500-0000
<i>The submission of a plan drawn to scale is required for all initial applications for storage and any other alterations and additions to outlets. The plan must show the location of all storage and lines on connections with the storage. In the case where no fee is prescribed the fee shall be determined by the CEO.</i>							
FOOD BUSINESS LICENCE IN PERMANENT PREMISES							
Application fees	\$105.00	Applicable to all new Food Business Licence/Amendment applications. Annual Licence fee to be invoiced with issue of licence	No GST	Local Govt Act 2009	Part 2 s97	Regulatory	5100-1500-0000
Annual Licence Fee	\$160.00	per annum - Pro-rata for new businesses after 31 December	No GST	Food Act 2006	s52(1) (a)	Regulatory	5100-1500-0000
Annual Hawkers Licence	\$150.00	per annum - Pro-rata for new businesses after 31 December	No GST	Food Act 2006	s52(1) (a)	Regulatory	5100-1500-0000
Licence amendment (licensee change)	\$55.00	per approval	No GST	Food Act 2006		Regulatory	5100-1500-0000
Pre-Sale inspections	Actual Cost + 21%	per inspection	No GST	Food Act 2006		Regulatory	5100-1500-0000
Licence for Community Not-for-profits organisations	\$0.00	per annum	No GST	Food Act 2006	s52(1)(a)	Regulatory	5100-1500-0000
Notification of Food Safety Supervisor	\$0.00	per notification	No GST	Food Act 2006		Regulatory	5100-1500-0000
CEMETERY							
CEMETERY FEES							
Per Internment (Burketown and Gregory)	\$180 + actual costs	per internment	GST			Commercial	5300-1500-0000

Details	2012-13		GST	Legislation	Section	Fee Type	GL#
PUBLIC HALLS							
HALL HIRE							
Per Day & Night Hire - private functions	\$125.00		GST			Commercial	5540-1550-0000
Per Day & Night Hire - Charitable functions - local non-for-profit	\$95.00		GST			Commercial	5540-1550-0000
Per Day & Night Hire - Charitable functions - non-local non-for-profit	\$125.00		GST			Commercial	5540-1550-0000
Per Day & Night Hire - Government Departments	\$220.00		GST			Commercial	5540-1550-0000
Per Day & Night Hire - Commercial functions	\$220.00		GST			Commercial	5540-1550-0000
Night Only	2/3 of above cost		GST			Commercial	5540-1550-0000
Day Only	2/3 of above cost		GST			Commercial	5540-1550-0000
BOND - Hall Hire	\$250.00		No GST			Commercial/Other	9993-5128-0000
PUBLIC HALLS							
TABLE AND CHAIR HIRE - Separate location							
<i>Selected tables and chairs only</i>							
Hire of Chairs (minimum charge of \$20)	\$1.20	per chair per day	GST			Commercial/Other	5540-1550-0000
Hire of Tables (minimum charge of \$20)	\$4.50	per table per day	GST			Commercial/Other	5540-1550-0000
BOND Chairs	\$50.00		No GST			Commercial/Other	9993-5128-0000
BOND Tables	\$50.00		No GST			Commercial/Other	9993-5128-0000
LIBRARY FEES							
TEMPORARY MEMBERSHIP - Non-residents of Burke Shire							
Borrow three books	\$30.00	Refundable bond	No GST			Commercial	9991-5132-0000
Calico Bag	\$2.00		GST			Commercial	5700-1502-0000
INTERNET CHARGES							
Internet Access	\$2.00	per 20 minutes or part thereof	GST			Commercial	5700-1500-0000
Printing of documents	As per Photocopy fees		GST			Commercial	5700-1500-0000
BURKETOWN AQUATIC FACILITY							
POOL CARD CHARGES							
Daily Access	\$6.00	per key	GST			Commercial	5800-1500-0000
Per week Access	\$40.00	per key	GST			Commercial	5800-1500-0000
Per month Access	\$100.00	per key	GST			Commercial	5800-1500-0000
Per six Month Access	\$120.00	per key	GST			Commercial	5800-1500-0000
12 month Access	\$150.00	per key	GST			Commercial	5800-1500-0000
BOND - Key Deposit	\$25.00	per key	No GST			Commercial	9991-5133-0000

Details	2012-13		GST	Legislation	Section	Fee Type	GL#
WASTE DISPOSAL FEES							
WASTE DISPOSAL CHARGES							
Asbestos Waste	at Cost plus 21% Plus GST (Minimum \$110.00)		GST			Commercial	6000-1500-0000
WHEELIE BINS							
Replacement of Wheelie Bin (Beyond normal wear and tear)	\$115.00	per Wheelie Bin	GST			Commercial	6000-1500-0000
Casual Wheelie Bin usage	\$25 Delivery/pickup plus \$5 per bin emptying fee per pickup	per Wheelie Bin	GST			Commercial	6000-1500-0000
SEWERAGE							
SEWERAGE CONNECTIONS							
Connection to Sewerage - House	at cost - maximum \$1000.00	per connection	No GST			Regulatory	6320-1500-0000
Connection to Sewerage - Commercial	Quote with \$1,500 deposit, private works	per connection	No GST				
WATER							
WATER CONNECTIONS							
20mm Water Connection	\$750.00	per connection	No GST			Regulatory	6420-1500-0000
25mm Water Connection	\$1,000.00	per connection	No GST			Regulatory	6420-1500-0000
Other Water Connections	Quote with \$1,500 deposit, private works	per connection	No GST			Regulatory	6420-1500-0000
REGULATORY FEES NOT ELSEWHERE MENTIONED							
Per Application Lodgement	\$110.00		No GST			Regulatory	Refer DFCS
Per annual Licence/permit	\$55.00		No GST			Regulatory	Refer DFCS
Per Assessment of application	Cost + \$55.00		No GST			Regulatory	Refer DFCS
Per Reinspection	At Cost plus 21% - Minimum \$50.00		No GST			Regulatory	Refer DFCS
COMMERCIAL FEES NOT ELSEWHERE MENTIONED							
	At cost + 21% (Private Works Rates) + GST		GST			Commercial	Refer DFCS

BURKE SHIRE COUNCIL

Financial Statements

FOR THE YEAR ENDED 30 JUNE 2011

BURKE SHIRE COUNCIL

Financial Statement

For the year ended 30 June 2011

Table of Contents

Statement of Comprehensive Income

Statement of Financial Position

Statement of Changes in Equity

Statement of Cash Flows

Notes to the Financial Statements

- 1 Significant accounting policies
- 2 Analysis of results by function
- 3 Revenue analysis
- 4 Grants, subsidies, contribution, and donations
- 5 Capital income
- 6 Employee benefits
- 7 Materials and services
- 8 Finance costs
- 9 Depreciation and amortisation
- 10 Capital expenses
- 11 Cash and cash equivalents
- 12 Trade and other receivables
- 13 Inventories
- 14 Property, plant and equipment
- 15 Trade and other payables
- 16 Provisions
- 17 Other liabilities
- 18 Asset revaluation surplus
- 19 Retained surplus
- 20 Other reserves
- 21 Contingent liabilities
- 22 Superannuation
- 23 Trust funds
- 24 Reconciliation of net operating surplus for the year to net cash inflow (outflow) from operating activities
- 25 Financial instruments
- 26 National Competition Policy
- 27 Events after the reporting period
- 28 NDRAA funding Issues
- 29 Tied grants by project

Management Certificate

Independent Audit Report

BURKE SHIRE COUNCIL
Statement of Comprehensive Income
For the year ended 30 June 2011

	<u>Notes</u>	<u>2011</u> \$	<u>2010</u> \$
Income			
Revenue			
Recurrent revenue			
Net rate and utility charges	3	3,046,997	2,934,494
Fees and charges	3	61,125	53,371
Rental Income	3	117,488	68,407
Interest received	3	434,026	298,614
Sales - contract and recoverable works	3	5,488,050	1,180,237
Other Income	3	65,309	103,137
Grants, subsidies, contributions and donations	4	21,325,192	2,485,054
		30,538,188	7,123,314
Capital revenue			
Grants, subsidies, contributions and donations	4	1,209,435	1,863,115
Total capital revenue		1,209,435	1,863,115
Total revenue		31,747,623	8,986,429
Gain/(loss) on disposal of non-current assets	5	84,889	0
Total income		31,832,512	8,986,429
Expenses			
Recurrent expenses			
Employee benefits	6	(2,703,269)	(2,245,008)
Materials and services	7	(9,996,565)	(5,078,127)
Finance costs	8	(9,050)	(10,998)
Depreciation and amortisation	9	(2,536,607)	(1,611,573)
Total recurrent expenses		(15,245,490)	(8,945,706)
Capital expenses			
Provision for restoration of land	10	(5,212)	(27,128)
		(5,212)	(27,128)
Total expenses		(15,250,702)	(8,972,834)
Net operating surplus		16,581,810	13,595
Other comprehensive income			
Increase / (decrease) in asset revaluation surplus	18	-3,327,693	28,079,849
Total other comprehensive income for the year		-3,327,693	28,079,849
Total comprehensive income for the year		13,254,117	28,093,444

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



BURKE SHIRE COUNCIL
Statement of Financial Position

As at 30 June 2011

	<u>Notes</u>	<u>2011</u> \$	<u>2010</u> \$
Current Assets			
Cash and cash equivalents	11	18,795,678	6,172,295
Trade and other receivable	12	4,543,871	1,119,373
Inventories	13	335,476	305,623
Total current assets		23,675,025	7,597,291
Non-current Assets			
Property, plant and equipment	14	82,569,613	84,555,751
		82,569,613	84,555,751
TOTAL ASSETS		106,244,638	92,153,043
Current Liabilities			
Trade and other payables	15	2,630,406	1,783,445
Provisions	16	10,000	10,000
Other	17	0	27,763
Total current liabilities		2,640,406	1,821,208
Non-current Liabilities			
Trade and other payables	15	12,955	10,204
Provisions	16	379,712	364,183
Total non-current liabilities		392,667	374,387
TOTAL LIABILITIES		3,033,073	2,195,595
NET COMMUNITY ASSETS		103,211,565	89,957,448
Community Equity			
Asset revaluation surplus	18	45,132,859	48,460,551
Retained surplus	19	42,540,584	38,378,369
Other reserves	20	15,538,122	3,118,528
TOTAL COMMUNITY EQUITY		103,211,565	89,957,448

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

BURKE SHIRE COUNCIL
Statement of Changes in Equity
For the year ended 30 June 2011

Note	Asset revaluation surplus 18 \$	Retained surplus 19 \$	Other Reserves 20 \$	Total \$
Balance as at 1 July 2010	48,460,551	38,378,369	3,118,528	89,957,448
Net operating surplus	0	16,581,810	0	16,581,810
Increase / (decrease) in asset revaluation surplus	(3,327,693)	0	0	(3,327,693)
Total comprehensive income for the year	(3,327,693)	16,581,810	0	13,254,117
Transfers to and from reserves				
Transfers to other reserves	0	(13,186,616)	13,186,616	0
Transfers from other reserves	0	767,022	(767,022)	0
Total transfers to and from reserves	0	(12,419,595)	12,419,595	0
Balance as at 30 June 2011	45,132,859	42,540,584	15,538,122	103,211,565
Balance as at 1 July 2009	20,380,703	36,606,958	4,876,345	61,864,006
Net operating surplus	0	13,595	0	13,595
Increase / (decrease) in asset revaluation surplus	28,079,849	0	0	28,079,849
Total comprehensive income for the year	28,079,849	13,595	0	28,093,444
Transfers to and from reserves				
Transfers to other reserves	0	(348,339)	348,339	0
Transfers from other reserves	0	2,106,156	(2,106,156)	0
Total transfers to and from reserves	0	1,757,817	(1,757,817)	0
Balance as at 30 June 2010	48,460,551	38,378,369	3,118,528	89,957,448

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



BURKE SHIRE COUNCIL

Statement of Cash Flows

For the year ended 30 June 2011

	<u>Notes</u>	<u>2011</u> \$	<u>2010</u> \$
Cash flows from operating activities:			
Receipts from customers		6,567,598	3,939,775
Payments to suppliers and employees		(13,237,084)	(6,253,180)
		(6,669,486)	(2,313,406)
Interest received		434,026	278,088
Rental income		117,488	68,407
Non-capital Grants and Contributions		21,325,192	2,485,054
Net cash inflow (outflow) from operating activities	24	15,207,220	518,144
Cash flows from investing activities:			
Payments for property, plant and equipment		(4,026,872)	(3,917,048)
Proceeds from sale of property, plant and equipment	5	233,600	0
Capital Grants and Contributions		1,209,435	1,863,115
Net cash inflow (outflow) from investing activities		(2,583,837)	(2,053,933)
Net increase (decrease) in cash held		12,623,383	(1,535,790)
Cash at beginning of reporting period		6,172,295	7,708,084
Cash at end of reporting period	11	18,795,678	6,172,295

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



BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2011

1 Significant Accounting Policies

1.A Basis of Preparation

These general purpose financial statements for the period 1 July 2010 to 30 June 2011 have been prepared in accordance with Australian Accounting Standards and comply with the requirements of the *Local Government Act 2009* and the *Local Government (Finance, Plans and Reporting) Regulation 2010*. These financial statements have been prepared under the historical cost convention except for the revaluation of certain non-current assets.

1.B Statement of Compliance

These general purpose financial statements comply with all accounting standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to Burke Shire Council's operations and effective for the current reporting period. Because Burke Shire 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, these financial statements do not comply with IFRS. The main impacts are the offsetting of revaluation and impairment gains and losses within a class of assets, and the timing of the recognition of non-reciprocal grant revenue.

1.C Basis of consolidation

Burke Shire Council does not have any controlled entities.

1.D Constitution

The Burke Shire Council is constituted under the Queensland *Local Government Act 2009* and is domiciled in Australia.

1.E Date of Authorisation

The financial statements were authorised for issue on the date they were submitted to the Auditor for final signature. This is the date the management certificate is signed.

1.F Currency

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

1.G Adoption of new Accounting Standards.

In the current year, Council adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period. The adoption of the new and revised Standards and Interpretations has not in any material changes to Council's accounting policies.

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

Effective for annual report
periods beginning on or
after

AASB 9 Financial Instruments (December 2009)	01/January/2013
AASB 124 Related Party Disclosures (December 2009)	01/January/2011
AASB 1053 Application of Tiers of Australian Accounting Standards	01/July/2013
2009-11 Amendments to Australian Accounting Standards arising from AASB 9 (December 2009)	01/January/2013
2009-12 Amendments to Australian Accounting Standards in relation to AASB 8 Operating Segments (December 2009)	01/January/2011
2009-14 Amendments to Australian Interpretation - Prepayments of a Minimum Funding Requirement (Interpretation 14) (December 2009)	01/January/2011
AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements	01/July/2013
AASB 2010-4 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project	01/January/2011
AASB 2010-5 Amendments to Australian Accounting Standards	01/January/2011
AASB 2010-6 Amendments to Australian Accounting Standards - Disclosures on Transfers of Financial Assets	01/July/2011
AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)	01/January/2013
AASB 2010-8 Amendments to Australian Accounting Standards - Deferred Tax: Recovery of Underlying Assets	01/January/2012

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2011

AASB 2010-9 Amendments to Australian Accounting Standards - Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
AASB 2010-10 Further Amendments to Australian Accounting Standards - Removal of Fixed Dates for First-time Adopters

01/July/2011

01/January/2013

Management have yet to assess the impact that AASB 9 *Financial Instruments* and 2009-11 *Amendments to Australian Accounting Standards arising from AASB 9* is likely to have on the financial statements of Council as it is anticipated that further amendments will occur. Council does not expect to implement the amendments prior to the adoption date of 1 January 2013.

The report results and position of the council will not change on adoption of the other pronouncements as they do not result in any changes to the council's existing accounting policies. Adoption will, however, result in changes to information currently disclosed in the financial statements. The council does not intend to adopt any of these pronouncements before their effective dates.

1.H Critical accounting judgements and key sources of estimation uncertainty

In the application of Burke Shire Council's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and ongoing assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Judgements, estimates and assumptions that have a potential significant effect are outlined in the following financial statement notes:

Valuation of property, plant and equipment - Note 1.Q and Note 14

Provisions - Note 1.T and 1.U and Note 16

Impairment of property, plant and equipment - Note 1.R and Contingencies - Note 21

1.I Rates, levies grants and other revenue

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

(i) Rates

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

(ii) Grants and subsidies

Grants, subsidies and contributions that are non-reciprocal in nature are recognised as revenue in the year in which Council obtains control over them. An equivalent amount is placed in a reserve until the funds are expended. Unspent non-reciprocal grants are placed in the Constrained Works Reserve and are transferred to Retained Earnings once expended and approved by funding authority. Burke Shire Council has not spent all recurrent grants in the year received and therefore Burke Shire Council has transferred these to unspent funds to the Constrained Works Reserve. These funds will be transferred to Retained Earnings once expended and approved by funding authority.

Where grants are received that are reciprocal in nature, revenue is recognised as the various performance obligations under the funding agreement are fulfilled. Burke Shire Council does not currently have any reciprocal grants.

(iii) Non-cash contributions

Non-cash contributions with a value in excess of the recognition thresholds, are recognised as revenue and as non-current assets. Non-cash contributions below the thresholds are recorded as revenue and expenses.

(iv) Rental Income

Rental revenue from property is recognised as income on a periodic straight line basis over the lease term.

(v) Interest

Interest received from term deposits is accrued over the term of the investment.

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2011

(vi) Significant Revenue and Expenses

The Queensland Government provides financial assistance to disaster affected communities in Queensland through the Natural Disaster Relief and Recovery Arrangements program (NDRRA), jointly funded by the Australian Government. The funding is available subject to strict guidelines and only for declared disaster events.

The Council's net result for the Financial Year ended 30th June 2011 includes the effect of the following declared disaster events that have impacted on the Burke Shire local government area in the last 3 years:

Event	Year	
Monsoonal Flooding	2009-2010	
Tropical Cyclones Tasha & Anthony	Nov 2010-Feb2011	
Tropical Cyclone Yasi	Feb 2011	
Monsoon Flooding	Feb-Mar 2011	
Monsoonal Flooding	April 2011	The following

Significant revenue and expense items related to NDRRA events, included in the net result, are relevant in explaining the financial performance of Council for the period.

	2011	2010
Recovery of expenditure incurred for NDRRA purposes:		
Grant funding received for operating expenditure	18,300,895	263,098
Incurred for NDRRA purposes		
Grant funding received for capital expenditure	-	-
Incurred for NDRRA purposes		
Total grant revenue received for recovery of capital and Operating expenditure	18,300,895	263,098
Expenditure for costs incurred for NDRRA purposes:		
Operating expenditure incurred for NDRRA purposes	7,966,617	2,729,509
Capital expenditure incurred for NDRRA purposes	-	-
Total expenditure incurred for NDRRA purposes	7,966,617	2,729,509

1.J Financial assets and financial liabilities

Burke Shire Council recognises a financial asset or a financial liability in its Statement of Financial Position when, and only when, Burke Shire Council becomes a party to the contractual provisions of the instrument.

Burke Shire Council has categorized and measured the financial assets and financial liabilities held at balance date as follows:

Financial Assets

Cash and cash equivalents (Note 1.K)

Receivables - measured at amortised cost (Note 1.L)

Financial Liabilities

Payables - measured at amortised cost (Note 1.S)

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

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 trade receivables approximates the amortised cost less any impairment. The fair value of payables approximates the amortised cost.

Burke Shire Council does not recognise financial assets or financial liabilities at fair value in the Statement of Financial Position.

All other disclosures relating to the measurement and financial risk management of financial instruments are included in Note 25.



BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2011

1.K 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, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

1.L Receivables

Trade receivables are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase price / contract price. 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 Burke Shire Council will not be able to collect all amounts due, the carrying amount is reduced for impairment. The loss is recognised in finance costs. The amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated cash flows discounted at the effective interest rate.

All known bad debts were written-off at 30 June. Subsequent recoveries of amounts previously written off in the same period are recognised as finance costs in the Statement of Comprehensive Income. If an amount is recovered in a subsequent period it is recognised as revenue.

Because Burke Shire Council has the power to sell an owner's property to recover outstanding rate debts, Burke Shire Council does not impair any rate receivables.

Loans and advances are recognised in the same way as other receivables. Terms are usually a maximum of five years with interest charged at commercial rates. Security is not normally obtained.

1.M Inventories

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

Inventories held for distribution are:

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

These goods are valued at cost, adjusted, when applicable, for any loss of service potential.

1.N Other Financial Assets

Other Financial Assets are recognised at cost. At present Burke Shire Council does not have any other financial assets.

1.O Land Held for Resale

Land acquired with the intention of reselling it (with or without further development) is classified as inventory. This land is valued at the lower of cost or net realisable value. Inventory items are always treated as current assets.

Profit arising upon sale of land is recognised in the Statement of Comprehensive Income on the signing of a valid unconditional contract of sale. Burke Shire Council does not have any land held for resale.

1.P Investments

Term deposits in excess of three months are reported as investments, with deposits of less than three months being reported as cash equivalents. At 30 June 2011 Burke Shire Council did not have any term deposits in excess of three months.

1.Q 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 Burke Shire Council are:

Land - Council Owned
Buildings
Road Pavements
Other Structures
Plant & Equipment
Sewerage Infrastructure
Water Infrastructure
Office Furniture & Equipment



BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2011

(i) 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.

Property, plant and equipment received in the form of contributions, are recognised as assets and revenues at fair value by Burke Shire 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.

(ii) 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.

(iii) Valuation

Land - Council Owned, Buildings, Road Pavements, Other Structures, Sewerage Infrastructure, and Water Infrastructure assets are measured on the revaluation basis, at fair value, in accordance with AASB116 Property, Plant and Equipment. Plant & Equipment and Office Furniture & Equipment 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 is achieved by comprehensively revaluing these assets at least once every five years, with interim valuations using a suitable index being otherwise performed on an annual basis where there has been a material variation in the index.

Any revaluation increment arising on the revaluation of an asset is credited to the appropriate class of the asset revaluation surplus, 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 surplus 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.

Details of valuers and methods of valuations are disclosed in Note 14.

(iv) Capital work in progress

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

(v) Depreciation

Land is not depreciated as it has an unlimited useful life. Depreciation on other property, plant and equipment 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 Burke Shire 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.



BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2011

The depreciable amount of improvements to or on leasehold land is allocated progressively over the estimated useful lives of the improvements to Burke Shire 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 14.

(vi) Land under roads

Land under roads acquired before 30 June 2008 is recognised as a non-current asset where Burke Shire Council holds title or a financial lease over the asset. The Burke Shire Council currently does not have any such land holdings.

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.R 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, Burke Shire 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 recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

An impairment loss is recognised immediately in the Statement of Comprehensive Income, 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 surplus 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 surplus increase.

1.S 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.T 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.

(i) Salaries and Wages

A liability for salaries and wages is recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date. This liability represents an accrued expense and is reported in Note 15 as a payable.

(ii) 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 15 as a payable.

(iii) Sick Leave

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



BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2011

(iv) Superannuation

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

Details of those arrangements are set out in Note 22.

(v) Long Service Leave

A liability for long service leave is measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The value of the liability was calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. The estimates are adjusted for the probability of the employee remaining in the Council's employment or other associated employment which would result in the Council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value. The interest rates attaching to Commonwealth Government guaranteed securities at the reporting date are used to discount the estimated future cash outflows to their present value. This liability is reported in Note 16 as a provision.

1.U 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. This liability is provided in respect of refuse dumps.

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

Refuse dumps are on State reserves which the council does not control. The cost of the provisions for restoration of these is therefore 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. The restoration is expected to occur in 2029.

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

1.V Asset revaluation surplus

The asset revaluation surplus 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 surplus.

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 surplus in respect of that class. Any excess is treated as an expense.

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

1.W Retained surplus

This represents the amount of Burke Shire Council's net funds not set aside in reserves to meet specific future needs.

1.X Reserves

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

(i) Asset Replacement Reserve

This reserve represents amounts set aside for the future replacement of the Council's assets.

(ii) Constrained Works Reserve

This reserve represents contributions received, including grants and subsidies, for works where the required works have not yet been carried out, or where works have been completed and the subsidy/grant payment is awaiting final approval from the funding authority after confirmation that works are subsidisable under the grant funding guidelines. As works are completed, or completed and approved for grant/subsidy by the funding authority relevant transfers are implemented.

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2011

(iii) Reserve held for Future Recurrent Expenditure

This is a cash backed reserve and represents amounts 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.

1.Y National Competition Policy

The Council has reviewed its activities and has identified two activities that are business activities. Details of these activities can be found in Note 26.

1.Z Rounding and Comparatives

Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period. Amounts included in the financial statements have been rounded to the nearest \$1.

1.AA 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, deposits for the contracted sale of land, security deposits lodged to guarantee performance and unclaimed monies (e.g. wages) paid into the Trust Account by the Council. The Council performs only a custodian role in respect of these monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements.

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

For details see Note 23.

1.AB 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.

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2011

2 Analysis of results by function

(a) Income and expenses defined between recurring and capital are attributed to the following functions:

Year ended 30 June 2011 Functions	Gross program income										Elimination of inter-function transactions	Total income	Gross program expenses		Elimination of inter-function transactions	Total expenses	Net result from recurring operations	Net Result	Assets
	Recurring			Capital				Recurring	Capital										
	Grants	Other		Grants	Other														
	2011	2011		2011	2011														
		\$	\$	\$	\$	\$	\$			\$			\$	\$					
Finance	2,154,673	2,700,266					0	4,854,939	0	0	0	0	4,854,939	4,854,939	23,339,548				
Administration	11,971	455,758					0	467,729	1,017,388	0	0	0	1,017,388	(549,659)	3,450,774				
Planning & Building	0	85					0	85	32,639	0	0	0	32,639	(32,554)	-				
Engineering Services	18,969,617	5,530,815		1,209,435	54,889		0	25,764,756	10,982,236	0	0	0	10,982,236	13,518,196	54,074,134				
Environmental Services	16,660	4,414					0	21,074	238,892	0	0	0	238,892	(217,818)	721,458				
Community & Cultural	172,271	162,800			30,000		0	365,071	1,293,698	0	0	0	1,293,698	(958,627)	10,965,787				
Garbage Utility	0	53,583					0	53,583	283,538	5,212	0	0	288,750	(229,955)	269,234				
Sewerage Utility	0	88,896					0	88,896	248,582	0	0	0	248,582	(159,686)	2,495,823				
Water Utility	0	216,379					0	216,379	1,148,518	0	0	0	1,148,518	(932,139)	10,927,880				
Total Council	21,325,192	9,212,996		1,209,435	84,889		0	31,832,512	15,245,490	5,212	0	0	15,250,702	15,292,698	106,244,638				

Year ended 30 June 2010

Functions	Gross program income						Elimination of inter-function transactions	Total income	Gross program expenses		Elimination of inter-function transactions	Total expenses	Net result from recurring operations	Net Result	Assets
	Recurring			Capital					Recurring	Capital					
	Grants	Other		Grants	Other										
	2010	2010	\$	2010	2010	\$			2010	2010		\$	2010	2010	\$
Finance Administration Planning & Building	1938849	2,598,659		0	0		4,537,508	0	0	0	0	0	4,537,508	4,537,508	7,291,668
	0	282,914		0	0		282,914	1,172,066	0	0	0	1,172,066	(889,152)	(889,152)	3,460,065
	0	1,882		0	0		1,882	11,429	0	0	0	11,429	(9,547)	(9,547)	-
Engineering Services	450,192	1,213,367		1,833,115	0		3,496,674	5,850,268		0	0	5,850,268	(4,186,709)	(2,353,594)	56,167,253
Environmental Services		7,336		0	0		7,336	141,600		0	0	141,600	(134,264)	(134,264)	701,332
Community & Cultural	96,013	176,991		30,000	0		303,004	980,191		0	0	980,191	(707,187)	(677,187)	10,641,167
Garbage Utility	0	48,286		0	0		48,286	95,117	27,128		0	122,245	(46,831)	(73,959)	260,285
Sewerage Utility	0	85,025		0	0		85,025	117,870		0	0	117,870	(32,845)	(32,845)	2,580,953
Water Utility	0	223,800		0	0		223,800	577,166		0	0	577,166	(353,366)	(353,366)	11,050,320
Total Council	2,485,054	4,638,260		1,863,115	0		8,986,429	8,945,706	27,128		0	8,972,834	(1,822,392)	13,595	92,153,043



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BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2011

2b Analysis of results by function

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

Finance

Includes revenue (rates and general grants), purchasing and budgeting.

Administration

Includes members of Council, general administration, human resources and community relations.

Planning & Building

Includes strategic (town) planning, building services and tourism.

Engineering Services

Includes road construction and maintenance, airport operation, boat ramps, drainage and footpaths.

Environmental Services

Includes animal control, pest control, environmental health and cemeteries.

Community & Cultural

Includes libraries, civic buildings, ablution facilities, housing, sport and recreation and parks and gardens.

Garbage Utility

Includes refuse collection, refuse disposal and recycling.

Sewerage Utility

Includes sewerage services.

Water Utility

Includes water services.

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2011

	<u>Notes</u>	<u>2011</u>	<u>2010</u>
		\$	\$
3 Revenue analysis			
(a) Rates and charges			
General rates		3,160,171	3,011,124
Garbage rates		251,518	251,536
Sewerage rates		103,458	97,782
Water rates		61,669	54,790
Total rates and utility charge revenue		<u>3,576,816</u>	<u>3,415,231</u>
Less: Discounts		(529,007)	(478,798)
Less: Pensioner remissions		(813)	(1,939)
Net rates and utility charges		<u>3,046,997</u>	<u>2,934,494</u>
(b) Fees and charges			
Building and development fees		85	1,882
Licences and registrations		0	0
Airport landing fees		40,037	31,717
Other fees and charges		21,003	19,772
		<u>61,125</u>	<u>53,371</u>
(c) Rental income			
Property rentals		117,488	68,407
		<u>117,488</u>	<u>68,407</u>
(d) Interest received			
Interest received from term deposits		422,199	278,088
Interest from overdue rates and utility charges		11,827	20,526
		<u>434,026</u>	<u>298,614</u>
(e) Sales revenue			
Sales of services			
Contract and recoverable works		5,488,050	1,180,237
		<u>5,488,050</u>	<u>1,180,237</u>
(f) Other recurrent income			
Other income		65,309	103,137
		<u>65,309</u>	<u>103,137</u>
4 Grants, Subsidies, Contributions and Donations			
(a) Recurrent			
General purpose grants		2,787,570	2,367,979
State Government subsidies and grants		18,537,622	117,075
Total recurrent revenue		<u>21,325,192</u>	<u>2,485,054</u>
(b) Capital			
State Government subsidies and grants		1,209,435	1,863,115
Total capital revenue		<u>1,209,435</u>	<u>1,863,115</u>
(c) Conditions over contributions			
Contributions and grants which were recognised as revenues during the reporting period and which were obtained on the condition they be expended in a manner specified by the contributor but had not been expended at the reporting date.			
Grants for expenditure on infrastructure		9,022,045	302,950
Contributions and grants which were recognised as revenues during a previous reporting period and were expended during the current reporting period in accordance with Council's obligations.			
Grants expended on infrastructure		302,950	100,000
		<u>9,324,995</u>	<u>402,950</u>

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2011

	Notes	2011 \$	2010 \$
5 Capital income			
Gain /(loss) on the disposal of non-current assets			
Proceeds from the sale of property, plant and equipment		233,600	0
Less: Book value of property, plant and equipment disposed		(148,711)	0
Total gain /(loss) on the disposal of non-current assets		84,889	0
6 Employee benefits			
Total staff wages and salaries		1,978,619	1,679,171
Councillors' remuneration		228,674	205,510
Annual, sick and long service leave entitlements		199,454	191,165
Superannuation	22	202,986	169,826
		2,609,733	2,245,673
Other employee related expenses		147,659	125,413
		2,757,392	2,371,086
Less: Capitalised employee expenses		(54,123)	(126,078)
		2,703,269	2,245,008
Councillor remuneration represents salary, superannuation contributions and other allowances paid in respect of carrying out their duties			
Total Council employees at period end			
Elected members		5	5
Administrative staff		11	9
Depot and outdoors staff		36	36
Total full time equivalent employees		52	50
7 Materials and services			
Advertising and marketing		17,286	1,602
Audit services		35,100	33,194
Communications and IT		95,361	95,109
Consultants		163,532	105,195
Donations paid		20,313	56,064
Operating Expenses		2,647,433	558,667
Repairs and maintenance		907,996	774,826
Recoverable Works		2,104,102	618,822
Roads - Flood Damage		3,870,116	2,743,976
Subscriptions and registrations		87,384	56,213
Other material and services		47,942	34,460
		9,996,565	5,078,127
8 Finance costs			
Bad Debt Expense		3,567	2,456
Bank charges		5,483	8,542
		9,050	10,998
9 Depreciation and amortisation			
Depreciation of non-current assets			
Land improvements		0	0
Buildings		145,818	179,645
Road, drainage and bridge network		1,280,569	608,674
Other infrastructure assets		333,961	185,758
Plant and equipment		409,799	419,051
Sewerage		101,132	29,235
Water		257,598	178,984
Furniture and equipment		7,730	10,226
Total depreciation and amortisation		2,536,607	1,611,573

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2011

	<u>Notes</u>	<u>2011</u>	<u>2010</u>
		\$	\$
10 Capital expenses			
Provision for restoration of land			
Discount rate adjustment to refuse restoration provision		(5,212)	(27,128)
		<u>(5,212)</u>	<u>(27,128)</u>
Total capital expenses		(5,212)	(27,128)

11 Cash and cash equivalents			
Cash on hand		878	878
Cash at Bank		893,044	1,341,503
Deposits at call		14,030,017	3,329,914
Term Deposit		3,871,739	1,500,000
Balance per Statement of Cash Flows		18,795,678	6,172,295

Externally imposed expenditure restrictions at the reporting date relate to the following cash assets:

Unspent government grants and subsidies as retained in Constrained Work Reserve (Note 20).	9,022,045	330,950
Total unspent restricted cash for capital projects	9,022,045	330,950

Cash accounts are held with Westpac Banking Corporation and deposits at call are held in the Queensland Treasury Corporation. Burke Shire Council have term deposits with Territory Insurance Office, MyState Financials and with Queensland Country Credit Union. These Banks and Financial Institutions have a AAA credit rating up to the 11th of October 2011 due to the Australian Federal Government guarantee.

12 Trade and other receivables			
(a) Current			
Rateable revenue and utility charges		76,392	115,028
Debtors		4,411,265	991,775
Less: Provision for doubtful debts		(4,343)	(286,507)
GST recoverable		0	237,933
Prepayments		60,557	61,144
		<u>4,543,871</u>	<u>1,119,373</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.

13 Inventories			
Current			
Inventories for consumption:			
Other inventory items		335,476	305,623
Total inventories for consumption		335,476	305,623
Land purchased for development and sale		0	0
Total inventories		335,476	305,623

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2011

	<u>Notes</u>	<u>2011</u>	<u>2010</u>
		\$	\$

14a Property, Plant and Equipment

Property, plant and equipment valuations were determined by reference to the following:

Land - Council Owned

Land has been included at current market value as at 30 June 2010 as determined by Australian Pacific Valuers, Registered Valuers.

Land under infrastructure and reserve land does not have a value for the purpose of the Burke Shire Council's financial statements. Refer Note 1Q (vi)

Buildings

Buildings have been included at their written down current replacement cost as valued by Australian Pacific Valuers, Registered Valuers as at 30 June 2010.

Road Pavements

Road and drainage infrastructure is included at the written down replacement cost as at 30 June 2011 as determined by Australian Pacific Valuers, Registered Valuers.

Other Infrastructure

Other infrastructure is included at the written down replacement cost as at 30 June 2010 as determined by Australian Pacific Valuers, Registered Valuers.

Plant and Equipment

Plant and equipment is measured at original cost less accumulated depreciation.

Water Infrastructure

Water infrastructure is included at the written down replacement cost as at 30 June 2010 as determined by Australian Pacific Valuers, Registered Valuers.

Sewerage Infrastructure

Sewerage infrastructure is included at the written down replacement cost as at 30 June 2010 as determined by Australian Pacific Valuers, Registered Valuers.

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.

The most recent comprehensive valuation was performed at 30 June 2010 and carried at fair value for all categories of property, plant and equipment except plant and equipment. The valuation provided by Australia Pacific Valuers as at 30 June 2011 for the Road Pavements are based on desktop valuations

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2011

14(b) Property, Plant and Equipment

Asset Values

Opening gross value
Additions at cost
Transfer between classes
Transfer to Expense
Disposals
Revaluation adjustment to the ARR
Internal transfer
Closing gross value

Land- Council Owned 2011 \$	Buildings 2011 \$	Road Pavements 2011 \$	Other Structure 2011 \$	Plant & Equipment 2011 \$	Sewerage Infrastructure 2011 \$	Water Infrastructure 2011 \$	Office Furniture & Equip. 2011 \$	Work in Progress 2011 \$	Total 2011 \$
Valuation	Valuation	Valuation	Valuation	Cost	Valuation	Valuation	Cost	Cost	
2,970,000	10,920,311	56,698,105	9,142,036	5,305,442	3,362,169	12,246,364	94,800	3,081,458	103,820,695
	473,869	4,174,817	230,720	1,167,201	33,921			4,030,851	4,030,851
								(6,080,328)	
								(3,979)	(3,979)
				(750,315)				(750,315)	(750,315)
		3,369,222							3,369,222
2,970,000	11,393,980	64,242,144	9,372,756	5,722,328	3,396,090	12,246,364	94,800	1,028,012	110,466,473

Accumulated Depreciation and Impairment

Opening balance
Depreciation provided in period
Revaluation adjustment to the ARR
Depreciation on disposals
Disposals
Accumulated depreciation at period end

	1,475,394	10,410,972	1,385,867	3,376,438	807,563	1,736,027	72,683		19,264,943
	145,818	1,280,569	333,961	409,799	101,132	257,598	7,730		2,536,607
		6,696,915							6,696,915
				(20,646)					(20,646)
				(580,958)					(580,958)
	1,621,212	18,388,456	1,719,828	3,184,632	908,695	1,993,625	80,413		27,896,860

Written down value
Residual Value
Estimated Useful Life

2,970,000	9,772,768	45,853,688	7,652,927	2,537,696	2,487,395	10,252,739	14,387	1,028,012	82,569,613
	4,559,741	22,067,989	2,819,473	686,500	874,719	3,334,652			34,343,074
	40-100	7-100	5-100	2-20	20-60	10-60	2-10		



BURKE SHIRE COUNCIL
Notes to the Financial Statements

For the year ended 30 June 2011

14(b) Property, Plant and Equipment

Asset Values

Opening gross value
Additions at cost
Transfer between classes
Transfer to Expense
Revaluation adjustment to the ARR
Asset classified as Held for Resale
Internal transfer
Closing gross value

Land- Council Owned 2010 \$	Buildings 2010 \$	Road Pavements 2010 \$	Other Structure 2010 \$	Plant & Equipment 2010 \$	Sewerage Infrastructure 2010 \$	Water Infrastructure 2010 \$	Office Furniture & Equip. 2010 \$	Work in Progress 2010 \$	Total 2010 \$
Valuation	Valuation	Valuation	Valuation	Cost	Valuation	Valuation	Cost	Cost	
1,406,240	8,455,655	30,408,281	7,833,701	5,019,318	2,216,684	11,070,329	85,411	4,806,070	71,301,688
	419,273	4,635,452	402,569	56,551				3,885,461	3,942,012
				118,415			9,389	(5,585,098)	-
1,379,760	1,352,373	23,012,547	431,352					(24,965)	(24,965)
184,000									
	693,011	(1,358,174)	474,414	111,158		1,096,443			28,417,959
2,970,000	10,920,311	56,698,105	9,142,036	5,305,442	3,362,169	12,246,364	94,800	3,081,468	103,820,695

Accumulated Depreciation and Impairment

Opening balance
Depreciation provided in period
Revaluation adjustment to the ARR
Internal transfer
Accumulated depreciation at period end

	2,361,492	6,755,155	2,059,297	2,946,954	543,740	2,586,166	62,456		17,315,259
	179,645	608,674	185,758	419,051	29,235	178,984	10,226		1,611,573
	(1,230,453)	3,705,288	(1,334,938)		234,589	(1,036,376)			338,110
	164,710	(558,145)	475,750	10,433		7,253			-
	1,475,394	10,410,972	1,385,867	3,376,438	807,563	1,736,027	72,683		19,264,943

Written down value
Residual Value
Estimated Useful Life

2,970,000	9,444,917	46,287,133	7,756,168	1,929,005	2,554,606	10,510,337	22,117	3,081,468	84,555,751
	4,559,741	19,741,281	2,819,473	155,000	874,719	3,334,652			31,484,866
	40-100	7-100	5-100	2-20	20-60	10-60	2-10		



BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2011

	<u>Notes</u>	<u>2011</u>	<u>2010</u>
		\$	\$
15 Trade and other payables			
Current			
Creditors and accruals		2,506,250	1,679,787
Annual Leave		113,795	89,300
Other entitlements		10,361	14,358
		<u>2,630,406</u>	<u>1,783,445</u>
Non-current			
Annual leave		12,955	10,204
		<u>12,955</u>	<u>10,204</u>

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

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

16 Provisions

Current			
Long service leave		10,000	10,000
		<u>10,000</u>	<u>10,000</u>
Non-current			
Refuse restoration		306,738	301,526
Long service leave		72,974	62,657
		<u>379,712</u>	<u>364,183</u>
Details of movements in provisions:			
(a) Refuse restoration			
Opening balance		301,526	274,398
Increase(decrease) in provision due to unwinding of discount		5,212	27,128
Balance at the end of the period		<u>306,738</u>	<u>301,526</u>

This is the present value of the estimated cost of restoring the refuse site to a useable state at the end of its useful life. The projected cost is \$750,000 and is expected to be incurred in 2029.

(b) Long service leave

Balance at beginning of financial year	72,657	50,369
Long service leave entitlement arising	53,905	50,386
Long Service entitlement paid	(43,588)	(28,098)
Balance at end of financial year	<u>82,974</u>	<u>72,657</u>

17 Other liabilities

Current			
Unearned Revenue		0	27,763
		<u>0</u>	<u>27,763</u>

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2011

	<u>Notes</u>	<u>2011</u> \$	<u>2010</u> \$
18 Asset revaluation surplus			
(i) Asset revaluation surplus			
Movements in the asset revaluation surplus were as follows:			
Balance at beginning of the period		48,460,551	20,380,703
Net adjustment to non-current assets at end of period to reflect a change in current fair value:			
Land and improvements			1,379,760
Buildings			2,582,826
Other Structures			1,766,290
Road Infrastructure		(3,327,693)	19,307,259
Sewerage Infrastructure			910,896
Water Infrastructure			2,132,820
		<u>(3,327,693)</u>	<u>28,079,849</u>
Balance at end of the year		45,132,859	48,460,551
(ii) Asset revaluation surplus analysis			
The closing balance of the asset revaluation surplus is comprised of the following asset categories:			
Land and improvements		2,878,357	2,878,357
Buildings		4,644,099	4,644,099
Other Structures		4,458,154	4,458,154
Road Infrastructure		26,408,695	29,736,387
Sewerage Infrastructure		3,024,126	3,024,126
Water Infrastructure		3,719,426	3,719,426
		<u>45,132,859</u>	<u>48,460,551</u>
19 Retained surplus			
Movements in the retained surplus were as follows:			
Accumulated surplus/(deficit) at the beginning of financial year		38,378,369	36,606,958
Result from ordinary activities		16,581,810	13,595
Transfers (to) from capital reserves for future capital project funding, or from reserves funds that have been expended:			
Asset replacement reserve		(3,668,183)	1,888,119
Constrained works reserve		(8,719,095)	(202,950)
Transfers (to) from recurrent reserves for future project funding, or from reserves funds that have been expended:			
Recurrent expenditure reserve		(32,316)	72,648
Accumulated surplus at the end of financial year		42,540,584	38,378,369

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2011

	<u>Notes</u>	<u>2011</u>	<u>2010</u>
		\$	\$
20 Other reserves			
(a) Summary of reserves held for future capital expenditure:			
(i) Asset replacement reserve		6,396,591	2,728,408
(ii) Constrained works reserve		9,022,045	302,950
		15,418,636	3,031,358
(b) Summary of reserves held for future recurrent expenditure:			
(i) Recurrent expenditure reserve		119,486	87,170
		119,486	87,170
Total reserves		15,538,122	3,118,528
(c) Movements in capital reserves are analysed as follows:			
(i) Asset replacement reserve			
Balance at the beginning of period		2,728,408	4,616,527
Transfer from accumulated surplus for future expenditure		4,097,902	0
Transfer to capital account funds expended in the period		(429,719)	(1,888,119)
Balance at the end of period		6,396,591	2,728,408
(ii) Constrained works reserve			
Balance at the beginning of period		302,950	100,000
Transfer from accumulated surplus for future expenditure		9,022,045	302,950
Transfer to capital account funds expended in the period		(302,950)	(100,000)
Balance at the end of period		9,022,045	302,950
(d) Movements in recurrent reserves are analysed as follows:			
(i) Recurrent expenditure reserve			
Balance at the beginning of period		87,170	159,818
Transfer from accumulated surplus for future expenditure		66,668	45,389
Transfer to accumulated surplus		(34,352)	(118,037)
Balance at the end of period		119,486	87,170

21 Contingent liabilities

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

Local Government Mutual:

The Burke 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 being 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 of any year that a deficit arises.

As at 30 June 2011, the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

Local Government Workcare:

The Burke 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 an indemnity towards 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 \$39,640.50

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2011

	<u>Notes</u>	<u>2011</u>	<u>2010</u>
		\$	\$

22 Superannuation

Burke 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 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.

The scheme has two elements referred to as the Defined Benefits Fund (DBF) and the Accumulation Benefits Fund (ABF). The ABF is a defined contribution scheme as defined in AASB 119. Burke Shire 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 2009*.

The DBF is a defined benefit plan as defined in AASB119. Burke Shire 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 Burke Shire Council for its proportionate share of the defined benefit obligation, plan assets and costs.

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 Burke Shire Council. Accordingly there is no recognition in the financial statements of any over or under funding of the scheme.

The audited general purpose financial report of the scheme as at 30 June 2011 (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.

The most recent actuarial assessment of the scheme was undertaken as at 1 July 2009. The actuary indicated that "the DBF is in a very modest financial position with regard to the net asset coverage of vested liabilities. Investment returns will be volatile under the required investment strategy, particularly over short periods. The DBF therefore needs sufficient reserves to be able to withstand a reasonable range of such influences. Because the DBF is now running down and cash flows are negative, the VBI (vested benefit index) should not be allowed whenever possible to retreat below 100%. Once below 100%, benefits drawn reduce the available assets for remaining members and hence the net asset coverage of vested benefits declines further.

In order to withstand a one in ten 'low return' outcome, the DBF would need reserves of the order of 8% to 10% having regard to the investment strategy adopted. Given the current position of the DBF, such reserve can essentially only eventuate from either excess investment returns over salary increases or additional employer contributions."

Burke Shire Council has been advised by the trustee of the scheme, following advice from the scheme's actuary, that additional contributions may be imposed in the future at a level necessary to protect the entitlements of DBF members. Under amendments to the *Local Government Act 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.

The next actuarial investigation will be made as at 1 July 2012.

The amount of superannuation contributions paid by Council to the scheme in this period for the benefit of employees was:

202,986	169,826

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2011

	<u>Notes</u>	<u>2011</u>	<u>2010</u>
		\$	\$
23 Trust funds			
Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities		94,689	94,630
Security deposits		3,355	1,805
		<u>98,044</u>	<u>96,435</u>

The Burke 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.

24 Reconciliation of net operating surplus for the year to net cash inflow (outflow) from operating activities

Net operating surplus	<u>13,254,117</u>	<u>28,093,444</u>
Non-cash operating items:		
(Increase) / decrease in asset revaluation surplus	3,327,693	(28,079,849)
Depreciation and amortisation	2,536,607	1,611,573
	<u>5,864,300</u>	<u>(26,468,276)</u>
Investing and development activities:		
Net (profit) loss on disposal of non-current assets	(84,889)	0
Capital grants and contribution	(1,209,435)	(1,863,115)
	<u>(1,294,324)</u>	<u>(1,863,115)</u>
Changes in operating assets and liabilities:		
(Increase) decrease in receivables	(3,424,498)	(180,708)
(Increase) decrease in other operating assets	(29,853)	(171,914)
Increase (decrease) in payables	849,712	1,070,483
Increase (decrease) in other liabilities	(12,234)	38,231
	<u>(2,616,873)</u>	<u>756,091</u>
Net cash inflow from operating activities	<u>15,207,220</u>	<u>518,144</u>

BURKE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

25 Financial Instruments

Burke 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 Burke Shire Council approved policies on financial risk management. These policies focus on managing the volatility of financial markets and seek to minimise potential adverse effects on the financial performance of the Council. Burke Shire 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. Burke Shire Council does not invest in derivatives or other high risk investments.

When Burke Shire 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*.

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

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

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	2011 \$	2010 \$
Cash and cash equivalents - QTC	14,030,017	3,329,914
Cash and cash equivalents - Westpac	893,922	1,342,381
Cash and cash equivalents - Term Deposit	3,871,739	1,500,000
Receivables - rates	76,392	115,028
Receivables - other	4,406,921	943,201
Total	23,278,991	7,230,524



BURKE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

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 \$	30-60 days \$	61-90 days \$	\$	\$
Receivables 2011	3,260,371	1,004,859	140,853	81,573	-4,343	4,483,313

	Fully Performing		Past due		Impaired	Total
	\$	Less than 30 days \$	30-60 days \$	61-90 days \$	\$	\$
Receivables 2010	618,268	20,064	42,338	664,146	-286,587	1,058,229

(ii) Liquidity Risk

Liquidity risk refers to the situation where the Council may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Council is exposed to liquidity risk through its trading in the normal course of business.

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 \$
Trade and other payables 2011	2,506,250	0	0	2,506,250
Trade and other payables 2010	1,679,787	0	0	1,679,787

(iii) Interest Rate Risk

The Council is exposed to interest rate risk through investments held with financial institutions.

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	
	2011 \$	2010 \$	2011 \$	2010 \$	2011 \$	2010 \$
Financial Assets	18,795,678	6,172,295	187,957	61,723	187,957	61,723
Financial Liabilities	-2,506,250	-1,679,787	-25,063	-16,798	-25,063	-16,798
Net	16,289,428	4,492,508	162,894	44,925	162,894	44,925



BURKE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

26 National Competition Policy

(a) Activities to which the code of competitive conduct is applied

A "business activity" of a local government is divided into two categories :

(a) Roads business activity:

- (i) the construction or maintenance of State controlled roads for which the local government submits an offer to carry out work in response to a tender invitation, other than through a sole supplier arrangement.
- (ii) submission of a competitive tender for construction or road maintenance on the local government's roads which the local government has put out to tender, or called for by another local government.

(b) Other business activity, referred to as type three activities, means the following:

- (i) trading in goods and services to clients in competition with the private sector, or
- (ii) the submission of a competitive tender in the local government's own tendering process in competition with others for the provision of goods and services to its self. Excluded activities are (a) library services, and (b) an activity or part thereof prescribed by legislation.

Local government may elect to apply a Code of Competitive Conduct (CCC) to their identified business activities. This requires the application of full cost pricing, identifying the cost of community service obligations (CSO) and eliminating the advantages and disadvantages of public ownership within that activity. The application of the CCC to the roads business activity is compulsory.

The CSO value is determined by Burke Shire Council, and represents an activities cost(s) which would not be incurred if the activities primary objective was to make a profit. The Council provides funding from general revenue to the business activity to cover the cost of providing non-commercial community services or costs deemed to be CSO's by Burke Shire Council.

Roads

Water and sewerage

(b) Financial performance of activities subject to competition reforms:

	Roads	Roads	Water and sewerage	Water and sewerage
	2011	2010	2011	2010
	\$	\$	\$	\$
Revenue for services provided to the Council	0	0	106,354	100,519
Revenue for services provided to external clients	4,269,643	823,956	198,920	208,306
Community service obligations	0	0	0	0
	4,269,643	823,956	305,274	308,825
Less : Expenditure	3,890,922	2,030,298	1,397,100	695,035
Surplus (deficiency)	378,721	(1,206,343)	(1,091,826)	(386,210)

(c) Description of CSO's provided to business activities:

Activities	CSO description	Actual
Water and sewerage	For providing free services to public areas	\$ NIL

27 Events after the reporting period

As part of a changeover of senior management in November 2011, issues with NDRRA expenditure were identified and Burke Shire Council has implemented improved contract management, processes and financial controls. These issues related to non-adherence to procurement legislation and Council's Purchasing Policy which, subsequent to discovery, Council have rectified these issues in November 2011. Instructions have been given that the processes are to be adhered to strictly and that no works are to commence until Council's Official Order is given. Council is following the procurement requirements and tenders called for works in excess of \$150,000.00 and quotations in compliance with Council's Purchasing Policy. Tenders are presented to Council for acceptance as well as quotations outside the CEO's Delegation. The CEO reports on a monthly basis on decisions made under Delegated Authority as well as a flying minute from Councillors and endorsed at the next meeting.

Council has engaged the services of George Bourne and Associates to manage flood damage projects and develop the required scope of works, detailed plans and reporting at required intervals on their progress. Proper control measures have been implemented utilising their services. All projects will be supervised by Council. Cost control, capture and reporting will be enforced and monitored.

28 NDRRA Funding Issues

The Queensland Reconstruction Authority (QldRA) have conducted an investigation of NDRRA expenditure during 2010 and 2011 years including forensic and engineering audits of related supporting material for this expenditure in May 2012. The findings of this investigation included the Council's lack of program management surrounding the NDRRA program of works and issues in relation to Councils procurement management. Council have reviewed this area and supported findings that Materials and Services expenditure as well as Work in Progress balances contain NDRRA expenses which did not follow the Council's procurement policy with a breakdown in controls over purchase orders, tendering process and disregard of the delegation limits.

Council have received advice that QldRA will be finalising its assessment of this matter as part of review of the current NDRRA claim process and deemed ineligible expenditure with an estimated value of between \$2.7M to \$3.6M will be deducted from any payment relating to this claim.



**Burke Shire Council
Financial statements
For the year ended 30 June 2011**

**Management Certificate
For the year ended 30 June 2011**

These general purpose financial statements have been prepared pursuant to Section 102 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* (the Regulation) and other prescribed requirements.

In accordance with Section 161 of the Regulation we certify that these general purpose financial statements:

- (i) have been prepared in accordance with the relevant accounting documents; and
- (ii) accurately reflect the local government's financial performance and position for the financial year.

In addition we certify that, in our opinion:

- (i) the prescribed requirements of the Local Government Act 2009 and associated Regulations for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the general purpose financial statements, as set out on pages 3 to 30, have been prepared in accordance with Australian accounting standards (including Australian Accounting Interpretations and other authoritative pronouncements issued by the Australian Accounting Standards Board); and
- (iii) the general purpose financial statements present a true and fair view of the Council's financial position as at 30 June 2011 and of its financial performance and cash flows for the financial year ended on that date.



Mayor



Chief Executive Officer

Date: __21__ / __06__ / 2012__

Date: __21__ / __06__ / 2012__



INDEPENDENT AUDITOR'S REPORT

To the Mayor of Burke Shire Council

Report on the Financial Report

I have audited the accompanying financial report of Burke Shire Council, which comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, 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 of the financial report that gives a true and fair view in accordance with prescribed accounting requirements identified in the *Local Government Act 2009* and *Local Government (Finance, Plans and Reporting) Regulation 2010*, including compliance with Australian Accounting Standards. The Council's responsibility also includes such internal control as the Council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from 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 the risks of material misstatement of 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 of the financial report that gives a true and fair view 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 used 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 all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only 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.

Sign

Opinion

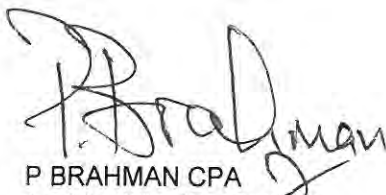
In accordance with s.40 of the *Auditor-General Act 2009* –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion –
 - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the financial performance and cash flows of Burke Shire Council for the financial year 1 July 2010 to 30 June 2011 and of the financial position as at the end of that year.

Other Matters - Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial report of Burke Shire Council for the year ended 30 June 2011. Where the financial report is included on Burke Shire Council's website the Council is responsible for the integrity of Burke Shire Council's website and I have not been engaged to report on the integrity of Burke Shire Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements or otherwise included with the financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

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



P BRAHMAN CPA
Assistant Auditor-General
(As Delegate of the Auditor-General of Queensland)



Queensland Audit Office
Brisbane

BURKE SHIRE COUNCIL

ANNUAL REPORT 2010-11



Phone: 07 4745 5100 Fax: 07 4745 5181 office@burke.qld.gov.au
Lot 65 Musgrave Street BURKETOWN PO Box 90 BURKETOWN Q 4830

Sign

Burke Shire Council's 2010-2011 Annual Report



This Annual Report offers the public insight into the primary activities undertaken by, and the financial position of, Burke Shire Council throughout 2010/2011.

The report discloses, as legislated by the Local Government Act 2009, the Audited Financial Statements for the 2010/2011 Financial Year. This disclosure, coupled with the provision of a "Community Financial Report" demonstrates the

Council's commitment to open and accountable governance and provides a medium by which the Shires constituents may generate an understanding of the Shire's financial position and performance during the period in question.

Further to the above, the Annual Report communicates, to the public at large, the highlights and major achievements of the Council as of 30th June 2011.

About Burke Shire

Burke Shire can boast of three great assets – great fishing, an abundance of sunshine and friendly people. With a population of around 550, the Shire covers an area of 41,802 square kilometres with two main communities of Burketown and Gregory. The balance of the Shire is primarily made up of pastoral properties.

Today the character of the Shire is still predominantly rural with emphasis on the flourishing tourism industry which is a draw card in itself. An ever ending change of colours dominate the country as you follow the Savannah Way, across the Leichhardt Falls and up to the Northern Territory border.



The significant aboriginal history and the many great explorers who traversed the country along with the ruffians, adventurers and visionaries helped make the Shire what it is today. We are proud of the balance of its landscape and its history, and it becomes obvious that this part of the world has something special.

The Shire has several natural and man-made assets that they admire and are proud of, from the Albert, Leichhardt, Nicholson, Gregory Rivers and Beames Brooke to the impressive Leichhardt Falls, Adel's Grove and Lawn Hill Gorge. Not forgetting the rugged country surrounding Hells Gate which boasts one of the world's oldest landscapes. Stunning rock formations tell their own tales of the land's evolvment, and natural art galleries from the early indigenous tribes can be found in the caves.

Report from the Mayor

Here it is; the financial year's end. I, on behalf of Council to all our current community; to all living, working and providing services or who have moved through or on from the



Shire congratulate all who have kept the shire moving forward. Particular thanks to Staff and Councillors for the work completed. The one thing that delivers to us constantly is the wet season. I hope this traditional event gives us the ability to keep us sustainable, environmentally and economically 'afloat' and in good health.

It hasn't been all a 'jolly journey' this year, and the biggest job Councillors have is trying to explain our culture and operation which differs dramatically from large urban cultures right down to smaller rural centres in our North Queensland region, but most particularly the State and Federal arenas.

I am confused as to why billions can be given to overseas countries but we must beg and prove ourselves of being worthy of minimal grants. We must prove that we stack up economically and sustainably, a mission impossible in today's rational of economic policy and where the Shire sits geographically. Without the infrastructure to attract the people to our extraordinary lifestyle, we can never have the volume of votes to demand change. Blanket legislations are prohibiting our ability to take advantage of the types of development needed for growth, and we are used as sacrificial lambs and bargaining chips in political discussions that exclude us, on environmental matters for the rest of Australia.

Our regional memberships with our local Government peers, our association with and representation on regional organisations are the vehicles for taking our issues out there. In service

Annie Clarke.



Report from the Chief Executive Officer



I write this report on behalf of the previous CEO Mr Gary Letts and details Council's achievements during the 2010/2011 year of operations.

As a result of the 2010 and 2011 floods Council was charged with the responsibility of carrying out its biggest Works Program consisting of \$36.5 million of Flood Damage and other road capital works e.g. TIDS, RMPC etc. A further \$3.5 million was allocated to the Road Maintenance Program and \$3.5 million for other capital works in Parks, Streets etc.

Council in partnership with Main Roads continues to seal sections of the Burketown to Gregory Road and it is planned that this will be completely sealed prior to June 2014. Gravelling works have also been undertaken on the Gregory Camooweal Road and Hells Gate Road.

Council commenced work on the preparation of a Community Plan for the Burke Shire as required by the Local Government Act which is a strategic visionary document detailing the main aspirations and priorities for the next ten years. The document is well underway and will be put to the Community for consultation in the foreseeable future. The Community Plan is an important planning tool with linkages to the Corporate Plan, Operational Plan, Budget and outlines a desired future as identified by the Community of this Shire. I would like to place on record appreciation for the input from the Community.

As reported last year there was a continuation of successful community events such as Australia Day, Anzac Day, Seniors Week and as usual these would not have been a success without the support of staff and volunteers.

Work continues on the new clinic and is an asset and much needed service for the community of Burke Shire.

I would like to take this opportunity to thank the Mayor, Councillors and staff for their support and efforts during the year.

John Page
Acting Chief Executive Officer

Elected Representatives

Burke Shire Council has an elected body of five Councillors, with specific powers, responsibilities, and duties set out in the *Local Government Act 2009* (the Act). Under the Act elections for the Mayor and Councillors are undertaken every four years, with the last election held Saturday 15th March 2008.

Councillor Profiles

MAYOR

Councillor Annie Clarke



Cr Annie Clarke has been on Council since 1994, three years as a Councillor and 14 years as Mayor. Annie's passions lie in education, politics, arts cuisine and wines. She has been involved over 40 year period in CWA, Isolated Children Parents Association, including 30 years of home tutoring, racing industry, director and chair numerous boards associative practically with economic development.

DEPUTY MAYOR

Councillor Ernie Camp



Cr Ernie Camp has been involved in Local Government for 13 years and Deputy Mayor the last two terms. He is a director on an agri-political body - Australian Beef Association. He is also a member of Agforce (a Qld based agri-political body) and Western Gulf Branch rep at Agforce meetings, a member of the Gregory Downs Jockey Club and has been race starter for many years, a Burketown P&C Member, a member of Isolated Children's Parents Association and a member of the Gregory Downs Sporting Association. Ernie also represents Council (and Agforce) on the

NW Qld Regional Water Supply Strategy Committee and as a board member on the Riversleigh Community Scientific Advisory committee (RCSAC).

COUNCILLOR

Councillor Bill Olive



Cr Bill Olive has been a member of the State Emergency Services for 26 years and a Councillor for 19 years whilst still running Cliffdale Station and Hells Gate Roadhouse. He was a master fisherman from 1978 to 1983 and bought Cliffdale Station in 1973. Bill and his wife Le established Hells Gate Roadhouse on September 15 1985 and Bill became a Savannah Guide in 1990. During his years as Councillor Bill has tried to improve living conditions and Roads services for all of the Shires residents and visitors.

COUNCILLOR

Councillor Tonya Murray



Cr Tonya Murray is a descendant of the Gangalidda people who's Traditional Lands are throughout most of Burke Shire. She has a keen interest in providing opportunities for young people, ensuring we minimise environmental impacts in our area and providing services & opportunities for locals. She is also involved in various community organisations including the Burketown Rodeo & Sporting Assoc, Volunteer Marine Rescue, Burketown Fishing Club, Burketown Kindergarten Association and the Burketown State School P & C.

COUNCILLOR

Councillor Tracy Forshaw



Cr Tracy Forshaw lives at Gregory and was first elected in 2008. She is now classed as a local as Tracy has lived in the gulf region for over 20 years. Cr Tracy is an active member of many community groups including the Gregory QCWA, SES, Rural Fire Brigade, Gregory Downs Jockey Club, Gregory District Sporting Assoc. as well as the local Gregory River Landcare Group and the Gregory Downs School P&C. Her commitment to rural health has Tracy overseeing the local RFDS and North West Primary Health Care needs in Gregory, as well advocating the health needs of Burke Shire to anyone that will listen. Tracy and her husband, Ian, run an earthmoving, quarry and concrete business in Gregory which employs up 16 people. In 2007 Tracy was Citizen of the Year for Burke Shire.

The Council

Councillor Remuneration

Local Government (Finance, Plans and Reporting) Regulation 2010 - Chapter 3 Financial sustainability and accountability - Part 3 Planning and accountability documents- s114 Councillors

Every twelve months Council must resolve the allowance applicable to its elected members as decided by the Remuneration Tribunal. The Remuneration Tribunal is an independent State body that sets the scale of income for all local government elected members in Queensland. The Remuneration Tribunal set the remuneration scales for the Burke Shire Council as:

Local Government Area	Mayor	Deputy Mayor	Councillor	Amalgamation Loading (where applicable)	Category
Burke Shire Council	\$46830 - \$60210	\$20070 - \$26760	\$13380 - \$20070	N/A	1

Council resolved at its Council Meeting 9th February 2011 resolution 17.110209 that the remuneration for the Burke Shire Councillors be set as:

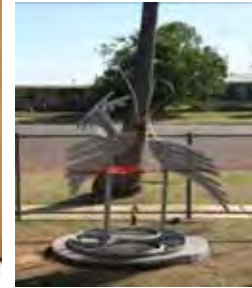
Mayor	\$58,374
Deputy Mayor	\$25,943
Councillors	\$19,455

Council meetings are held on the third Wednesday of each month (subject to alteration in special circumstances). Members of the public are welcome to attend all Council meetings.

Councillor	Council meetings attended	Special / Committee Meetings	Remuneration	Mileage	Reimbursements for Travel, Accommodation, Meals and Training
A Clarke	11	2	\$ 57,439.31	\$ -	\$ 571.90
E Camp	11	2	\$ 34,812.17	\$ 1,612.80	\$ 1,846.42
B Olive	8	2	\$ 19,217.52	\$ 2,016.00	\$ 500.00
T Forshaw	10	2	\$ 20,839.72	\$ 3,112.00	\$ 2,542.80
T Murray	10	1	\$ 19,217.52	\$ -	\$ 2,484.80
Superannuation is not contributed by Council.					

Code of Conduct

The Burke Shire Council has adopted a Code of Conduct for staff



Corporate Structure

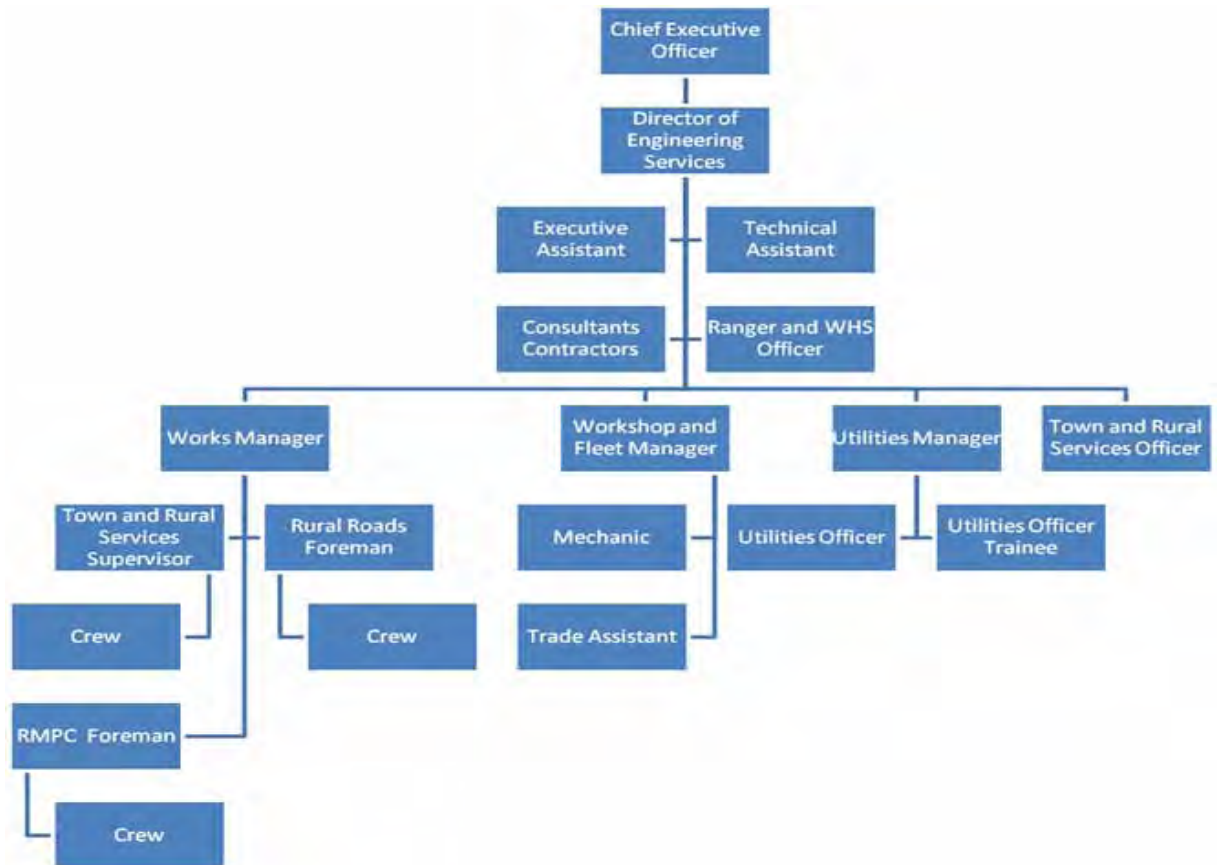
Office of the CEO and Mayor



FINANCE



ENGINEERING



Community Financial Report

In accordance with Section 23(1)/(2)(b)/(3) of the *Local Government Finance Standard 2005* Council is required to include a Community Financial Report in its Annual Report. This section states particular matters that a local government's annual report for a financial year must contain.

The matters are – (b) a community financial report that is –
Consistent with, but not part of, the local government's financial statements; and
In a form that is readily understood by the community.
In this section – “community financial report” means a report containing a summary and analysis of the local government's financial performance and position for the financial year.

The Community Financial Report is a brief summary of the information contained in Council's annual financial statements and is intended to provide the reader with an overview of Council's financial position of the year ended 30 June 2011.

Income		Assets	
Total Income	\$31,832,512	Total Assets	\$104,887,821
Operating Revenue	\$30,623,077	Current Assets	\$ 22,318,208
Capital Revenue	\$ 1,209,435	Non-Current Assets	\$ 82,569,613
Expenses		Liabilities	
Total Expenses	\$15,250,702	Total Liabilities	\$ 1,676,256
		Equity	
		Reserves	\$15,538,122
		Retained Surplus	\$42,540,584
		Asset Revaluation Reserve	\$45,132,859

Revenue – Where did the money come from?

Council received \$31,832,512 in revenue and other income. The largest contributors came from flood damage, RMPC and TIDS which totalled \$24,532,420.

Total revenue increased by \$22,846,083 over the previous year which can be attributed to increases in Rates and Charges and Flood Damage/ Recoverable Works

Net Rates and Utility Charges

Rates payable by ratepayers include the levy for general rates, as well as charges for applicable services of water, sewerage and garbage. Net rates and utility charges for 2010/2011 were \$3,046,997 which was an increase of \$112,503 over the net rates and utility charges for 2009/2010.

Fees and Charges

Fees and charges comprise only 1% of revenue generated by Council. These fees and charges are for additional services requested from Council, and are made to offset the costs of providing these services or to contribute to the cost of running and maintaining certain community facilities.

Recoverable Works

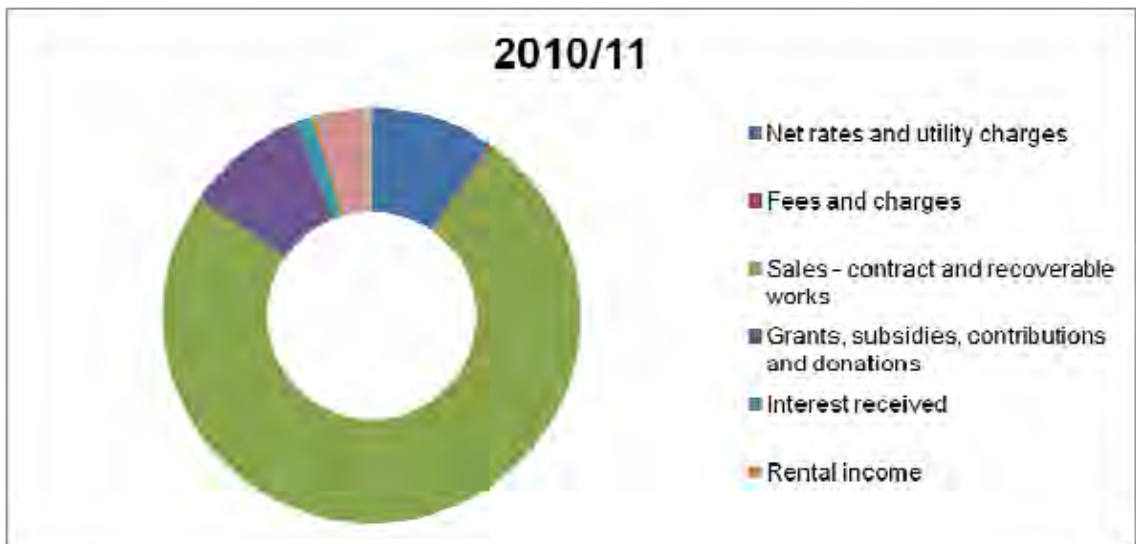
From time to time Council is contracted to perform certain jobs which the relatively small local business base cannot feasibly undertake. This includes services for the Department of Main Roads. Council's revenue from recoverable, contracted works for 2010/2011 was \$23,788,945. This has increased from \$1,180,237 and \$2,399,727 in 2008/2009 and \$3,346,126 in 2007/2008.

Grants and Subsidies

Government grants and subsidies represent a significant portion of Burke Shire Council's total income. Grants and subsidies flow from both the State and Federal Governments to Council and include community, special project, and infrastructure based funding. For the year ended 30 June 2011, revenue sourced from grants and subsidies totalled \$4,233,732.

Interest Income

Burke Shire Council received \$434,026 in interest in the 2010/2011 financial year. This compared to \$298,614 in interest in the previous financial year.



Expenditure – Where was the money spent?

Council spent more than \$15,087,941 during the year on operations of \$15,082,728 and capital projects of \$5,212.

The primary expenses are:

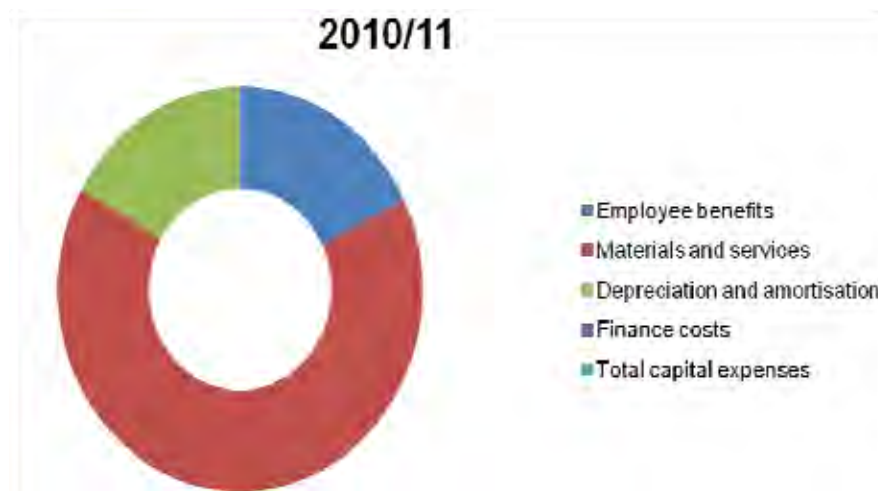
Employee benefits for \$2,703,269 consisting of staff wages and salaries, councilor's remuneration, leave entitlements and superannuation.

Material and services for \$9,996,565 consisting of advertising \$17,286; audits \$35,100; IT and communications \$95,361; consultants \$163,532; donations \$20,313; repairs and maintenance \$929,118; operating expenses \$899,618; recoverable works \$7,700,911; subscriptions and registrations \$87,384 and other material and services \$47,942.

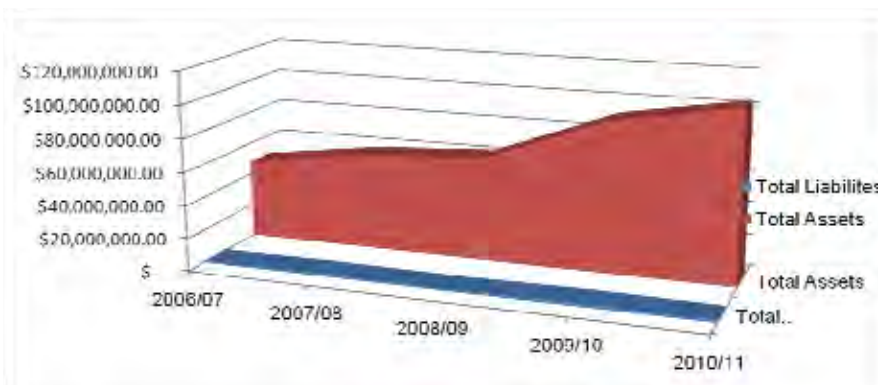
Depreciation and amortisation expenses \$2,536,607.

Finance costs \$9,050.

Total capital expenses \$5,212

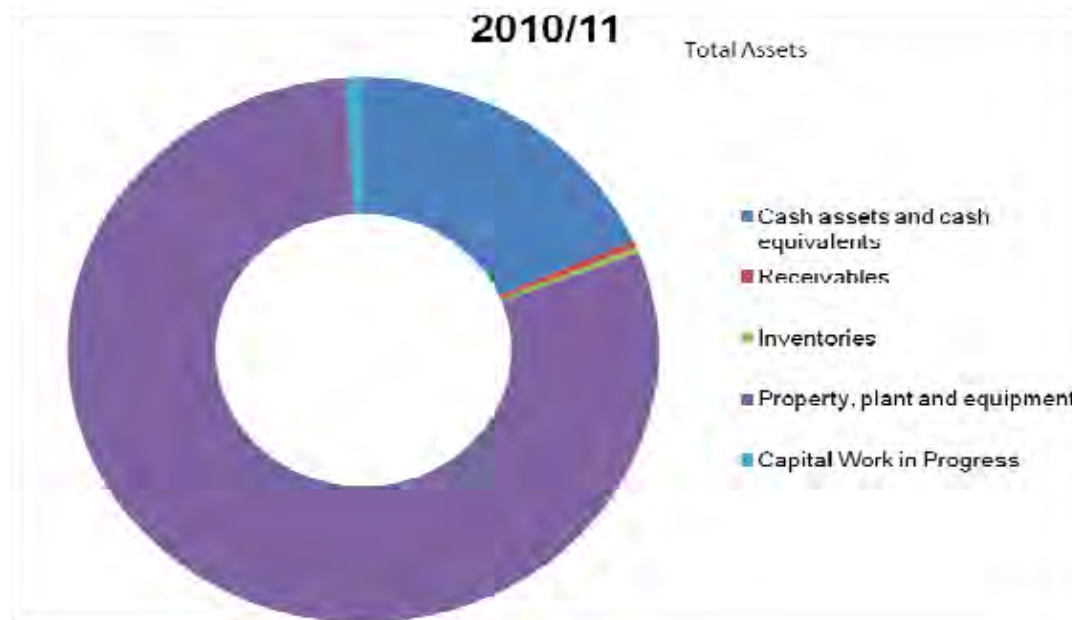


Operating Revenue V Operating Expenditure



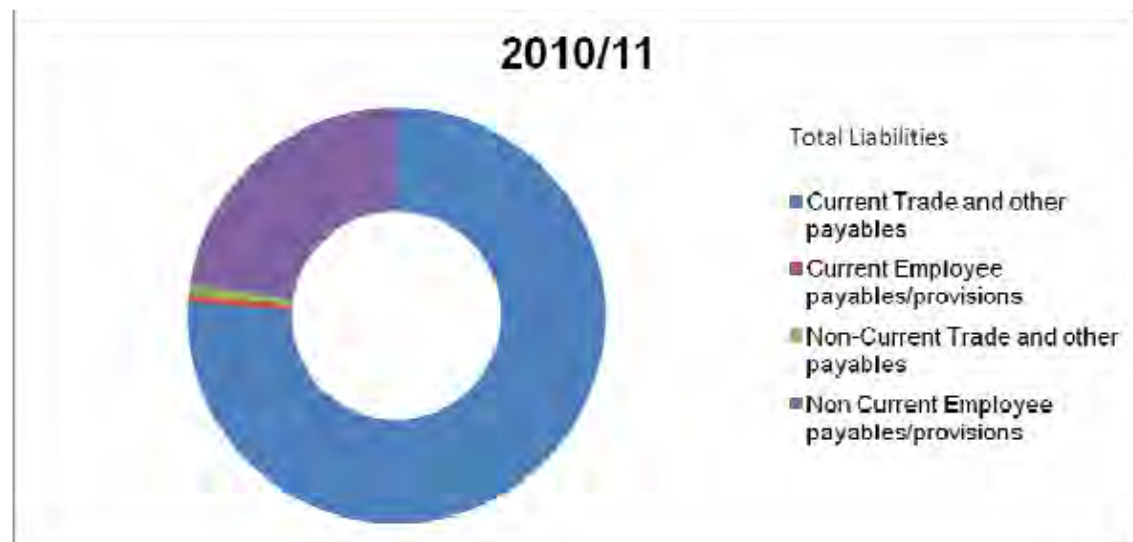
Assets – What do we own?

As at 30 June 2011, Council held \$104,887,821 in assets which is \$12,734,778 more than last year. This increase is mainly due to revenue received for flood damage in advance and Plant Property and Equipment being re-valued.

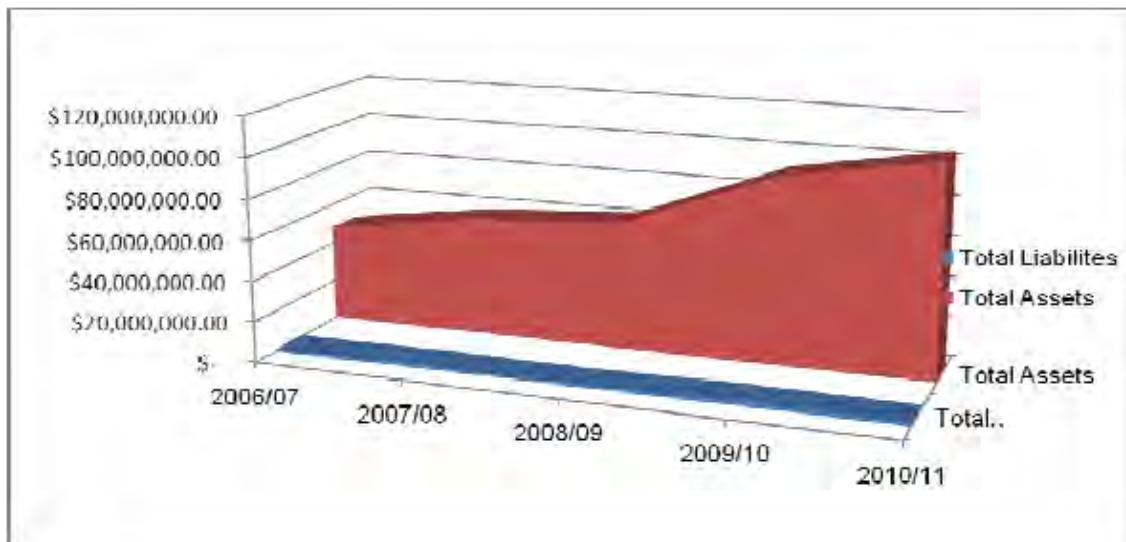


Liability – What do we owe?

As at 30 June 2011, Councils liabilities of \$1,676,256 include employee leave entitlements and amounts owed to suppliers.



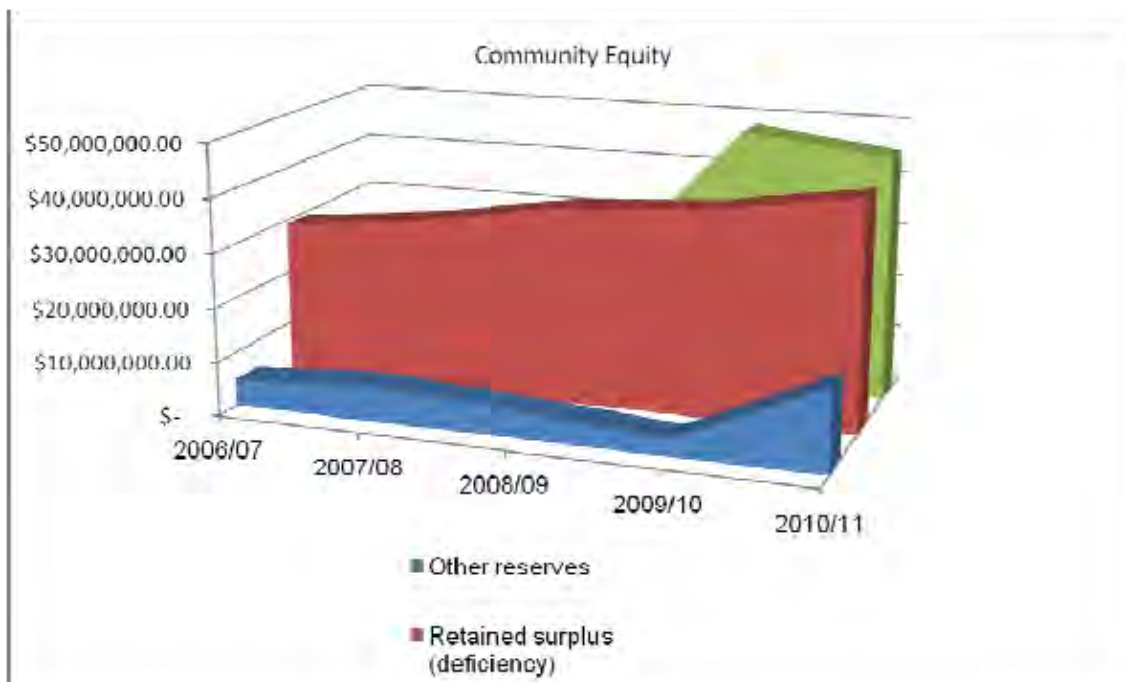
TOTAL ASSETS VS TOTAL LIABILITIES



Community Equity

Council's community equity is defined as its net worth – what we own, less what we owe.

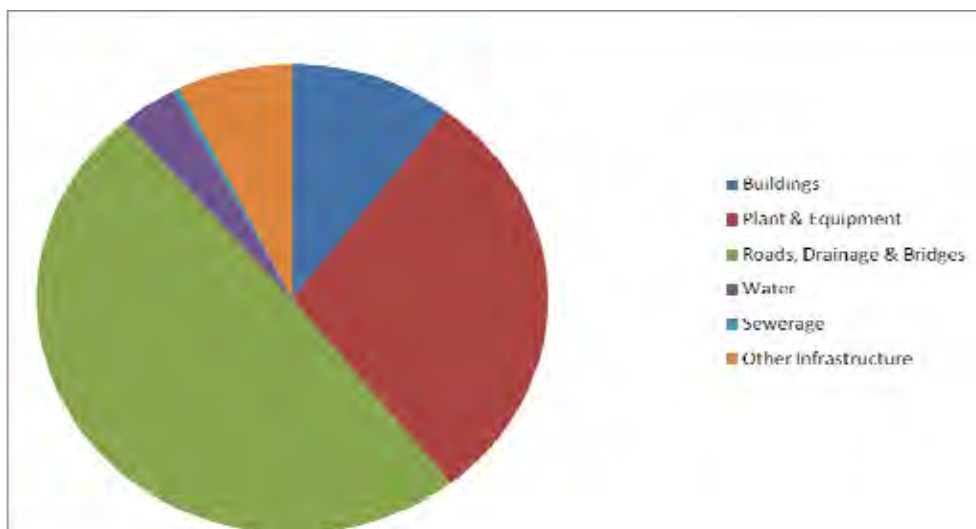
Burke Shire Council's equity as at 30 June 2011 was \$103,211,565 representing a \$13,254,117 increase from previous year.



Capital Works Program

Capital works of \$3,870,450 were undertaken during the year of which more than \$1,905,300 related to road, drainage and bridge works and \$1,124,227 to plant and equipment, and has budgeted to spend a further \$5,016,415 in 2011/12.

Capital Works Program 2010/11



What Have We Achieved

	2010-2011	2009-2010	2008-2009	2007-2008	2006-2007
	\$	\$	\$	\$	\$
Total Operating Income	30,538,188	8,986,429	10,375,171	9,907,913	8,175,058
Total Operating Expenses	15,250,702	8,972,834	7,113,699	5,632,166	5,051,168
Asset Purchases	6,080,328	5,585,098	4,805,188	3,762,402	4,020,147
Total Loan Value (Book)	0.00	0.00	0.00	0.00	0.00
Revenue Ratio*	9.97%	32.65%	26.97%	26.82%	21.48%
Council Assets	104,887,821	92,153,043	62,950,887	58,698,565	48,245,974
Council Liabilities	1,676,256	2,195,595	1,086,881	1,662,257	924,931
Council's Net Value	103,374,327	90,019,528	61,864,006	57,036,308	47,321,043

* Council's dependence on net rates and utility charges as a percentage of total operating income received.

Other Statutory Requirements

Pensioner Rates Remission

Council provides a rates remission to eligible pensioners and this equates to .045% on general rates.

Registers

The following registers are held by Council and are available for viewing by members of the public on request:

- Register of Delegations
- Register of Council Policies
- Schedule of Fees and Charges
- Register of Local Laws
- Minutes of Local Government Meetings
- Register of Interest of Councillors
- Register of Personal Interest of Councillors Related Persons
- Minutes of Council Meetings

Services provided by Consultants

A consultant for a local government, means an entity, other than an employee of the local government, that is engaged by the local government –

- a) To give advice and make recommendations to the local government about a new concept, process or other matter the local government intends to implement; and
- b) For a fixed period and at an agreed rate of payment.

A list of services rendered by consultants is shown below.

Type of Consultant	Cost \$
Governance	45,773
Finance	106,785
Engineering	10,974
Planning	
Environment/Health	

Entertainment and Hospitality Policy

Council adopted an Entertainment and Hospitality Policy which prescribes the scope of application.

The following will be regarded as entertainment or hospitality where the cost is borne by the Council:-

- the provision of food or drink other than as a commercial transaction for full payment;
- the provision of a performance other than as a commercial transaction for full payment;
- attendance by a Councillor or employee of the local government at a function as part of the Councillor's or employee's official duties or obligations as a Councillor or employee of the Council.

Entertainment and hospitality expenditure may relate to the provision to:-

- Councillors;
- Council employees; or
- Others.

The total expenditure on entertainment and hospitality incurred during the year amount to \$10,346

Advertising Policy

Council adopted an Advertising Policy which prescribes the scope of application.

The policy applies to any paid advertisement or notice in any media to promote goods or services (including facilities) provided by the Council.

This policy does not apply to:-

- a) Advertising for employees,
- b) Advertising for the acquisition or disposal of property plant and equipment used, or to be used by the Council in its business,
- c) Advertisements for tenders or expressions of interest under Council's Purchasing Policy or under the Local Government Act 2009,
- d) Reports published in media where no payment is made for the report

Grants to Community Organisations

Council adopted a Grant's to Community Organisations Policy which the scope of applications are:-

- Direct cash grants to community organisations
- Assets given to community organisations
- In-kind assistance given to community organisations
- Concessions (e.g. rates remitted) for community organisations

The value of direct cash grants were \$20,312.80.

Burke Shire Council
2010-2011 Annual Report

RATIO	DEFINITION	INFORMATION	TARGET	RESULT 2010/12
Working Capital Ratio	Current assets divided by current liabilities expressed as 1: X, where $X = CA/CL$	This is an indicator of the management of working capital (short term financial capital). Measures the extent to which a council has liquid assets available to meet short term financial obligations.	Greater than 1:1	17.38:1
Operating Surplus Ratio	Net operating surplus divided by total operating revenue, expressed as a percentage.	This is an indicator of the extent to which revenues raised cover operational expenses only or are available for capital funding purposes. The operating surplus ratio is the operating surplus (deficit) expressed as a percentage of general and other rates net of rate rebates.	Between 0% and 15%	54.30%
Net Financial Liabilities Ratio	Total liabilities less current assets divided by total operating revenue, expressed as a percentage.	This is an indicator of the extent to which net financial liabilities of Council can be serviced by its operating revenues. A ratio greater than zero (positive) indicates that total liabilities exceed current assets. These net liabilities must be serviced using operating revenues. A positive value less than 60% indicates the council has the capacity to fund the liabilities and appears to have the capacity to increase its loan borrowings. A ratio less than zero (negative) indicates that current assets exceed total liabilities and therefore the council appears to have the capacity to increase its loan borrowings.	Not greater than 60%	-67.59%
Interest Cover Ratio	Net interest expense on debt service divided by total operating revenue, expressed as a percentage.	This ratio indicates the extent to which a council's operating revenues are committed to interest expenses. As principal repayments are not operating expenses, this ratio demonstrates the extent to which operating revenues are being used to meet the financing charges associated with debt servicing obligations.	Between 0% and 10%	NA
Asset Consumption Ratio	Written down value of infrastructure assets divided by gross current replacement costs of infrastructure assets, expressed as a percentage.	The average proportion of as new value remaining in the infrastructure assets. This ratio shows the written down current value of a council's depreciable assets relative to their as new value in up to date prices. This ratio seeks to highlight the aged condition of a council's stock of physical assets.	Between 40% and 80%	73.82%
Asset Sustainability Ratio	Capital expenditure on the replacement of assets divided by depreciation expense, expressed as a percentage.	This is an approximation of the extent to which the infrastructure assets managed by the council are being replaced as these reach the end of their useful lives. Depreciation expense represents an estimate of the extent to which the infrastructure assets have been consumed in a period. Capital expenditure on renewals is an indicator of the extent to which the infrastructure assets are being replaced. This ratio indicates whether a council is renewing or replacing existing non-financial assets at the same rate that its overall stock of assets is wearing out.	Greater than 100%	122.25%

Organisation	Donation(s) Requested	
	cash	in-kind
Gregory Downs Jockey Club Incorporated	\$ 5,000.00	Printing of racebooks; printing of programme; rubbish removal and slashing of grounds after wet Inkind - above
Gregory District Sporting Association Incorporated	\$ 2,500.00	Printing of programmes and rubbish collection Inkind - above
ICPA	\$ 500.00	4 Day Camp
Burketown Barramundi Fishing Organisation Incorporated	\$ 5,000.00	In-kind - printing
<i>Burketown Campdraft & Rodeo</i>	<i>\$0.00</i>	<i>Water Truck \$1200.00</i>
Burketown Kindergarten	\$0.00	Rates proposal to be reviewed, no mowing or maintenance to be undertaken
Burketown Primary Health Clinic	\$0.00	\$300 inkind
Biggest Morning Tea	\$0.00	Fund raising will be conducted during the event in aid of Cancer Research \$500 inkind support

BURKE SHIRE COUNCIL

Financial Statements

FOR THE YEAR ENDED 30 JUNE 2012

BURKE SHIRE COUNCIL**Financial Statement****For the year ended 30 June 2012****Table of Contents****Statement of Comprehensive Income****Statement of Financial Position****Statement of Changes in Equity****Statement of Cash Flows****Notes to the Financial Statements**

- 1 Significant accounting policies
- 2 Analysis of results by function
- 3 Revenue analysis
- 4 Grants, subsidies, contribution, and donations
- 5 Capital income
- 6 Employee benefits
- 7 Materials and services
- 8 Finance costs
- 9 Depreciation and amortisation
- 10 Capital expenses
- 11 Cash and cash equivalents
- 12 Trade and other receivables
- 13 Inventories
- 14 Property, plant and equipment
- 15 Trade and other payables
- 16 Provisions
- 17 Other liabilities
- 18 Asset revaluation surplus
- 19 Retained surplus
- 20 Other reserves
- 21 Contingent liabilities
- 22 Superannuation
- 23 Trust funds
- 24 Reconciliation of net operating surplus for the year to net cash inflow (outflow) from operating activities
- 25 Financial instruments
- 26 National Competition Policy
- 27 Events after the reporting period
- 28 Tied grants by project

Management Certificate**Independent Audit Report**

BURKE SHIRE COUNCIL
Statement of Comprehensive Income
For the year ended 30 June 2012

	<u>Notes</u>	<u>2012</u> \$	<u>2011</u> \$
Income			
Revenue			
Recurrent revenue			
Net rate and utility charges	3	3,527,790	3,046,997
Fees and charges	3	83,913	61,125
Rental Income	3	125,859	117,488
Interest received	3	800,388	434,026
Sales - contract and recoverable works	3	1,496,003	5,488,050
Other Income	3	20,466	65,309
Grants, subsidies, contributions and donations	4	10,640,892	21,325,192
		16,695,311	30,538,188
Capital revenue			
Grants, subsidies, contributions and donations	4	1,280,729	1,209,435
Total capital revenue		1,280,729	1,209,435
Total revenue		17,976,040	31,747,623
Gain/(loss) on disposal of non-current assets	5	92,804	84,889
Total income		18,068,844	31,832,512
Expenses			
Recurrent expenses			
Employee benefits	6	(2,833,597)	(2,703,269)
Materials and services	7	(17,801,807)	(9,996,565)
Finance costs	8	(15,575)	(9,050)
Depreciation and amortisation	9	(4,913,610)	(2,536,607)
Total recurrent expenses		(25,564,589)	(15,245,490)
Capital expenses			
Provision for restoration of land	10	(156,763)	(5,212)
		(156,763)	(5,212)
Total expenses		(25,721,352)	(15,250,702)
Net operating surplus		(7,652,508)	16,581,810
Other comprehensive income			
Increase / (decrease) in asset revaluation surplus	18	0	-3,327,693
Total other comprehensive income for the year		0	(3,327,693)
Total comprehensive income for the year		(7,652,508)	13,254,117

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

BURKE SHIRE COUNCIL
Statement of Financial Position
As at 30 June 2012

	<u>Notes</u>	<u>2012</u> \$	<u>2011</u> \$
Current Assets			
Cash and cash equivalents	11	14,407,072	18,795,678
Trade and other receivable	12	837,716	4,543,871
Inventories	13	472,500	335,476
Total current assets		15,717,288	23,675,025
Non-current Assets			
Property, plant and equipment	14	80,775,613	82,569,613
		80,775,613	82,569,613
TOTAL ASSETS		96,492,901	106,244,638
Current Liabilities			
Trade and other payables	15	491,278	2,630,406
Provisions	16	10,000	10,000
Other	17	0	0
Total current liabilities		501,278	2,640,406
Non-current Liabilities			
Trade and other payables	15	19,448	12,955
Provisions	16	569,863	379,712
Total non-current liabilities		589,311	392,667
TOTAL LIABILITIES		1,090,589	3,033,073
NET COMMUNITY ASSETS		95,402,313	103,211,565
Community Equity			
Asset revaluation surplus	18	44,976,116	45,132,859
Retained surplus	19	43,722,070	42,540,584
Other reserves	20	6,704,127	15,538,122
TOTAL COMMUNITY EQUITY		95,402,313	103,211,565

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

BURKE SHIRE COUNCIL
Statement of Changes in Equity
For the year ended 30 June 2012

	Asset revaluation surplus	Retained surplus	Other Reserves	Total
Note	18	19	20	
	\$	\$	\$	\$
Balance as at 1 July 2011	45,132,859	42,540,584	15,538,122	103,211,565
Net operating surplus	0	(7,652,508)	0	(7,652,508)
Increase / (decrease) in asset revaluation surplus	(156,743)	0	0	(156,743)
Total comprehensive income for the year	(156,743)	(7,652,508)	0	(7,809,251)
Transfers to and from reserves				
Transfers to other reserves	0	(29,500)	29,500	0
Transfers from other reserves	0	8,863,494	(8,863,494)	0
Total transfers to and from reserves	0	8,833,994	(8,833,994)	0
Balance as at 30 June 2012	44,976,116	43,722,070	6,704,127	95,402,313
Balance as at 1 July 2010	48,460,551	38,378,369	3,118,528	89,957,448
Net operating surplus	0	16,581,810	0	16,581,810
Increase / (decrease) in asset revaluation surplus	(3,327,693)	0	0	(3,327,693)
Total comprehensive income for the year	(3,327,693)	16,581,810	0	13,254,117
Transfers to and from reserves				
Transfers to other reserves	0	(13,186,616)	13,186,616	0
Transfers from other reserves	0	767,022	(767,022)	0
Total transfers to and from reserves	0	(12,419,595)	12,419,595	0
Balance as at 30 June 2011	45,132,859	42,540,584	15,538,122	103,211,565

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

BURKE SHIRE COUNCIL**Statement of Cash Flows****For the year ended 30 June 2012**

	<u>Notes</u>	<u>2012</u>	<u>2011</u>
		\$	\$
Cash flows from operating activities:			
Receipts from customers		7,341,444	6,567,598
Payments to suppliers and employees		(21,394,368)	(13,237,085)
		(14,052,924)	(6,669,487)
Interest received		800,388	434,026
Rental income		125,859	117,488
Non-capital Grants and Contributions		10,640,892	21,325,192
Net cash inflow (outflow) from operating activities	24	(2,485,785)	15,207,220
Cash flows from investing activities:			
Payments for property, plant and equipment		(3,344,640)	(4,026,872)
Proceeds from sale of property, plant and equipment	5	161,091	233,600
Capital Grants and Contributions		1,280,729	1,209,435
Net cash inflow (outflow) from investing activities		(1,902,821)	(2,583,837)
Net increase (decrease) in cash held		(4,388,606)	12,623,383
Cash at beginning of reporting period		18,795,678	6,172,295
Cash at end of reporting period	11	14,407,072	18,795,678

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

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2012

1 Significant Accounting Policies

1.A Basis of Preparation

These general purpose financial statements are for the period 1 July 2011 to 30 June 2012 and have been prepared in compliance with the requirements of the Local Government Act 2009 and the Local Government (Finance, Plans and Reporting) Regulation 2010. Consequently, these financial statements have been prepared in accordance with all Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements issued by the Australian Accounting Standards Board.

These financial statements have been prepared under the historical cost convention except for the revaluation of certain non-current assets.

1.B Statement of Compliance

These general purpose financial statements comply with all accounting standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to Burke Shire Council's operations and effective for the current reporting period. Because Burke Shire 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, these financial statements do not comply with IFRS. The main impacts are the offsetting of revaluation and impairment gains and losses within a class of assets, and the timing of the recognition of non-reciprocal grant revenue.

1.C Basis of consolidation

Burke Shire Council does not have any controlled entities.

1.D Constitution

The Burke Shire Council is constituted under the Queensland *Local Government Act 2009* and is domiciled in Australia.

1.E Date of Authorisation

The financial statements were authorised for issue on the date they were submitted to the Auditor for final signature. This is the date the management certificate is signed.

1.F Currency

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

1.G Adoption of new Accounting Standards.

In the current year, Council adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period. The adoption of the new and revised Standards and Interpretations has not in any material changes to Council's accounting policies.

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

	Effective for annual report periods beginning on or after:
AASB 9 <i>Financial Instruments</i> (December 2009)	1 January 2013
AASB 10 <i>Consolidated Financial Statements</i>	1 January 2013
AASB 11 <i>Joint Arrangements</i>	1 January 2013
AASB 12 <i>Disclosure of interests in other entities</i>	1 January 2013
AASB 13 <i>Fair Value Measurement</i>	1 January 2013
AASB 119 <i>Employee benefits</i> (completely replaces existing standard)	1 January 2013
AASB 127 <i>Separate Financial Statements</i> (replaces the existing standard together with AASB 10)	1 January 2013
AASB 128 <i>Investments in Associates and Joint Ventures</i> (replaces the existing standard)	1 January 2013
AASB 1053 <i>Application of Tiers of Australian Accounting Standards</i>	1 July 2013
2009-11 <i>Amendments to Australian Accounting Standards arising from AASB 9</i> (December 2009)	1 January 2013
AASB 2010-2 <i>Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements</i>	1 July 2013
AASB 2010-7 <i>Amendments to Australian Accounting Standards arising from AASB 9</i> (December 2010)	1 January 2013
AASB 2010-8 <i>Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets</i>	1 January 2012

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2012

AASB 2010-10 <i>Further Amendments to Australian Accounting Standards – Removal of Fixed Dates for First-time Adopters</i>	1 January 2013
AASB 2011-2 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements	1 July 2013
AASB 2011-3 Amendments to Australian Accounting Standards – Orderly Adoption of Changes to the ABS GFS Manual and Related Amendments	1 July 2012
AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements	1 July 2013
AASB 2011-6 Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation – Reduced Disclosure Requirements	1 July 2013
AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards	1 January 2013
AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13	1 January 2013
AASB 2011-9 Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income	1 July 2012
AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011)	1 January 2013
AASB 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements	1 July 2013
AASB 2011-12 Amendments to Australian Accounting Standards arising from Interpretation 20 (AASB 1)	1 January 2013
AASB 2011-13 Amendments to Australian Accounting Standard - Improvements to AASB 1049	1 July 2012
Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine	1 January 2013

AASB 9 Financial Instruments (effective from 1 January 2013)

AASB 9, which replaces AASB 139 *Financial Instruments: Recognition and Measurement*, is effective for reporting periods beginning on or after 1 January 2013 and must be applied retrospectively. The main impact of AASB 9 is to change the requirements for the classification, measurement and disclosures associated with financial assets. Under the new requirements the four current categories of financial assets stipulated in AASB 139 will be replaced with two measurement categories: fair value and amortised cost and financial assets will only be able to be measured at

AASB 13 Fair Value Measurement (AASB 13)

AASB 13 applies to reporting periods beginning on or after 1 January 2013. The standard sets out a new definition of "fair value", as well as new principles to be applied when determining the fair value of assets and liabilities. The new requirements will apply to all of the Council's assets and liabilities (excluding leases) that are measured and/or disclosed at fair value or another measurement based on fair value. The potential impacts of AASB 13 relate to the fair value measurement methodologies used, and financial statement disclosures made in respect of, such assets and liabilities.

Burke Shire Council has commenced reviewing its fair value methodologies (including instructions to valuers, data used and assumptions made) for all items of property, plant and equipment measured at fair value to determine whether those methodologies comply with AASB 13. To the extent that the methodologies don't comply, changes will be necessary. While the Council is yet to complete this review, no significant changes are anticipated, based on the fair value methodologies presently used. Therefore, and at this stage, no consequential material impacts are expected for the Tropical Council's property, plant and equipment in 2013-14.

AASB 13 will require an increased amount of information to be disclosed in relation to fair value measurements for both assets and liabilities. To the extent that any fair value measurement for an asset or liability uses data that is not "observable" outside the Council, the amount of information to be disclosed will be relatively greater.

Amendments to AASB 101 Presentation of Financial Statements

The AASB 101 Amendments require council to group items presented in other comprehensive income into those that, in accordance with other standards: (a) will not be reclassified subsequently to profit or loss and (b) will be reclassified subsequently to profit or loss when specific conditions are met. It is applicable for annual periods beginning on or after 1 July 2012. The Council's management expects this will change the current presentation of items in other comprehensive income; however, it will not affect the measurement or recognition of such items.

Amendments to AASB 119 Employee Benefits

A revised version of AASB 119 Employee Benefits applies from reporting periods beginning on or after 1 January 2013. The revised AASB 119 is generally to be applied retrospectively.

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2012

The revised standard includes changed criteria for accounting for employee benefits as "short-term employee benefits". Had Burke Shire Council applied the revised standard this year annual leave currently classified as a "short-term benefit" would have been reclassified as a "long-term benefit". However, no reported amounts would have been amended as the Council already discounts the annual leave liability to present value in respect of amounts not expected to be settled within 12 months (refer Note 1.T).

The concept of "termination benefits" is clarified and the recognition criteria for liabilities for terminations benefits will be different. If termination benefits meet the timeframe criterion for "short-term employee benefits", they will be measured according to the AASB 119 requirements for "short-term employee benefits". Otherwise, termination benefits will need to be measured according to the AASB 119 requirements for "other long-term employee benefits". Under the revised standard, the recognition and measurement of employer obligations for "other long-term employee benefits" will need to be accounted for according to most of the requirements for defined benefit plans.

The revised AASB 119 also includes changed requirements for the measurement of employer liabilities/assets arising from defined benefit plans, and the measurement and presentation of changes in such liabilities/assets. Burke Shire Council contributes to the Local Government Superannuation Scheme (QLD) as disclosed in note 31. The revised standard will require Burke Shire Council to make additional disclosures regarding the Defined Benefits Fund element of the scheme.

Management have yet to assess the impact that AASB 9 *Financial Instruments* and 2009-11 *Amendments to Australian Accounting Standards arising from AASB 9* is likely to have on the financial statements of Council as it is anticipated that further amendments will occur. Council does not expect to implement the amendments prior to the adoption date of 1 January 2013.

The report results and position of the council will not change on adoption of the other pronouncements as they do not result in any changes to the council's existing accounting policies. Adoption will, however, result in changes to information currently disclosed in the financial statements. The council does not intend to adopt any of these pronouncements before their effective dates.

1.H Critical accounting judgements and key sources of estimation uncertainty

In the application of Burke Shire Council's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and ongoing assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Judgements, estimates and assumptions that have a potential significant effect are outlined in the following financial statement notes:

Valuation of property, plant and equipment - Note 1.Q and Note 14

Provisions - Note 1.T and 1.U and Note 16

Impairment of property, plant and equipment - Note 1.R and Contingencies - Note 21

1.I Rates, levies grants and other revenue

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

(i) Rates

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

(ii) Grants and subsidies

Grants, subsidies and contributions that are non-reciprocal in nature are recognised as revenue in the year in which Council obtains control over them. An equivalent amount is placed in a reserve until the funds are expended. Unspent non-reciprocal grants are placed in the Constrained Works Reserve and are transferred to Retained Earnings once expended and approved by funding authority. Burke Shire Council has not spent all recurrent grants in the year received and therefore Burke Shire Council has transferred these to unspent funds to the Constrained Works Reserve. These funds will be transferred to Retained Earnings once expended and approved by funding authority.

Where grants are received that are reciprocal in nature, revenue is recognised as the various performance obligations under the funding agreement are fulfilled. Burke Shire Council does not currently have any reciprocal grants.

(iii) Non-cash contributions

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2012

Non-cash contributions with a value in excess of the recognition thresholds, are recognised as revenue and as non-current assets. Non-cash contributions below the thresholds are recorded as revenue and expenses.

(iv) Rental Income

Rental revenue from property is recognised as income on a periodic straight line basis over the lease term.

(v) Interest

Interest received from term deposits is accrued over the term of the investment.

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2012

Sales revenue

Sale of goods is recognised when the the significant risks and rewards of ownership are transferred to the buyer, generally when the customer has taken undisputed delivery of the goods.

The council generates revenues from a number of services including from contracts for road and earthworks. Revenue from contracts and recoverable works generally comprises a recoupment of material costs together with an hourly charge for use of equipment and employees. Contract revenue and associated costs are recognised by reference to the stage of completion of the contract activity at the reporting date. Revenue is measured at the fair value of consideration received or receivable in relation to that activity. Where consideration is received for the service in advance it is included in other liabilities and is recognised as revenue in the period when the service is performed.

Fees and Charges

Fees and charges are recognised upon unconditional entitlement to the funds. Generally this is upon lodgement of the relevant applications or documents, issuing of the infringement notice or when the service is provided.

(vi) Significant Revenue and Expenses

The Queensland Government provides financial assistance to disaster affected communities in Queensland through the Natural Disaster Relief and Recovery Arrangements program (NDRRA), jointly funded by the Australian Government. The funding is available subject to strict guidelines and only for declared disaster events.

The Council's net result for the Financial Year ended 30th June 2012 includes the effect of the following declared disaster events that have impacted on the Burke Shire local government area in the last 3 years:

Event	Year	
Monsoonal Flooding	2009-2010	
Tropical Cyclones Tasha & Anthony	Nov 2010-Feb2011	
Tropical Cyclone Yasi	Feb 2011	
Monsoon Flooding	Feb-Mar 2011	
Monsoonal Flooding	April 2011	The following

Significant revenue and expense items related to NDRRA events, included in the net result, are relevant in explaining the financial performance of Council for the period.

	2012	2011
Recovery of expenditure incurred for NDRRA purposes:		
Grant funding received for operating expenditure	6,557,489	18,300,895
Incurred for NDRRA purposes		
Grant funding received for capital expenditure	-	-
Incurred for NDRRA purposes		
Total grant revenue received for recovery of capital and Operating expenditure	6,557,489	18,300,895
Expenditure for costs incurred for NDRRA purposes:		
Operating expenditure incurred for NDRRA purposes	18,303,302	7,966,617
Capital expenditure incurred for NDRRA purposes	-	-
Total expenditure incurred for NDRRA purposes	18,303,302	7,966,617

As 30th June 2012, Burke Shire Council has expended \$23,278,860 to repair damage to its road network caused by extraordinary weather. Events which occurred in the year 2010/2011 and 2011/2012. Council has received and applied \$19,068,983 of payments under the NDRRA events leaving a balance of claimable funds of \$4,209,876.

Based on Burke Shire Council's internal review and a review by an independent Engineering consultants, George Bourne and Associate on the advice/report commissioned by QRA, it conservatively estimated a maximum of \$3,600,000 may not meet the stringent guidelines required by NDRRA grant funding subsidy. On this basis, Council has recognised \$609,867 as receivable as at 30th June 2012. When the matter is resolved it is Council's intention to capitalise the value of any road infrastructure repair works which are determined not to be eligible for NDRRA subsidy.

1.J Financial assets and financial liabilities

Burke Shire Council recognises a financial asset or a financial liability in its Statement of Financial Position when, and only when, Burke Shire Council becomes a party to the contractual provisions of the instrument.

Burke Shire Council has categorized and measured the financial assets and financial liabilities held at balance date as follows:

Financial Assets

Cash and cash equivalents (Note 1.K)

Receivables - measured at amortised cost (Note 1.L)

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2012

Financial Liabilities

Payables - measured at amortised cost (Note 1.5)

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

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 trade receivables approximates the amortised cost less any impairment. The fair value of payables approximates the amortised cost.

Burke Shire Council does not recognise financial assets or financial liabilities at fair value in the Statement of Financial Position.

All other disclosures relating to the measurement and financial risk management of financial instruments are included in Note 25.

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2012

1.K 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, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

1.L Receivables

Trade receivables are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase price / contract price. 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 Burke Shire Council will not be able to collect all amounts due, the carrying amount is reduced for impairment. The loss is recognised in finance costs. The amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated cash flows discounted at the effective interest rate.

All known bad debts were written-off at 30 June. Subsequent recoveries of amounts previously written off in the same period are recognised as finance costs in the Statement of Comprehensive Income. If an amount is recovered in a subsequent period it is recognised as revenue.

Because Burke Shire Council is empowered under the provisions of the Local Government Act 2009 to sell an owner's property to recover outstanding rate debts, Council does not impair any rate receivables.

Loans and advances are recognised in the same way as other receivables. Terms are usually a maximum of five years with interest charged at commercial rates. Security is not normally obtained.

1.M Inventories

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

Inventories held for distribution are:

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

These goods are valued at cost, adjusted, when applicable, for any loss of service potential.

1.N Other Financial Assets

Other Financial Assets are recognised at cost. At present Burke Shire Council does not have any other financial assets.

1.O Land Held for Resale

Land acquired with the intention of reselling it (with or without further development) is classified as inventory. This land is valued at the lower of cost or net realisable value. Inventory items are always treated as current assets.

Profit arising upon sale of land is recognised in the Statement of Comprehensive Income on the signing of a valid unconditional contract of sale. Burke Shire Council does not have any land held for resale.

1.P Investments

Term deposits in excess of three months are reported as investments, with deposits of less than three months being reported as cash equivalents. At 30 June 2011 Burke Shire Council did not have any term deposits in excess of three months.

1.Q 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 Burke Shire Council are:

Land - Council Owned
Buildings
Road Pavements
Other Structures
Plant & Equipment
Sewerage Infrastructure
Water Infrastructure

Office Furniture & Equipment

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2012

(i) 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.

Property, plant and equipment received in the form of contributions, are recognised as assets and revenues at fair value by Burke Shire 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.

(ii) 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.

(iii) Valuation

Land - Council Owned, Buildings, Road Pavements, Sewerage Infrastructure, Water Infrastructure and Other Structure assets are measured on the revaluation basis, at fair value, in accordance with AASB 116 *Property, Plant & Equipment*. Plant & equipment, Furniture & equipment, and work in progress 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 is achieved by engaging independent, professionally qualified valuers to determine the fair value for each class of property, plant and equipment assets at least once every 3 years. This process involves the valuer physically sighting a representative sample of Council assets across all asset classes and making their own assessments of the condition of the assets at the date of inspection.

In the intervening years, with respect to the valuation of the Land - Council Owned, Buildings, Road Pavements, Sewerage Infrastructure, Water Infrastructure and Other Structure asset classes, management engage independent, professionally qualified valuers to perform a "desktop" valuation. A desktop valuation involves management providing updated information to the valuer regarding additions, deletions and changes in assumptions such as useful life, residual value and condition rating. The valuer then determines suitable indices which are applied to each of these asset classes.

An analysis performed by management has indicated that, on average, the variance between an indexed asset value and the valuation by an independent valuer when performed is not significant and the indices used by Council are sound. Further details in relation to valuers, the methods of valuation and the key assumptions used are disclosed in Note 14.

Any revaluation increment arising on the revaluation of an asset is credited to the appropriate class of the asset revaluation surplus, 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 surplus 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.

Details of valuers and methods of valuations are disclosed in Note 14.

(iv) Capital work in progress

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

(v) Depreciation

Land is not depreciated as it has an unlimited useful life. Depreciation on other property, plant and equipment assets 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. Management believe that the straight-line basis appropriately reflects the pattern of consumption of all Council assets.

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.

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2012

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.

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2012

The depreciable amount of improvements to or on leasehold land is allocated progressively over the estimated useful lives of the improvements to Burke Shire 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 14.

Depreciation methods, estimated useful lives and residual values of property, plant and equipment assets are reviewed at the end of each reporting period and adjusted where necessary to reflect any changes in the pattern of consumption, physical wear and tear, technical or commercial obsolescence, or management intentions. The condition assessments performed as part of the annual valuation process for assets measured at depreciated current replacement cost are used to estimate the useful lives of these assets at each reporting date. Details of the range of estimated useful lives for each class of asset are shown in Note 14.

(vi) Land under roads

Land under roads acquired before 30 June 2008 is recognised as a non-current asset where Burke Shire Council holds title or a financial lease over the asset. The Burke Shire Council currently does not have any such land holdings.

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.R 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, Burke Shire 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 recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

An impairment loss is recognised immediately in the Statement of Comprehensive Income, 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 surplus 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 surplus increase.

1.S 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.T 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.

(i) Salaries and Wages

A liability for salaries and wages is recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date. This liability represents an accrued expense and is reported in Note 15 as a payable.

(ii) Annual Leave

A liability for annual leave is recognised. Amounts expected to be settled within 12 months (the current portion) are calculated on current wage and salary levels and includes related employee on-costs. Amounts not expected to be settled within 12 months (the non-current portion) are calculated on projected future wage and salary levels and related employee on-costs, and are discounted to present values. This liability represents an accrued expense and is reported in Note 20 as a payable

(iii) Sick Leave

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2012

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

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2012

(iv) Superannuation

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

Details of those arrangements are set out in Note 22.

(v) Long Service Leave

A liability for long service leave is measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The value of the liability was calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. The estimates are adjusted for the probability of the employee remaining in the Council's employment or other associated employment which would result in the Council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value. The interest rates attaching to Commonwealth Government guaranteed securities at the reporting date are used to discount the estimated future cash outflows to their present value. This liability is reported in Note 16 as a provision.

1.U Restoration Provision

A provision is made for the cost of restoration in respect of refuse dumps and quarries where it is probable the Council will be liable, or required, to incur such a cost on the cessation of use of these facilities. The provision is measured at the expected cost of the work required, discounted to current day values using the interest rates attaching to Commonwealth Government guaranteed securities with a maturity date corresponding to the anticipated date of the restoration.

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

The provision represents the present value of the anticipated future costs associated with the closure of the dump sites, decontamination and monitoring of historical residues and leaching on these sites. The calculation of this provision requires assumptions such as application of environmental legislation, site closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from amounts currently provided. Because of the long-term nature of the liability, the most significant uncertainty in estimating the provision is the costs that will be incurred. The provision recognised for dump sites is reviewed at least annually and updated based on the facts and circumstances available at the time. Management estimates that the site will close in 2029 and that the restoration will occur progressively over the subsequent four years.

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

1.V Asset revaluation surplus

The asset revaluation surplus 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 surplus.

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 surplus in respect of that class. Any excess is treated as an expense.

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

1.W Retained surplus

This represents the amount of Burke Shire Council's net funds not set aside in reserves to meet specific future needs.

1.X Reserves

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

(i) Asset Replacement Reserve

This reserve represents amounts set aside for the future replacement of the Council's assets.

(ii) Constrained Works Reserve

BURKE SHIRE COUNCIL
Notes to the Financial Statements**For the year ended 30 June 2012**

This reserve represents contributions received , including grants and subsidies, for works where the required works have not yet been carried out, or where works have been completed and the subsidy/grant payment is awaiting final approval from the funding authority after confirmation that works are subsidisable under the grant funding guidelines. As works are completed, or completed and approved for grant/subsidy by the funding authority relevant transfers are implemented.

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2012

(iii) Reserve held for Future Recurrent Expenditure

This is a cash backed reserve and represents amounts 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.

1.Y National Competition Policy

The Council has reviewed its activities and has identified two activities that are business activities. Details of these activities can be found in Note 26.

1.Z Rounding and Comparatives

Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period. Amounts included in the financial statements have been rounded to the nearest \$1.

1.AA 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, deposits for the contracted sale of land, security deposits lodged to guarantee performance and unclaimed monies (e.g. wages) paid into the Trust Account by the Council. The Council performs only a custodian role in respect of these monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements.

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

For details see Note 23.

1.AB 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.

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2012

2 Analysis of results by function

(b) Income and expenses defined between recurring and capital are attributed to the following functions:

Year ended 30 June 2012

Functions	Gross program income						Elimination of inter-function transactions	Total income	Gross program expenses		Elimination of inter-function transactions	Total expenses	Net result from recurring operations	Net Result	Assets
	Recurring			Capital											
	Grants	Other	Grants	Other	Capital										
	2012	2012	2012	2012	2012	2012									
Finance	\$ 3,123,460	\$ 3,168,665	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,292,125	\$ 0	\$ 0	\$ 0	\$ 6,292,125	\$ 6,292,125	\$ 18,954,825		
Administration	4,583	782,259	0	0	0	0	786,842	460,907	0	0	460,907	325,935	325,935		
Planning & Building	0	2,145	0	0	0	0	2,145	63,493	0	0	63,493	(61,348)	(61,348)		
Engineering Services	7,368,159	1,572,650	1,280,729	92,804	0	0	10,314,342	22,103,101	0	0	22,103,101	(13,162,292)	(11,788,759)		
Environmental Services	22,715	822	0	0	0	0	23,537	268,651	0	0	268,651	(245,114)	(245,114)		
Community & Cultural	121,975	140,979	0	0	0	0	262,954	1,266,361	0	0	1,266,361	(1,003,407)	(1,003,407)		
Garbage Utility	0	56,618	0	0	0	0	56,618	240,567	156,763	0	397,330	(183,949)	(340,712)		
Sewerage Utility	0	92,479	0	0	0	0	92,479	219,832	0	0	219,832	(127,353)	(127,353)		
Water Utility	0	237,802	0	0	0	0	237,802	941,677	0	0	941,677	(703,875)	(703,875)		
Total Council	10,640,892	6,054,419	1,280,729	92,804	0	0	18,068,844	25,564,589	156,763	0	25,721,352	(8,869,278)	(7,652,508)		

Year ended 30 June 2011

Functions	Gross program income						Elimination of inter-function transactions 2011	Total income	Gross program expenses		Elimination of inter-function transactions 2011	Total expenses	Net result from recurring operations 2011	Net Result	Assets
	Recurring			Capital											
	Grants	Other		Grants	Other										
	2011	2011		2011	2011										
Finance	\$ 2,154,673	\$ 2,700,266	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,854,939	\$ 0	\$ 0	\$ 0	\$ 4,854,939	\$ 4,854,939	\$ 4,854,939	\$ 23,339,548	
Administration	11,971	455,758	0	0	0	0	467,729	1,017,388	0	0	1,017,388	(549,659)	(549,659)	3,450,774	
Planning & Building	0	85	0	0	0	0	85	32,639	0	0	32,639	(32,554)	(32,554)	0	
Engineering Services	18,969,617	5,530,815	1,209,435	54,889	0	0	25,764,756	10,982,236	0	0	10,982,236	13,518,196	14,782,520	54,074,134	
Environmental Services	16,660	4,414	0	0	0	0	21,074	238,892	0	0	238,892	(217,818)	(217,818)	721,458	
Community & Cultural	172,271	162,800	0	30,000	0	0	365,071	1,293,698	0	0	1,293,698	(958,627)	(928,627)	10,965,787	
Garbage Utility	0	53,583	0	0	0	0	53,583	283,538	5,212	0	288,750	(229,955)	(235,167)	269,234	
Sewerage Utility	0	88,896	0	0	0	0	88,896	248,582	0	0	248,582	(159,686)	(159,686)	2,495,866	
Water Utility	0	216,379	0	0	0	0	216,379	1,148,518	0	0	1,148,518	(932,139)	(932,139)	10,927,860	
Total Council	21,325,192	9,212,996	1,209,435	84,889	0	0	31,832,512	15,245,490	5,212	0	15,250,702	15,292,698	16,581,810	106,244,688	

Sign

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2012

2b Analysis of results by function

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

Finance

Includes revenue (rates and general grants), purchasing and budgeting.

Administration

Includes members of Council, general administration, human resources and community relations.

Planning & Building

Includes strategic (town) planning, building services and tourism.

Engineering Services

Includes road construction and maintenance, airport operation, boat ramps, drainage and footpaths.

Environmental Services

Includes animal control, pest control, environmental health and cemeteries.

Community & Cultural

Includes libraries, civic buildings, ablution facilities, housing, sport and recreation and parks and gardens.

Garbage Utility

Includes refuse collection, refuse disposal and recycling.

Sewerage Utility

Includes sewerage services.

Water Utility

Includes water services.

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2012

	<u>Notes</u>	<u>2012</u>	<u>2011</u>
		\$	\$
3 Revenue analysis			
(a) Rates and charges			
General rates		3,258,119	3,160,171
Garbage rates		273,231	251,518
Sewerage rates		107,050	103,458
Water rates		65,809	61,669
Total rates and utility charge revenue		<u>3,704,209</u>	<u>3,576,816</u>
Less: Discounts		(175,101)	(529,007)
Less: Pensioner remissions		(1,318)	(813)
Net rates and utility charges		<u>3,527,790</u>	<u>3,046,997</u>
(b) Fees and charges			
Building and development fees		2,145	85
Licences and registrations		0	0
Airport landing fees		46,626	40,037
Other fees and charges		35,142	21,003
		<u>83,913</u>	<u>61,125</u>
(c) Rental income			
Property rentals		125,859	117,488
		<u>125,859</u>	<u>117,488</u>
(d) Interest received			
Interest received from term deposits		772,614	422,199
Interest from overdue rates and utility charges		27,774	11,827
		<u>800,388</u>	<u>434,026</u>
(e) Sales revenue			
Sales of services			
Contract and recoverable works		1,496,003	5,488,050
		<u>1,496,003</u>	<u>5,488,050</u>
(f) Other recurrent income			
Other income		20,466	65,309
		<u>20,466</u>	<u>65,309</u>
4 Grants, Subsidies, Contributions and Donations			
(a) Recurrent			
General purpose grants		3,896,270	2,787,570
State Government subsidies and grants		6,744,622	18,537,622
Total recurrent revenue		<u>10,640,892</u>	<u>21,325,192</u>
(b) Capital			
State Government subsidies and grants		1,280,729	1,209,435
Total capital revenue		<u>1,280,729</u>	<u>1,209,435</u>
(c) Conditions over contributions			
Contributions and grants which were recognised as revenues during the reporting period and which were obtained on the condition they be expended in a manner specified by the contributor but had not been expended at the reporting date.			
Grants for expenditure on infrastructure		-	9,022,045
Contributions and grants which were recognised as revenues during a previous reporting period and were expended during the current reporting period in accordance with Council's obligations.			
Grants expended on infrastructure and operations		8,796,437	302,950
		<u>8,796,437</u>	<u>9,324,995</u>

BURKE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2012

	<u>Notes</u>	<u>2012</u>	<u>2011</u>
		\$	\$
5 Capital income			
Gain /(loss) on the disposal of non-current assets			
Proceeds from the sale of property, plant and equipment		161,091	233,600
Less: Book value of property, plant and equipment disposed		(68,287)	(148,711)
Total gain /(loss) on the disposal of non-current assets		92,804	84,889
6 Employee benefits			
Total staff wages and salaries		1,870,704	1,978,619
Councillors' remuneration		216,650	228,674
Annual, sick and long service leave entitlements		406,576	199,454
Superannuation	22	225,075	202,986
		2,719,005	2,609,733
Other employee related expenses		177,112	147,659
		2,896,117	2,757,392
Less: Capitalised employee expenses		(62,520)	(54,123)
		2,833,597	2,703,269
Councillor remuneration represents salary, superannuation contributions and other allowances paid in respect of carrying out their duties			
Total Council employees at period end			
Elected members		5	5
Administrative staff		11	11
Depot and outdoors staff		36	36
Total full time equivalent employees		52	52
7 Materials and services			
Advertising and marketing		45,438	17,286
Audit of annual financial statements by the Auditor-General of Queensland		31,080	35,100
Communications and IT		106,403	95,361
Consultants		179,062	163,532
Donations paid		47,108	20,313
Operating Expenses		1,667,423	2,647,433
Repairs and maintenance		753,631	907,996
Recoverable Works		806,122	2,104,102
Roads - Flood Damage		13,955,100	3,870,116
Subscriptions and registrations		86,541	87,384
Other material and services		123,899	47,942
		17,801,807	9,996,565
8 Finance costs			
Bad Debt Expense		0	3,567
Bank charges		15,575	5,483
		15,575	9,050
9 Depreciation and amortisation			
Depreciation of non-current assets			
Land improvements		0	0
Buildings		149,937	145,818
Road, drainage and bridge network		3,675,692	1,280,569
Other infrastructure assets		332,365	333,961
Plant and equipment		375,273	409,799
Sewerage		105,350	101,132
Water		264,279	257,598
Furniture and equipment		10,715	7,730
Total depreciation and amortisation		4,913,610	2,536,607

BURKE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2012

	<u>Notes</u>	<u>2012</u>	<u>2011</u>
		\$	\$
10 Capital expenses			
Provision for restoration of land			
Discount rate adjustment to refuse restoration provision		(156,763)	(5,212)
		<u>(156,763)</u>	<u>(5,212)</u>
Total capital expenses		(156,763)	(5,212)

11 Cash and cash equivalents

Cash on hand	878	878
Cash at Bank	478,747	893,044
Deposits at call	13,093,577	14,030,017
Term Deposit	833,870	3,871,739
Balance per Statement of Cash Flows	14,407,072	18,795,678

Externally imposed expenditure restrictions at the reporting date relate to the following cash assets:

Unspent government grants and subsidies as retained in Constrained Work Reserve (Note 20).	225,608	9,022,045
Total unspent restricted cash for capital projects	225,608	9,022,045

Cash account are held with Westpac Banking Corporation and deposits at call are held in the Queensland Treasury Corporation. Burke Shire Council has term deposit with Westpac Banking Corporation. As at 17th of July 2012, Queensland Treasury Corporation had a AA+ credit rating and Westpac Banking Corporation had a AA- credit rating.

12 Trade and other receivables

(a) Current		
Rateable revenue and utility charges	56,598	76,392
Debtors	674,836	4,411,265
Less: Provision for doubtful debts	(786)	(4,343)
GST recoverable	38,782	0
Prepayments	68,286	60,557
	<u>837,716</u>	<u>4,543,871</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.

13 Inventories

Current		
Inventories for consumption:		
Other inventory items	472,500	335,476
Total inventories for consumption	472,500	335,476
Land purchased for development and sale	0	0
Total inventories	472,500	335,476

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2012

	<u>Notes</u>	<u>2012</u>	<u>2011</u>
		\$	\$

14a Property, Plant and Equipment

Property, plant and equipment valuations were determined by reference to the following:

Land - Council Owned

Land has been included at current market value as at 30 June 2010 as determined by Australian Pacific Valuers, Registered Valuers.

Land under infrastructure and reserve land does not have a value for the purpose of the Burke Shire Council's financial statements. Refer Note 1Q (vi)

Buildings

Buildings have been included at their written down current replacement cost as valued by Australian Pacific Valuers, Registered Valuers as at 30 June 2010.

Road Pavements

Road and drainage infrastructure is included at the written down replacement cost as at 30 June 2011 as determined by Australian Pacific Valuers, Registered Valuers.

Other Infrastructure

Other infrastructure is included at the written down replacement cost as at 30 June 2010 as determined by Australian Pacific Valuers, Registered Valuers.

Plant and Equipment

Plant and equipment is measured at original cost less accumulated depreciation.

Water Infrastructure

Water infrastructure is included at the written down replacement cost as at 30 June 2010 as determined by Australian Pacific Valuers, Registered Valuers.

Sewerage Infrastructure

Sewerage infrastructure is included at the written down replacement cost as at 30 June 2010 as determined by Australian Pacific Valuers, Registered Valuers.

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.

The most recent comprehensive valuation was performed at 30 June 2010 and carried at fair value for all categories of property, plant and equipment except plant and equipment. The valuation provided by Australia Pacific Valuers as at 30 June 2011 for the Road Pavements are based on desktop valuations

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2012

14(b) Property, Plant and Equipment

Asset Values

Opening gross value
Additions at cost
Transfer between classes
Transfer to Expense
Disposals
Revaluation adjustment to the ARR
Internal transfer
Closing gross value

Land- Council Owned	Buildings	Road Pavements	Other Structure	Plant & Equipment	Sewerage Infrastructure	Water Infrastructure	Office Furniture & Equip.	Work in Progress	Total
2012 \$	2012 \$	2012 \$	2012 \$	2012 \$	2012 \$	2012 \$	2012 \$	2012 \$	2012 \$
Valuation	Valuation	Valuation	Valuation	Cost	Valuation	Valuation	Cost	Cost	
2,970,000	11,393,980	64,242,144	9,372,756	5,722,328	3,396,090	12,246,364	94,800	1,028,012	110,466,473
								3,344,640	3,344,640
	122,597	1,042,367	587,949	340,432	30,399	384,964	66,944	(2,575,652)	-
	(417,280)			(254,403)			(11,238)		(682,921)
2,970,000	11,099,298	65,284,511	9,960,705	5,808,357	3,426,489	12,631,328	150,506	1,797,001	113,128,192

Accumulated Depreciation and Impairment

Opening balance
Depreciation provided in period
Revaluation adjustment to the ARR
Depreciation on disposals
Disposals
Accumulated depreciation at period end

	1,621,212	18,388,456	1,713,828	3,184,632	908,695	1,993,625	80,413		27,896,861
	149,937	3,675,692	332,365	375,273	105,350	264,279	10,715		4,913,610
	(260,537)			(187,962)			(9,393)		(457,892)
	1,510,612	22,064,148	2,052,193	3,371,943	1,014,045	2,257,904	81,735		32,352,579
2,970,000	9,588,686	43,220,363	7,908,512	2,436,414	2,412,444	10,373,424	68,772	1,797,001	80,775,613
	4,559,741	22,067,989	2,819,473	606,500	874,719	3,334,652			34,343,074
	40-100	7-100	5-100	2-20	20-60	10-50	2-10		

Written down value
Residual Value
Estimated Useful Life

Sign

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2012

14(b) Property, Plant and Equipment

	Land- Council Owned	Buildings	Road Pavements	Other Structure	Plant & Equipment	Sewerage Infrastructure	Water Infrastructure	Office Furniture & Equip.	Work in Progress	Total
	2011 Valuation \$	2011 Valuation \$	2011 Valuation \$	2011 Valuation \$	2011 Cost \$	2011 Valuation \$	2011 Valuation \$	2011 Cost \$	2011 Cost \$	2010 \$
Asset Values										
Opening gross value	2,970,000	10,920,311	56,698,105	9,142,036	5,305,442	3,362,169	12,246,364	94,800	3,081,468	103,820,695
Additions at cost									4,030,851	4,030,851
Transfer between classes									(6,080,328)	-
Transfer to Expense		473,669	4,174,817	230,720	1,167,201	33,921			(3,979)	(3,979)
Disposals										(750,315)
Revaluation adjustment to the ARR										3,369,222
Asset classified as Held for Resale										
Internal transfer										
Closing gross value	2,970,000	11,393,980	64,242,144	9,372,756	5,722,328	3,396,090	12,246,364	94,800	1,028,012	110,466,473

Accumulated Depreciation and Impairment

Opening balance		1,475,394	10,410,972	1,385,867	3,376,438	807,563	1,736,027	72,683		19,264,944
Depreciation provided in period		145,818	1,280,569	333,961	409,799	101,132	257,598	7,730		2,536,607
Revaluation adjustment to the ARR			6,696,915		(20,646)					6,696,915
Depreciation on disposals					(580,958)					(20,646)
Disposal										(580,958)
Accumulated depreciation at period end		1,621,212	18,388,456	1,719,828	3,184,632	908,695	1,993,625	80,413		27,596,860
Written down value		9,772,768	45,853,688	7,652,928	2,537,696	2,487,395	10,252,739	14,387	1,028,012	82,569,613
Residual Value		4,559,741	22,067,989	2,819,473	686,500	874,719	3,334,652			34,343,074
Estimated Useful Life		40-100	7-100	5-100	2-20	20-60	10-60	2-10		

Sign

BURKE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2012

	<u>Notes</u>	<u>2012</u>	<u>2011</u>
		\$	\$
15 Trade and other payables			
Current			
Creditors and accruals		375,082	2,506,250
Annual Leave		108,158	113,795
Other entitlements		8,038	10,361
		<u>491,278</u>	<u>2,630,406</u>
Non-current			
Annual leave		19,448	12,955
		<u>19,448</u>	<u>12,955</u>

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

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

16 Provisions

Current			
Long service leave		10,000	10,000
		<u>10,000</u>	<u>10,000</u>
Non-current			
Refuse restoration		463,501	306,738
Long service leave		106,362	72,974
		<u>569,863</u>	<u>379,712</u>
Details of movements in provisions:			
(a) Refuse restoration			
Opening balance		306,738	301,526
Increase(decrease) in provision due to unwinding of discount		156,763	5,212
Balance at the end of the period		<u>463,501</u>	<u>306,738</u>

This is the present value of the estimated cost of restoring the refuse site to a useable state at the end of its useful life. The projected cost is \$750,000 and is expected to be incurred in 2029.

(b) Long service leave			
Balance at beginning of financial year		82,974	72,657
Long service leave entitlement arising		80,017	53,905
Long Service entitlement paid		(46,629)	(43,588)
Balance at end of financial year		<u>116,362</u>	<u>82,974</u>

17 Other liabilities

Current			
Unearned Revenue		0	0
		<u>0</u>	<u>0</u>

Sign

BURKE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2012

	<u>Notes</u>	<u>2012</u>	<u>2011</u>
		\$	\$
18 Asset revaluation surplus			
(i) Asset revaluation surplus			
Movements in the asset revaluation surplus were as follows:			
Balance at beginning of the period		45,132,859	48,460,551
Net adjustment to non-current assets at end of period to reflect a change in current fair value:			
Land and improvements			
Buildings		(156,743)	
Other Structures			
Road Infrastructure			(3,327,692)
Sewerage Infrastructure			
Water Infrastructure			
		<u>(156,743)</u>	<u>(3,327,692)</u>
Balance at end of the year		44,976,116	45,132,859

(ii) Asset revaluation surplus analysis

The closing balance of the asset revaluation surplus is comprised of the following asset categories:

Land and improvements	2,878,357	2,878,357
Buildings	4,487,356	4,644,099
Other Structures	4,415,887	4,458,154
Road Infrastructure	26,450,963	26,408,695
Sewerage Infrastructure	3,024,126	3,024,126
Water Infrastructure	3,719,426	3,719,426
	<u>44,976,116</u>	<u>45,132,859</u>

19 Retained surplus

Movements in the retained surplus were as follows:

Accumulated surplus/(deficit) at the beginning of financial year	42,540,584	38,378,369
Result from ordinary activities	(7,652,508)	16,581,810
Transfers (to) from capital reserves for future capital project funding, or from reserves funds that have been expended:		
Asset replacement reserve	-	(3,668,183)
Constrained works reserve	8,796,437	(8,719,095)
Transfers (to) from recurrent reserves for future project funding, or from reserves funds that have been expended:		
Recurrent expenditure reserve	37,557	(32,316)
Accumulated surplus at the end of financial year	43,722,070	42,540,584

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2012

	<u>Notes</u>	<u>2012</u>	<u>2011</u>
		\$	\$
20 Other reserves			
(a) Summary of reserves held for future capital expenditure:			
(i) Asset replacement reserve		6,396,591	6,396,591
(ii) Constrained works reserve		225,608	9,022,045
		6,622,199	15,418,636
(b) Summary of reserves held for future recurrent expenditure:			
(i) Recurrent expenditure reserve		81,929	119,486
		81,929	119,486
Total reserves		6,704,127	15,538,122
(c) Movements in capital reserves are analysed as follows:			
(i) Asset replacement reserve			
Balance at the beginning of period		6,396,591	2,728,408
Transfer from accumulated surplus for future expenditure		-	4,097,902
Transfer to capital account funds expended in the period		-	(429,719)
Balance at the end of period		6,396,591	6,396,591
(ii) Constrained works reserve			
Balance at the beginning of period		9,022,045	302,950
Transfer from accumulated surplus for future expenditure		-	9,022,045
Transfer to capital account funds expended in the period		(8,796,437)	(302,950)
Balance at the end of period		225,608	9,022,045
(d) Movements in recurrent reserves are analysed as follows:			
(i) Recurrent expenditure reserve			
Balance at the beginning of period		119,486	87,170
Transfer from accumulated surplus for future expenditure		29,500	66,668
Transfer to accumulated surplus		(67,057)	(34,352)
Balance at the end of period		81,929	119,486

21 Contingent liabilities

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

Local Government Mutual:

The Burke 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 being 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 of any year that a deficit arises.

As at 30 June 2011 (the most recent available), the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

Local Government Workcare:

The Burke 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 an indemnity towards 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 \$45,189.52

BURKE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2012

Notes	2012	2011
	\$	\$

22 Superannuation

Burke 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 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.

The scheme has two elements referred to as the Defined Benefits Fund (DBF) and the Accumulation Benefits Fund (ABF). The ABF is a defined contribution scheme as defined in AASB 119. Burke Shire 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 2009*.

The DBF is a defined benefit plan as defined in AASB119. Burke Shire 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 Burke Shire Council for its proportionate share of the defined benefit obligation, plan assets and costs.

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 Burke Shire Council. Accordingly there is no recognition in the financial statements of any over or under funding of the scheme.

The audited general purpose financial report of the scheme as at 30 June 2011 (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.

The most recent actuarial assessment of the scheme was undertaken as at 1 July 2009. The actuary indicated that "the DBF is in a very modest financial position with regard to the net asset coverage of vested liabilities. Investment returns will be volatile under the required investment strategy, particularly over short periods. The DBF therefore needs sufficient reserves to be able to withstand a reasonable range of such influences. Because the DBF is now running down and cash flows are negative, the VBI (vested benefit index) should not be allowed whenever possible to retreat below 100%. Once below 100%, benefits drawn reduce the available assets for remaining members and hence the net asset coverage of vested benefits declines further.

In order to withstand a one in ten 'low return' outcome, the DBF would need reserves of the order of 8% to 10% having regard to the investment strategy adopted. Given the current position of the DBF, such reserve can essentially only eventuate from either excess investment returns over salary increases or additional employer contributions."

Burke Shire Council has been advised by the trustee of the scheme, following advice from the scheme's actuary, that additional contributions may be imposed in the future at a level necessary to protect the entitlements of DBF members. Under amendments to the *Local Government Act 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.

The next actuarial investigation will be made as at 1 July 2012.

The amount of superannuation contributions paid by Council to the scheme in this period for the benefit of employees was:

225,075	202,986
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BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2012

	<u>Notes</u>	<u>2012</u>	<u>2011</u>
		\$	\$
23 Trust funds			
Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities		93,715	94,689
Security deposits		3,426	3,355
		<u>97,141</u>	<u>98,044</u>

The Burke 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.

24 Reconciliation of net operating surplus for the year to net cash inflow (outflow) from operating activities

Net operating surplus	<u>(7,652,508)</u>	<u>13,254,117</u>
Non-cash operating items:		
(Increase) / decrease in asset revaluation surplus	-	3,327,693
Depreciation and amortisation	4,913,610	2,536,607
	<u>4,913,610</u>	<u>5,864,300</u>
Investing and development activities:		
Net (profit) loss on disposal of non-current assets	(92,804)	(84,889)
Capital grants and contribution	(1,280,729)	(1,209,435)
	<u>(1,373,533)</u>	<u>(1,294,324)</u>
Changes in operating assets and liabilities:		
(Increase) decrease in receivables	3,706,155	(3,424,498)
(Increase) decrease in other operating assets	(137,024)	(29,853)
Increase (decrease) in payables	(2,132,635)	849,712
Increase (decrease) in other liabilities	190,151	(12,234)
	<u>1,626,646</u>	<u>(2,616,873)</u>
Net cash inflow from operating activities	<u>(2,485,785)</u>	<u>15,207,220</u>

BURKE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2012

25 Financial Instruments

Burke 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 Burke Shire Council approved policies on financial risk management. These policies focus on managing the volatility of financial markets and seek to minimise potential adverse effects on the financial performance of the Council. Burke Shire 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. Burke Shire Council does not invest in derivatives or other high risk investments.

When Burke Shire 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*.

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

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

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	2012 \$	2011 \$
Cash and cash equivalents - QTC	13,093,577	14,030,017
Cash and cash equivalents - Westpac	479,625	893,922
Cash and cash equivalents - Term Deposit	833,870	3,871,739
Receivables - rates	56,598	76,392
Receivables - other	712,831	4,406,921
Total	15,176,502	23,278,991

Sign

BURKE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2012

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 \$	30-60 days \$	61-90 days \$	\$	\$
Receivables 2012	661,741	24,182	10,183	74,110	-786	769,430

	Fully Performing		Past due		Impaired	Total
	\$	Less than 30 days \$	30-60 days \$	61-90 days \$	\$	\$
Receivables 2011	3,260,371	1,004,859	140,853	81,573	-4,343	4,483,313

(ii) Liquidity Risk

Liquidity risk refers to the situation where the Council may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Council is exposed to liquidity risk through its trading in the normal course of business.

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 \$
Trade and other payables 2012	375,082	0	0	375,082
Trade and other payables 2011	2,506,250	0	0	2,506,250

(iii) Interest Rate Risk

The Council is exposed to interest rate risk through investments held with financial institutions.

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	
	2012 \$	2011 \$	2012 \$	2011 \$	2012 \$	2011 \$
Financial Assets	14,407,072	18,795,678	144,071	187,957	144,071	187,957
Financial Liabilities	-375,082	-2,506,250	-3,751	-25,063	-3,751	-16,798
Net	14,031,990	16,289,428	140,320	162,894	140,320	171,159

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BURKE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2012

26 National Competition Policy

(a) Activities to which the code of competitive conduct is applied

A "business activity" of a local government is divided into two categories :

(a) Roads business activity:

- (i) the construction or maintenance of State controlled roads for which the local government submits an offer to carry out work in response to a tender invitation, other than through a sole supplier arrangement.
- (ii) submission of a competitive tender for construction or road maintenance on the local government's roads which 'the local government has put out to tender, or called for by another local government.

(b) Other business activity, referred to as type three activities, means the following:

- (i) trading in goods and services to clients in competition with the private sector, or
- (ii) the submission of a competitive tender in the local government's own tendering process in competition with others for the provision of goods and services to its self. Excluded activities are (a) library services, and (b) an activity or part thereof prescribed by legislation.

Local government may elect to apply a Code of Competitive Conduct (CCC) to their identified business activities. This requires the application of full cost pricing, identifying the cost of community service obligations (CSO) and eliminating the advantages and disadvantages of public ownership within that activity. The application of the CCC to the roads business activity is compulsory.

The CSO value is determined by Burke Shire Council, and represents an activity's cost(s) which would not be incurred if the activity's primary objective was to make a profit. The Council provides funding from general revenue to the business activity to cover the cost of providing non-commercial community services or costs deemed to be CSO's by Burke Shire Council.

Roads

Water and sewerage

(b) Financial performance of activities subject to competition reforms:

Revenue for services provided to the Council
Revenue for services provided to external clients
Community service obligations

Less : Expenditure
Surplus (deficiency)

Roads	Roads	Water and sewerage	Water and sewerage
2012	2011	2012	2011
\$	\$	\$	\$
-	-	109,536	106,354
1,313,736	4,269,643	220,745	198,920
-	-	-	-
1,313,736	4,269,643	330,281	305,274
3,050,522	3,890,922	1,161,509	1,397,100
(1,736,786)	378,721	(831,228)	(1,091,826)

(c) Description of CSO's provided to business activities:

Activities	CSO description	Actual
Water and sewerage	For providing free services to public areas	\$ NIL

Sign

BURKE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2012

27 Events after the reporting period

As part of a changeover of senior management in November 2011, issues with NDRRA expenditure were identified and Burke Shire Council has now implemented improved contract management, processes and financial controls. These issues related to non-adherence to procurement legislation and Council's Purchasing Policy which, subsequent to discovery, Council has now rectified. Instructions have been given that the processes are to be adhered to strictly and that no works are to commence until Council's Official Order is given. Council is following procurement requirements, with tenders for works in excess of \$150,000.00 and quotations now in compliance with Council's Purchasing Policy. Tenders are presented to Council for acceptance, as well as quotations outside the CEO's Delegation. The CEO reports on a monthly basis, decisions made under Delegated Authority. Flying minutes from Councillors are endorsed at the next meeting.

Council has engaged the services of George Bourne and Associates to manage flood damage projects and develop the required scope of works, detailed plans and reporting at appropriate intervals on their progress. Proper control measures have been implemented utilising their services. All projects will be supervised by Council. Cost control, capture and reporting will be enforced and monitored.

After the end of the reporting period the Council considered a further claim for a material amount of \$83380 from a contractor, for road works completed and paid for in the 2011/2012 year. The claim is currently being reviewed by Council's Consulting Engineers and is expected to be settled in the 2012/2013 year for a quantum yet to be determined.

28 NDRRA Funding Issues

The Queensland Reconstruction Authority (QldRA) has conducted an investigation of NDRRA expenditure during the 2010 and 2011 years, including forensic and engineering audits of related supporting material for this expenditure in May 2012. The findings of this investigation included Council's lack of program management surrounding the NDRRA program of works and issues in relation to Council's procurement management. Council and Audit have reviewed this area and support findings that Materials and Services expenditure as well as Work in Progress balances contain NDRRA expenses which did not follow the Council's procurement policy, with a breakdown in controls over purchase orders, tendering processes, and disregard of the delegation limits.

Council has received advice that QldRA will be finalising its assessment of this matter as part of the review of the current NDRRA claim process, and deemed ineligible expenditure with an estimated value of between \$2.7M to \$3.6M will be deducted from any payment relating to this claim.

At end of the reporting period the NDRRA the financial position for all recent events (2009,2010 &2011) was as follows:-

	\$
Disaster Event Road Repair Expenditure	23,278,859
NDRRA Grants received and applied	19,068,983
Balance of Expenditure currently being reviewed for NDRRA subsidy	4,209,876

As at the end of the reporting period the balance amount of expenditure of \$4,209,876 has been fully funded from Council's Operating Revenues and any subsidy approved in relation to this amount will be treated as Revenue in the 2012/2013 year.

Sign

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2012

BURKE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2012

29 Tied grants by project

The following note has been prepared on a cash basis.

	Balance 01/07/11 \$	Revenue \$	Expense \$	Transfers between grants \$	Balance 30/06/2012 \$
State government grants					
Organisation : <i>Queensland Reconstruction Authority</i>					
<i>Monsoonal Flooding 2009-2010</i>	4,269,795	-	-4,269,795	-	-
<i>Monsoon Flooding Feb-Mar 2011</i>	4,124,700	-	-4,124,700	-	-
Total	8,394,495	-	-8,394,495	-	-
Organisation: Dept of Main Roads					
<i>TIDS</i>	627,550	-	-401,943	-	225,607
Total	627,550	-	-401,943	-	225,607
Total - State government	9,022,045	-	-8,796,438	-	225,607
(overspent grants)	-	-	-	-	-
Unspent grant revenue	9,022,045	-	-8,796,438	-	225,607

Sign

BURKE SHIRE COUNCIL
Notes to the Financial Statements
For the year ended 30 June 2011

14 (c) Property, plant and equipment

	Land- Council Owned 2009 \$	Buildings 2009 \$	Road Pavements 2009 \$	Other Structure 2009 \$	Plant & Equipment 2009 \$	Sewerage Infrastructure 2009 \$	Water Infrastructure 2009 \$	Office Furniture & Equip. 2009 \$	Work in Progress 2009 \$	Total 2009 \$
Asset Values										
Opening gross value	1,406,240	8,564,384	27,353,765	7,322,632	4,854,048	2,105,113	8,371,546	85,411	3,529,898	63,593,037
Additions at cost	-	518,753	1,604,774	112,439	314,131	-	2,255,091	-	1,276,172	6,081,360
Disposals	-	-	-	-	(148,861)	-	-	-	-	(148,861)
Revaluation adjustment to the ARR	-	-	1,449,749	388,630	-	111,571	443,692	-	-	2,393,642
Prior Year Revaluation Adjustment	-	-	-	10,000	-	-	-	-	-	9,993
Internal transfer	-	(627,482)	-	-	-	-	-	-	-	(627,482)
Closing gross value	1,406,240	8,455,655	30,408,281	7,833,701	5,019,318	2,216,684	11,070,329	85,411	4,806,070	71,301,688
Accumulated Depreciation and Impairment										
Opening balance	-	2,847,867	5,877,938	1,668,762	2,577,647	474,654	2,300,307	52,917	-	15,800,092
Depreciation provided in period	-	141,106	537,217	286,885	416,943	41,718	155,691	9,540	-	1,589,100
Depreciation on disposals	-	-	-	-	(47,637)	-	-	-	-	(47,637)
Revaluation adjustment to the ARR	-	-	340,003	103,649	-	27,368	130,168	-	-	601,189
Prior Year Revaluation Adjustment	-	-	(3)	-	-	-	-	-	-	(3)
Internal transfer	-	(627,482)	-	-	-	-	-	-	-	(627,482)
Accumulated depreciation at period end	-	2,361,492	6,755,155	2,059,297	2,946,954	543,740	2,586,166	62,456	-	17,315,259
Written down value										
Residual Value	1,406,240	6,094,163	23,653,126	5,774,404	2,072,365	1,672,944	8,484,163	22,955	4,806,070	53,986,429
Estimated Useful Life	-	1,486,207	12,448,158	1,017,033	105,000	364,645	-	-	-	15,421,043
		40-100	7-100	5-100	2-20	20-60	10-60	2-10		

Sign



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Burke Shire Council
Financial statements
For the year ended 30 June 2012

Management Certificate
For the year ended 30 June 2012

These general purpose financial statements have been prepared pursuant to Section 102 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* (the Regulation) and other prescribed requirements.

In accordance with Section 161 of the Regulation we certify that these general purpose financial statements:

- (i) have been prepared in accordance with the relevant accounting documents; and
- (ii) accurately reflect the local government's financial performance and position for the financial year.

In addition we certify that, in our opinion:

- (i) the prescribed requirements of the Local Government Act 2009 and associated Regulations for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the general purpose financial statements, as set out on pages 3 to 30, have been prepared in accordance with Australian accounting standards (including Australian Accounting Interpretations and other authoritative pronouncements issued by the Australian Accounting Standards Board); and
- (iii) the general purpose financial statements present a true and fair view of the Council's financial position as at 30 June 2012 and of its financial performance and cash flows for the financial year ended on that date.

Mayor

Chief Executive Officer

Date: ____/____/2012_

Date: ____/____/2012_



Sign