

2014



# Annual Report





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# A message from our CEO



*Mark Pitt*

It gives me great pleasure to present my fifth Annual Report for the North Burnett Regional Council and the sixth Annual Report for Council.

The 2013/14 financial year was dominated by the flood reconstruction works resulting from Ex Tropical Cyclone Oswald in January 2013. Council completed the assessment of damage, preparation of work packages and the procurement of the multiple contractors required to deliver the \$124 million of restoration works. The project team, Flood Restoration Operations Group (FROGS) has provided excellent project management, procurement and engineering support to Council. The team consisting of project manager Steve McMillian, Justin Kronk, Cameron Brauer, Shoni Linskett, Chantelle Wain and Charlotte Pitt. This unit was ably supported by the whole of Council organisation which at the peak of construction was expending greater than annual capital works budget each month. Council was also support with external partners in the completion of the flood works including LGIS, Cardno, and GHD.

Council was recognised during the reporting year with through a number of awards including the Flood Recovery Operations Groups team secured a procurement award for joint tendering, the LGMA Manager of the Year and Award for Excellence to Council's Chief Executive Officer and the LGAQ - CDEI project, Resilient Australia Award.

Council, in partnership with the Queensland State Government Department of Local Government Community Recovery and Resilience completed a

region wide flood mitigation study which identified options for the future. This study adopted in December 2014. A new flood gauge system completed for the upper Burnett catchment which will give great data collection for future flood events and included the installation of an emergency siren for the township of Mundubbera.

It is pleasing to note that Council is again within the recommended levels of financial sustainability for two of the three statutory ratios as outlined by the Department of Local Government Community Recovery and Resilience.

Work practices continue to be a focus and are under constant review. The 2013/14 financial year saw a major restructure of Council's organisation. Council moved from a four directorate structure to two departments. I would take this opportunity to acknowledge and thank the previous four directors being Andrew Jackson, Ken Palmer, Bob Savage and Les Hotz for their service and commitment to the North Burnett Region. Subsequent to the restructure Council advertised for two General Managers and welcomed Brendan Pearce and David Wiskar to our organisation.

Council negotiations continued on the second Enterprise Bargaining Agreement since amalgamation with a vote on a draft agreement being voted in the negative during the reporting period. The matter was set before the Queensland Industrial Relations Commission but was placed on hold pending the Commission's deliberations on a

new single award. It is expected to recommence Enterprise Bargaining negotiations in the 2014/15 financial year.

During the 2013/4 financial year staff turn over was 12.6%. This compares with the 2012/13 financial year of 26.9%, 2011/12 was 9.58%, 2010/11 23.3%, 2009/10 of 18.61% and 2008/09 figure of 14.29%. Full time equivalent (fte) staff positions as at 30 June 2014 were 203. 30 June 2013 – 203, 30 June 2012 – 214.69, 30 June 2011 – 216.9, 30 June 2010 – 240.3 and compares to 224.5 fte as at 15 March 2008. All fte figures exclude trainees and apprentices.

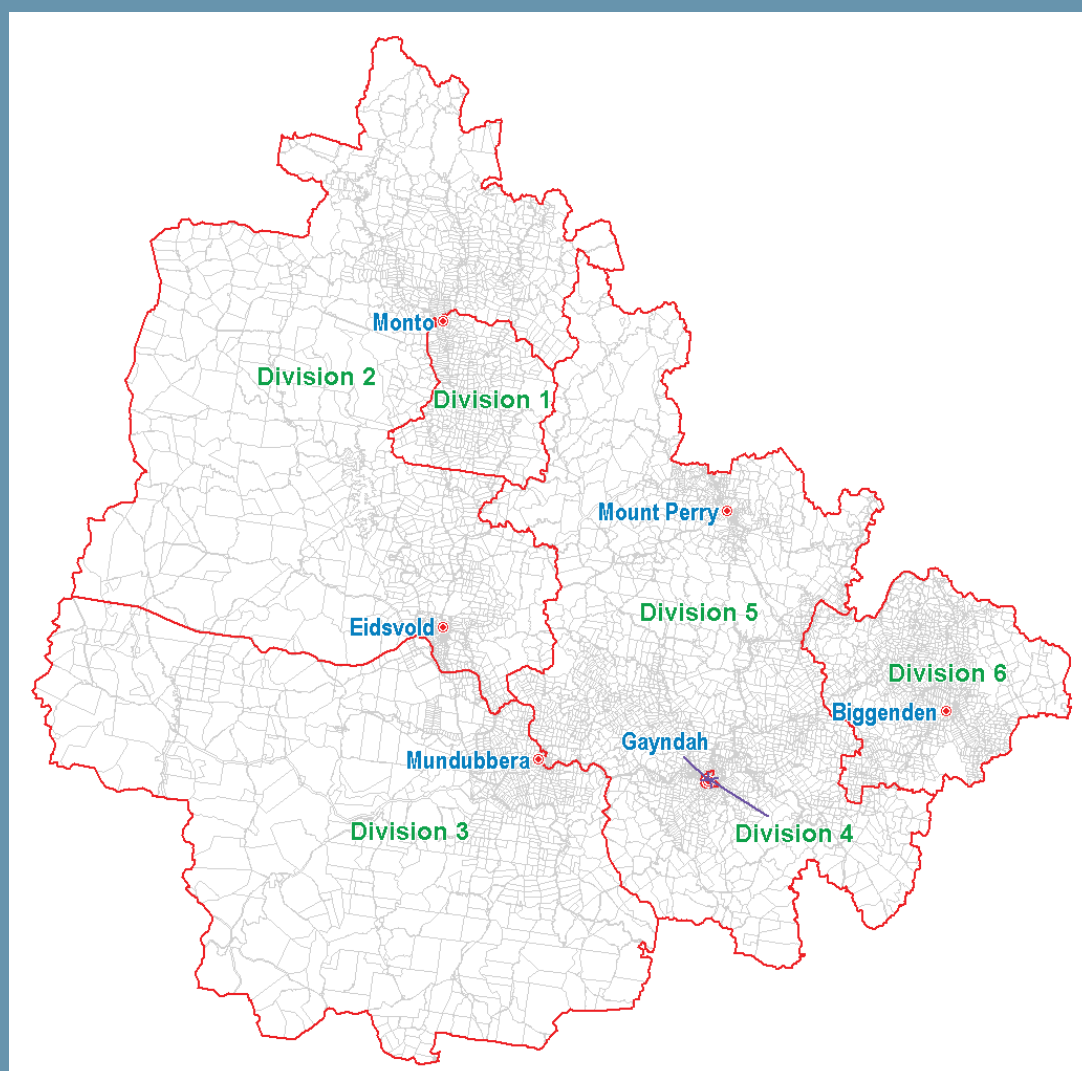
I would also take this opportunity to thank the elected members for their support and encouragement during this year.

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*"I would like to thank you for taking the time to read this Annual Report and Council would welcome any feedback on same"*

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# Our elected representatives



*Divisional boundaries of the North Burnett region*



## Cr Don Waugh

Mayor

P: 0458 696 272

E: [Don.Waugh@northburnett.qld.gov.au](mailto:Don.Waugh@northburnett.qld.gov.au)

Don was successful in contesting the position of Mayor of the North Burnett Regional Council in April 2012.

Don was born in Atherton, North Queensland and attended Thornburgh College, Charters Towers for his secondary education. Followed his father into dairying at Millaa Millaa on the Atherton Tablelands and became a Director on the board of the Dairy Co-operative. Also, he was a Councillor on Eacham Shire for 16 years with the last six as Shire Chairman. After leaving the north, he and his

wife Carmel, travelled around Australia working in different places and doing a variety of jobs. They worked in Gayndah early in their travels and kept returning, to finally put down roots and become totally involved in the community.

The Lions Club, Chamber of Commerce and Jockey Club kept him aware of community direction. His involvement is now total and his love of the North Burnett very evident.



## Cr Faye Whelan

Deputy Mayor - Division 3

P: 0409 625 956

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Faye completed a term in Local Government in the previous Mundubbera Shire before successfully contesting the position of Councillor to Division three (3) of the North Burnett Regional Council in 2008. Cr Whelan was then elected unopposed to Division three (3) of the North Burnett Regional Council in the April 2012 elections.

Faye was born in Gayndah and is descended from a family that arrived in the district in the 1850s. She has lived in Mundubbera since 1971. With her husband Dan, they have three (3) children and seven (7) grandchildren and wouldn't live anywhere else.

Faye brings a wealth of life experiences, having completed 38 years in the retail sector with businesses in Gayndah and Mundubbera. Human social portfolios including Health, Transport, Aged Care, Youth Issues, Education and Sport & Recreation allows her to pursue issues that greatly affect the North Burnett Region.

Faye's passion for where she lives is reflected in her strong involvement in community groups and associations and her commitment to enhancing the North Burnett Region to achieve a better place for people to live and work.



## *Cr Paul Lobegeier*

Division 1

P: 0458 625 952

E: [Paul.Lobegeier@northburnett.qld.gov.au](mailto:Paul.Lobegeier@northburnett.qld.gov.au)

Paul joined Local Government in 1979 and with changes to electoral boundaries has represented Divisions six (6), five (5) and two (2) of the former Monto Shire and in total served that Council for almost 20 years until its amalgamation. Paul successfully contested Division 1 of the North Burnett Regional Council in March 2008 and again in April 2012.

Paul is married to Monique and they have two adult children and one grand daughter. The Lobegeier family have followed a range of rural pursuits in the Monto district for many years and they now run a cattle fattening block at Kapaldo, south of Monto.

Paul has been involved in numerous community organisations over a long period of time. He is currently Chair of Monto Aged Care, Chair of the Burnett Catchment Care and has always been heavily involved in Natural Resource Management at a State and Federal level, where he aspires to bring some balance and achieve a good outcome for the environment. He has a passion for the Arts and is a member of the State Reference Group. He is heavily involved in Tourism, through organisations such as Bundaberg & North Burnett Tourism, Australia Country Way, Rural Getaway and Monto Magic and believes the natural beauty of our area and its friendly people can assist the North Burnett economic development.



## *Cr Paul Francis*

Division 2

P: 0458 625 951

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Paul, born in 1960, is a Farmer/Grazier from the Moonford area, north of Monto, where he has lived since 1968. He has been running the business since 1980, and has been married to Mia since 1987. They have two children, Hugh was born in 1989 and Alison in 1991.

Paul was first elected to Monto Shire Council in July of 1998 and served until March of 2004 before being re-elected in January 2005. He served as a Monto Shire Councillor until March 2008 when he was elected as a North Burnett Regional Councillor for Division Two which includes the township of Eidsvold.

Paul is interested in all aspects of council operations, but his main aims are to see improved transport links across the North Burnett and more efficient use of ratepayer funds across council operations.

Other interests include Economic Development and Enterprise Bargaining. Your councillor has increased his skill levels through external study and has a Certificate IV in Business and an Advanced Diploma in Rural Business Management.



## Cr Joanne Dowling

Division 4

P: 0407 164 468

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Division 4 Councillor, Joanne Dowling, joined the North Burnett Regional Council for her first term of office in 2012.

A fourth generation Gayndah resident who has lived in Gayndah all her life, Cr Dowling has committed much of her life to the community of Gayndah and is a strong advocate for local business. Joanne, a Justice of the Peace (Qualified), has owned and operated two businesses in Gayndah for over 27 years. Out of her dedication to the town, Joanne co-founded the local newspaper "Gayndah Gazette" in 1998.

Joanne has been heavily involved in the Gayndah Show Society from an early age. She held the position of Secretary for 19 years before resigning in 2001. Despite her resignation, she

remained involved in the Show and in a support capacity to the secretaries of following years as well as a term as president. Joanne is an active member of the Gayndah Chamber of Commerce and was recipient of the Australia Day Citizen of the Year Award in 2011.

Appointing Joanne with the shared portfolios of Governance and Human Social will allow her to continue with her pursuit in working closely with her community members.

In her role as Councillor, Joanne intends to work hard at the real and practical aspects needed to keep this area one of the strongest and most successful in the state and to become a valuable member of the team at North Burnett Regional Council.



## Cr John Bowen

Division 5

P: 0458 625 961

E: [John.Bowen@northburnett.qld.gov.au](mailto:John.Bowen@northburnett.qld.gov.au)

John successfully contested the position of Councillor to Division five (5) of the North Burnett Regional Council in the April 2012 elections.

He has resided in the North Burnett region for the past 55 years and owns a property in the vicinity of Mingo Crossing and Ban Ban Springs.

John is a member of the Gayndah Show Society, Football Club, Gooroolba Committee, Gayndah Museum and Ban Ban Rural Fire Brigade.

One of his favourite pastimes is finding the original sites of many one teacher schools that were once dotted around the region. He has a love for old cars and owns a 1966 HR Holden which he states "Is a pleasure to drive!" and is also a collector of old bottles.

John is passionate about the North Burnett region, "It is a great place to live and bring up a family".



## *Cr Kevin 'Lofty' Wendt OAM BEM*

Division 6

P: 0458 625 950

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Lofty entered Local Government in March 2004 as Councillor of the Biggenden Shire, was elected representative of Division 6 of the North Burnett Region in March 2008 and subsequently re-elected in April 2012. He also completed 12 years as Environmental Officer with Biggenden Shire Council. This experience introduced him to local community service which he undertakes with a passion in his current position.

The Wendt family arrived in Biggenden in 1956 and as a young man he joined the army. In a career spanning 30 years, he rose to the rank of Regimental Sergeant Major of the Australian Army and served his country in places such as England, Malaya, Vietnam and New Zealand.

Lofty together with his wife Wynsome, live in Degilbo where he is very active in the community. He is a member of Biggenden Lions, RSL, and the Rugby League Club, just to name a few. When not serving the community, he takes every opportunity to indulge in his passion for fishing, where he is involved with the Biggenden Amateur Fishing Club and Paradise Dam Stocking Association.

He has been recognised on two (2) occasions for his leadership qualities whilst in the army. In 1969 he was awarded a BEM for what was deemed outstanding results and in 1982 he was awarded an OAM for leadership while serving in the 8th Battalion, Royal Australian Regiment.

Our achievements



# RM Williams

## Australian Bush Learning Centre

### *Visitation*

The Centre experienced good visitor support during 2013/14. There were 5445 visitors for the year, 4162 from within Queensland, 1090 from other States and 193 from overseas. The majority of the visitors are retired travellers doing their annual migration from the southern states to the warmer climate of North Queensland during April to October. As in previous years there has been good support from motorhome groups, caravan clubs, car clubs, bus tour groups, tourism groups, and hospital/aged care groups, even by helicopter. From the 1 April 2014, the Centre was opened up to overnight camping of recreational vehicles with 54 vehicles staying on the grounds.

### *Learning Centre*

The learning room facility held 72 events during the year with the highlights being:

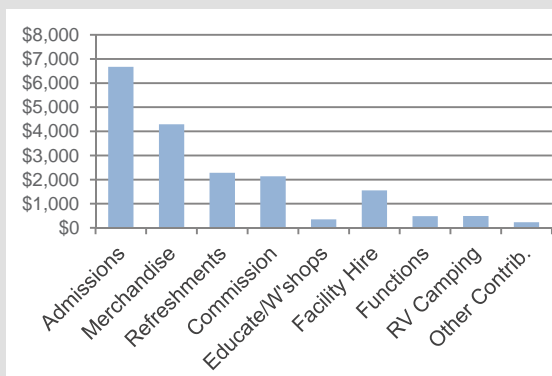
- Silver Chain Link Jewellery Making workshop;
- Tourism Queensland supported Digital Online workshops;
- First Aid training;
- Rural Fire Service Personnel training;
- Burnett Catchment Care Grass Identification workshop;
- Community Flood Recovery forums;
- Government Services community meetings;
- RMWABC Advisory Committee meetings;
- Friends of RM meetings;

- Employment Agencies client deputations; and
- Indigenous Art and Didgeridoo Making workshops.

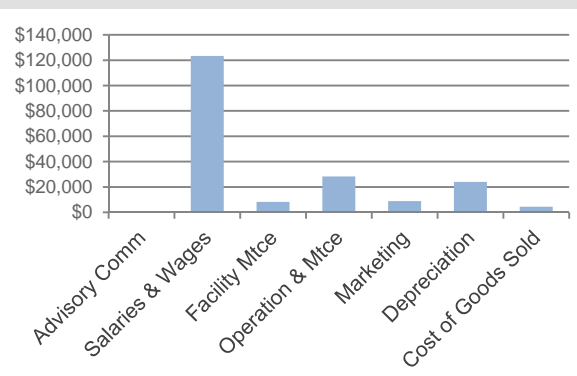
### *Activities*

During the January 2014 school holidays the Centre welcomed children from the Eidsvold Aboriginal Vacation Care Group who participated in a variety of activities. The children learnt how to utilise the Centre's iPads, providing an opportunity for them to research their aboriginal culture and explore information and themes including bush tucker, art, language, famous Aboriginals, music and dance. From the photographs taken the children chose four of their favourite images to enter into a mini photo competition between themselves.

RMWABC 2013/14 REVENUE



RMWABC 2013/14 EXPENDITURE



## Gallery Exhibitions

There were six gallery exhibitions during the year with very good reviews from the public. The variety of exhibitions, regularly changing from photography to paintings and sculptures, creates ongoing interest and encourages repeat visits by travellers and locals alike. Special openings were held for a number of these exhibitions with wine and cheese and camp oven cooked food. North Burnett residents continue to have free access to the gallery and interpretative centre.

## RADF Project

The Friends of RM Inc. obtained a RADF grant to construct a "Fence of Fame" at the Centre. A local Steel Artist was engaged to create life sized steel sculptures which will be mounted on a traditional post and rail timber fence. Name plaques of significant Stockmen and Rodeo Champions from Eidsvold and the surrounding districts of the North Burnett region will be attached to the fence. The erection of the fence will be completed during the 2014/15 year.

The Friends of RM Inc. supports the Centre activities through fund

raising and event management in partnership with the North Burnett Regional Council and Centre staff. This partnership provides innovative opportunities for the Centre, the community and the region.

## Staffing

With the restructure of Council's Management, the Centre took on additional roles in Tourism. The Centre was run by a Manager of Tourism and Economic Development with a Centre Supervisor, a full time Tourism Assistant, a part time Centre Administration Officer and a casual/relief Officer. Staffing levels are set to accommodate the current budget parameters and the evolving customer service environment.

## Strategic Direction

In April 2014 Council made the decision to reopen the Centre on Sundays, due to the yellow "i" Visitor Accreditation being lost, if Council continued to operate on reduced opening days.

The RM Williams Australian Bush Learning Centre Advisory Committee, which is made up of representatives from the Council, Friends of RM Inc. and local

community representatives, has a role to:

- provide advice to Council on all strategy and policies of the Centre;
- provide reasonable assistance to the Council in the development of an educational strategy for the Centre;
- provide reasonable assistance to the Council in identifying and prosecuting any applications for grants for the Centre, or to assist any participants to attend any courses offered by the Centre;
- oversee the operation of a group of community members providing support to the Centre under the name of Friends of RM Inc.;
- provide a conduit to assist the Council in liaising with the local Eidsvold and North Burnett communities, the RM Williams Family and the traditional owners and other members of the local indigenous community;
- provide advice to the Council in connection with the organisation of events and promotions conducted by or through the Centre.

# Work health and safety

*Safety Advisor - David McIntyre*

The 2013/14 period has continued to provide challenges for the implementation and continuing improvement of Work Health and Safety at North Burnett Regional Council.

Again there have been personnel changes within the department with Shannon Wykes appointed as shared HR/WHS Administration officer. The other significant change is that WHS is now part of the HR stream reporting directly to the CEO.

For the 2013/14 period Council had 130 reported WHS Incidents, 34 being injuries including 10 Lost Time Injuries LTIs. The remainder were plant and other damage to council assets. While our goal is to eliminate incidents and injuries the numbers are trending down even though the level of reporting has increased.

2013/14 Incidents

The process of implementation, review and continual improvement of Councils SafePlan WHS Management System continued through 2013/14. Progress was monitored and verified

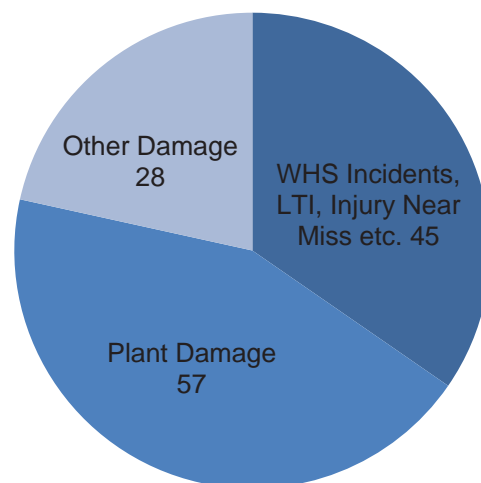
by a short audit conducted by Martin Cash in October 2013 then a Desktop and site audit of Gayndah sites by Adam Stevenson from LGW. These audits verified that considerable progress has been made but identified significant scope for improvement.

Areas identified for improvement include:

- SafePlan Safety Management System update, evaluation and review;
- Consultation, including maintaining Work Health & Safety Committee, and Health & Safety Representatives;
- Emergency planning;
- Hazardous chemical management;
- Signage in general;
- Electrical safety - test and tag and RCD testing; and
- Housekeeping & storage practices.

*"I believe North Burnett Regional Council has made significant progress with WHS performance during 2012/13 establishing the basis for further improvement to result in the best possible safety performance. I would like to thank all involved for their help and cooperation"*

### *Reported WHS incidents*



The Health and Safety Committee met on the following dates:

- 18 September 2013 in Eidsvold;
- 4 December 2013 in Mundubbera;
- 19 March 2014 in Biggenden; and
- 26 June in Mount Perry.

The Health and Safety Representatives as well as management representative, Director of Corporate Services, Les Hotz attended HSR training in Mundubbera the week of 26 August 2013. The committee has proved effective in the consultation process and promoting WHS through the organisation.

With the Director of Corporate Services moving on as part of the restructure, the new General Managers; Brendan Pearce, Engineering & Environmental Services, and David Wiskar, Corporate & Community Services, joined the committee as management representatives.

The contribution and leadership of Les Hotz along with CEO Mark Pitt in establishing the Health and Safety Committee should be acknowledged.

### *Statistics*

	2010/11	2011/12	2012/13	2013/14
Days lost	346	244	233	95
Claims	17	16	11	4
Total Injuries	160	39	36	34



# Community development projects



The North Burnett Community Organisational Building Learning and Development Strategy is a funding specific to a contract and based on the Community Impact Assessment. The assessment is to be completed by the Community Development Officers working under the contract and the program is to be delivered until 2015.

The North Burnett region was hit by a flood event in January 2013 that was the result of Ex Tropical Cyclone Oswald. Following on from the 2010/11 flood event, this was a severe blow to the recovering community.

Disaster recovery and preparedness has become one of the main motivations behind Community Development projects in an effort to reduce the negative impact of disaster events on the region.

The Strategy is guided by several key goals:

- Intergenerational engagement to increase community resilience (Young and old sharing knowledge to enable existing organisations and increasing disaster resilience);
- Rejuvenating community organisations to increase community resilience and volunteer engagement strategies to increase disaster resilience;
- Community education to facilitate positive recovery after an event (safety and resilience issues)

There are many different methods that the projects can deliver on these goals and the overall delivery of these programs must reflect a commitment towards 'Feeling Good in the North Burnett'. These goals are all centred on disaster recovery and preparedness in an effort to aid the rural communities of the North Burnett.

The North Burnett Community Development Officers have already delivered many projects under the Strategy. While the size of the projects has varied from handouts to full community events they have all met the goals that the Strategy is guided by and have been successful in providing engaging methods that have aided the community to recover from the 2013 flood event and prepare in the event

of a future disaster. This report briefly outlines several projects, the goals they met and the results they have had.

## *Feeling good in the North Burnett*

The aim of the 'Feeling Good in the North Burnett' lapel ribbons were to increase community connectivity, open up discussion for disaster preparedness and resilience issues, open up discussion for education focused on positive recovery for the community after a disaster event and recognising volunteers and community organisations who provided aid during and after the disaster event along with those who were impacted.

The lapel ribbons were given out attached to a cardboard backing with a brief explanation about the meaning of the ribbon. During the Australia Day celebrations at Biggenden, Councillor "Lofty" Wendt OAM BEM, spoke on the purpose of the ribbon and reflected on the disaster in the North Burnett and thanked individuals for their support.

At Biggenden approximately 100 ribbons were handed out and received well. Gayndah had mixed feedback with some thinking that the idea was good while others believed that the money could have been better spent (e.g. helping residents or council infrastructures that were affected) however approximately 140 ribbons were handed out and people wore them. Just under 200 ribbons were handed out at Mundubbera and the community were very receptive to the idea, however in Eidsvold while quiet, a few were handed out most did not mention anything and one flood victim did not accept a ribbon possibly due to the amount of time that had passed. At Mt. Perry about 150 were handed out and were well received and at Monto 210 were handed out with many people wearing them and the gesture was complimented. The lapel ribbons are still being handed out at various events in show bags.



## *Multi-cultural Citrus Harvest Kick-Off*

The goals of the Citrus Harvest Kick-Off were increasing the connections inside the community by including the seasonal workers in a local event and rejuvenating community organisations in order to build disaster resilience.

The Citrus Harvest Kick-Off is a sporting event that celebrates the citrus harvest season which is incredibly important to the region. The seasonal workers that are a large component in the industry are often backpackers from overseas with diverse countries of origin including France, Korea and Italy. They can be isolated from the local community which can be harmful for the seasonal workers as well as the community.

The 2014 Gayndah Citrus Harvest Festival focused on the aspect of multiculturalism by providing food from different cultures free to those in attendance, cultural performances, sporting and children's programs and providing prayers in both English and Korean. Local organisations contributed to the event with the Little A's having provided races and an Aussie BBQ, the Scouts provided Italian food and the main soccer game was headed by Andrew Goldie and the Soccer Club. The posters were distributed in English, Italian, French and Korean and medals and participation ribbons were given out.

Feedback given by a Korean spectator was that they finally felt welcome in Gayndah. Since the event, fortnightly matches have been happening since the Kick Off and attendees and community groups are eager for this to continue as an annual event.

## *Festival of Small Halls*

The Festival of Small Halls was organised with the goals of building community connections and to rejuvenate community organisations to increase disaster resilience. It was also aimed to reduce stress within the community by providing relaxing entertainment for the evening. Other goals were to increase tourist awareness of the various small towns in the region, create gateways for Australian artists to tour overseas and to promote music genres that are under represented in mainstream music tours that resonate with rural communities.

The Festival of Small Halls was an effort to bring live music to rural communities, something that is sometimes hard to achieve in these areas. Inspired by the roots, traditional and acoustic artists being hosted in the town halls of Prince Edward Island, Canada; Australia began hosting tours of traditional and folk music through the small halls of the outback. The tours host one international artist, one Australian artist and where possible a local act that provides exceptional music. The tour is bookended by larger festivals that help make the tour easier to finance.

Feedback was asked from attendees at the conclusion of the 2013 Festival of Small Halls. 77.89% said they will definitely attend the next festival and 80% indicated that after attending the festival they were more likely to attend other events in the area. Overall 84.21% rated the event as excellent. The tickets for the 2014 event have started to sell.





### *Vertec Adventure Big Day Out*

The Big Day Out was aimed to rejuvenate community organisations to increase community resilience, create volunteer engagement strategies to increase disaster resilience, create a platform for different generations to share knowledge, provide community education to facilitate positive recovery, address safety and resilience issues and encourage teamwork and connectedness with the local youth. The Big Day Out other goals included improving physical and mental health and to develop self confidence among the youth of the region.

The Big Day Out had a large focus on outdoor, physical activity. This aids in encouraging better physical and mental health for the youth involved by giving them fun and interesting physical exercise. This is important to building resilience in the future generations of our region as physical exercise decreases depression and stress and increases self confidence and helps maintain a healthy weight.

Team work was another strong focus of the Big Day Out, which helped to build a sense of community with the youth that attended and developing skills that will help them both in daily life and in the event of a disaster.

With tickets at \$10, \$2 per person was donated to Angel Flight and profits went towards other programs such as 'Shine Girls', 'Blokes for Blokes', 'Men's Group' and 'Youth Group' thus aiding other programs that deal with disaster and/or building resilience in individuals and in the community.

The event also encouraged partnerships between several youth focused organizations in the local community such as CTC Youth Service, Mundubbera State School and New Life Centre.

The feedback provided from the youth who attended was overwhelmingly positive with many enjoying the physical activities and teamwork exercises that they were challenged with

## *Mother's Day Classic Fun Run*

The aim of the Monto Mother's Day Classic fun run was to encourage participation in activities that raise awareness for disease, provide increased mental and physical health through exercise and unite the community in a way that would help increase resilience, decrease isolation within the community, encourage a connected community and to engage volunteers in a community event.

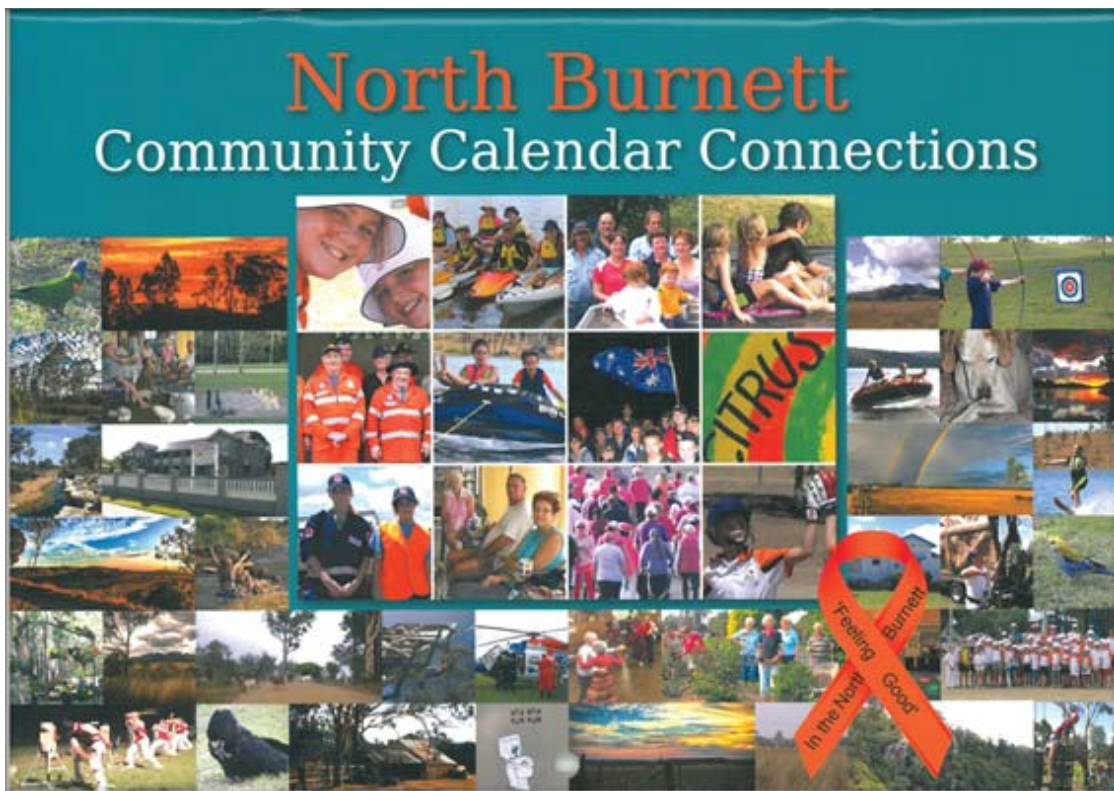
The Monto Mother's Day Classic fun run held on the 11th of May was a chance for the community to raise awareness about breast cancer.

Encouraging the community to support causes that impact them is important to developing a strong, resilient community. As breast cancer is the most diagnosed cancer in Australian women there are many people in the community who will either experience it or have a loved one who will.

By having the community work together in this way it helps build confidence and connections as well as support networks for those who are struggling with the impact of this disease that may be more vulnerable to the mental and emotional side effects of a disaster event.

60 participants registered prior to the event, however there were a total of 169 registered participants on the day. SES, police (for main road traffic control), ambulance, check point volunteers, hospital auxiliary volunteers and event co-ordinators were also at the event bringing the total number of people in attendance to around 190 to 200.





## *Neighbour Day*

The main aim of Neighbour Day was community connectedness. An envelope was sent out to occupants of the region containing a pamphlet explaining Neighbour Day with inspirational quotes, a magnet with space to write emergency details and a tea bag in order to encourage people to participate at home. 5000 neighbour day pamphlets and magnets were ordered along with 5000 tea bags, along with 4500 envelopes and stickers.

## *Calendar Connections*

The Calendar Connections project aimed to increase community connections and disaster preparedness rejuvenate community organisations to increase disaster resilience and educate the community to facilitate positive recovery after an event as well as to increase volunteer engagement.

The calendar features photography submitted by the community and taken by council of community events to highlight positive things in the North Burnett. Various organizations and clubs, particularly those connected to disaster management and relief, were contacted and offered advertising space free of charge along the side of the calendar as well as a chance to have events and information on joining or volunteering included. Information about what to do in a disaster was also provided in the calendars, along side emergency numbers.

The Calendar has received many comments from the community which indicate that it has seen wide spread use and there is interest in developing another in 2015. The Calendar received a large amount of popularity due to local people being featured in the photography. 5000 calendars were ordered and 4655 were received by post by people in the region. Biggenden received 980, Eidsvold 353, Gayndah 1154, Monto (including Mulgildie) 1040, Mt. Perry 350 and Mundubbera 778.



Tedx Mundubbera was held with the aim of rejuvenating community organisations to increase community resilience, provide a platform for old and young to share knowledge, to volunteer engagement strategies and discuss safety and resilience issues to increase disaster resilience. The event also provided education for the community to facilitate recovery including education on physical and mental health and developing self confidence as well as helping to encourage community connections.

Tedx Mundubbera in 2014 focused on resilience and inspiration through various presenters with topics that ranged from dealing with life changing events, success even when disadvantaged to general motivation and health. The entertainment helped set the mood for the presenters and the event ran smoothly, was engaging and received a lot of positive feedback.

TED is an organisation based around the idea of spreading ideas that are worth sharing and do so through conferences. TEDx refers to conferences that are local and independently organised under the TED licence.

Seven of the presenters and entertainers were local identities and several local businesses were engaged to help and were advertised to those attending which helped tie it into the community even further.

The sharing of ideas, experiences and education helps to build disaster resilience by building connections, letting people know they are not alone and sharing information that may be help either during or after a disaster.

Using the feedback from attendees and lessons learned from the 2014 event there are some plans to hold another Tedx in 2015.

## *Let's Laugh Together*

The aim of hiring Laughter4U was to educate the community to facilitate positive recovery after an event, address safety and resilience issues (specifically physical and mental health), develop self confidence and to build connections within the community.

Laughter4U – “Let’s Laugh Together” is an organisation that was hired to attend the Gayndah Show and Mundubbera’s Taste of the Burnett in 2014.

The organisation employs laughter therapy and was free for attendees to join in. Laughter has been proven to aid in many emotional and physical conditions including: anxiety, depression and high blood pressure, which may be aggravated by a disaster event.

By sharing this experience to event attendees it enhanced the community event it encouraged more people to become involved and interact with each other building connections as well as providing information on easy and free methods of alleviating conditions that may be troubling to those who have survived through and may have to deal with disaster events in the future.

The session at Mundubbera received positive feedback from attendees with many people enjoying ‘a laugh and a hug’ and asking about further sessions. The stage performance was also well received. The session was recorded by ABC representative Eliza Rodgers as well as an interview which received a large amount of interest when it was played back on the ABC rural station on the 23rd of July.



## Rural Regeneration

The Rural Regeneration Information Roadshow was an event that focused on community education to facilitate positive recovery after an event, discussion of safety and resilience issues, aiding with physical and mental health of a flood effected community and increasing community connectivity to increase disaster resilience.

Rural Regeneration invited landholders to attend and connect with people working in the North Burnett in the farming sector. The initiation was sent out on behalf of the North Burnett Community Recovery Partners.

The aim for the discussion panel was to provide information on Rural Regeneration, Soil Regeneration, Business Regeneration and Self Regeneration. There was information available in various stalls and panels; about working with the highs and lows of working on the land, from panel experts in farming/ beef production, finance, environment and health and on services such as DAFF, QRAA, Centrelink, Buy A Bale, UnitingCare Community, Red Cross (Landholder Engagement Officer), Centacare, BIEDO, Natural Resources (NBRC), BMRG and more.

The Rural Regeneration Information Roadshow was focused on helping the backbone of rural communities, those working in agriculture, to recover from the floods and provide them with information that will be of use to them in the event of future disasters.



## Scanning it

Scanning It was aimed at engagement strategies to increase disaster resilience, providing education to facilitate positive recovery after a disaster event and increasing the disaster preparedness of the region by providing them with disaster preparedness information and handing out a USB for use in a Get Ready kit.

NBRC offered a one day free scanning session at each library, attended by a Justice of the Peace, where people could have important documents such as birth certificates, driver's license, bank account details and important family photos copied, signed and scanned onto a USB for easy storage and transportation in a disaster. USBs were provided free for those who brought documents to scan.

Information on Scanning It was provided at shows and other community events where the North Burnett Regional Council had set up an example disaster ready kit as well as posters being hung in the towns. In show bags and other hand outs, The North Burnett Regional Council has continued to provide the wrist-band USBs that have various disaster information pre-saved onto them that are intended for people to use to store important documents and to be easy to carry in case of evacuation.

Scanning it was held at each library with over 30 pages being scanned in Eidsvold, 10 pages in Mundubbera and 185 pages processed in Biggenden. Since then the scanning services have been available in the Council buildings.

## Taste of the Burnett

The Taste of the Burnett – A Celebration of Cultures is an event aimed at creating volunteer engagement strategies, educating the community to facilitate positive recovery, addressing safety and resilience issues, increasing community connectedness and disaster preparedness, rejuvenating local organisations to increase disaster resilience and creating a platform for old and young to share knowledge to enable existing organisations.

The Taste of the Burnett is organised every two years and it brings together the community through food and entertainment with a focus on multiculturalism.

The Entertainment for the day featured numerous acts such as Indigenous dancers, bands, dancers, a country singer, and circus workshops as well as arts and writers groups.

The food prepared came from nationalities such as German, Danish, Italian, Southern France, as well as traditional and Indigenous food from Australia. The diverse range of food was produced using food from the Burnett region in order to promote the consumption of local produce. The benefits of this being that it helps those who work in the region in food production, it decreases the transport cost of food making it more affordable and reduces the carbon impact of transport.



In 2014 the North Burnett Regional Council held a recovery and resilience Expo in the pavilion of the show grounds to advertise what there is to help the community and to encourage networking between these organisations. Groups that are part of the community services network were invited to set up stalls in the pavilion such as UnitingCare Community, QLD Health, Centre Care, Indigenous Wellbeing Centre, and groups associated to the North Burnett Community Services Network. The North Burnett Regional Council – Recovery Tent and Shelter Box Game was also set up to give people the opportunity to play it.

The Taste of the Burnett created many economic, social and community benefits. It generated direct economic activity through the engagement of entertainers, cultural groups and the attraction of tourists to the region and providing brand awareness for Festival sponsors. It contributed to the quality of life, encouraging people to move to the region for study, work and living and it attracted investment and the support of cultural and community activities. Other benefits the festival had were the reducing social isolation and increasing inclusion, contributing to the community's sense of identity and self-confidence and raising the profile of community groups.

### *CBYS Youth Space Concept*

The goals of repairing the damages done to the CBYS Youth Space in Gayndah were rejuvenating community organisations to increase resilience, engage volunteers to increase disaster resilience, facilitate existing organisations in the region with areas where old and young can share knowledge, facilitate positive recovery after an event, address safety and resilience issues such as mental and physical health, develop self confidence and community connections.

After repairing the damages done in the 2013 flood event, the Gayndah Youth Space reopened on Tuesday the 6th of May. The space is used by youth programs that address the building of leadership and resilience among the youth. This increases the disaster resilience of the region's youth service by building self confidence and facilitating the education of the region's youth and providing a space where they can safely address issues relevant to their growth with the aid of the youth services.



## Shelter Box Game

The goals of the Shelter box game were to increase disaster preparedness and community connectivity through teamwork, leadership and communication, address disaster and resilience issues and give a platform for old and young sharing knowledge.

The Shelter Box Game was inspired by Shelter Box, an international disaster relief charity that provides boxes of essentials to those facing natural and man-made disasters in third world countries. The game originally launched on the 25th of October 2011 at North Stradbroke Island and the youth of the North Burnett have joined the growing list of those who have taken part in the game.

The game is played on a large 'board' set up as a map of various kinds of communities and uses 3D pieces to represent possible disaster events, an oversized dice and bells for team play. It is adaptable for use as both a team vs team or as a one vs one game. The players or teams take turns to roll the dice and upon landing on the coloured squares they are then

asked questions coded to that colour based that challenges them to think about what knowledge they need to be able to prepare and respond to a disaster event. The Shelter Box Game has been taken to various shows and events in the region including the Festival of Small Halls and the Taste of the Burnett.

The game is a valuable teaching resource as is an engaging way to address issues regarding disaster preparedness and resilience. It will continue to be part of the North Burnett Regional Council's stall at various events as well as being used by the SES and schools in the area who have expressed interest.



## Show Bags and Handouts

The handing out of show bags at various events in the region has been carried out with the aims of increasing disaster preparedness, addressing resilience issues, increasing community connections while decreasing isolation, educating the community to facilitate positive recovery and rejuvenating community organisations.

Show bags were bright red, reusable shopping bags that had a shopping list that focused on items that are essential in an emergency. The bright red colour of the bag made it easily visible, its reusable nature was designed to encourage people to keep it rather than throw it away and the shopping list was a reminder of what they should have on hand for a disaster event such as non-perishable food.

Show bag handouts varied in nature, though the vast majority of them were related to disaster preparedness, information on what to do during various disasters, emergency contacts and recovery information. All show bags contained Scanning it USBs and Feeling Good in the North Burnett lapel ribbons.

Two important handouts have been the Get Ready booklet and the Recipes for Disaster booklet. The Get Ready Booklet outlines many different disaster events, how to prepare for them and what to do during and after their occurrence as well as containing emergency contact information. The Recipes for Disaster booklet was a large project where members of the community were invited to submit easy recipes that would be useful during a disaster event where food might not be readily available, might only be non-perishable items and electricity may not be on.

Hundreds of these show bags have been handed out at events across the region. They are a simple but effective way of delivering information as well as useful resources. It is also beneficial for the Community Development officers to hand out these show bags as attending events and interacting with the community allows for feedback and to assess the overall mood of the community.



## Eidsvoll/Eidsvold Room

The Eidsvoll Room was rejuvenated with the aim of increasing community connections, rejuvenating community organisations to increase resilience, enable existing organisations by old and young sharing knowledge and engaging volunteers to increase disaster resilience.

Interest was brought forward during the 2010-2011 and 2013 flood events about the link between Eidsvold and Eidsvoll, Norway by stranded travellers. A community group constructed a plan to bring more interest to the display regarding the relationship between the town by moving it from its largely ignored position in the Town Hall to a more prominent position in the Library as well as having the display overhauled and some of the assets restored. The plan was submitted to council and now the new display is expected to generate more interest from the locals as well as visitors, and provide a platform for community events bringing more resilience by creating more connections within the community. The display can also provide a space for elders and youth in the community to engage in discussion and pass on information.

There were 7 volunteers involved in the project. 43 people attended the opening function and there have since been continued visitor numbers at the display. The mayor was invited to the formal launch of the display and the North Burnett Regional Councillors were encouraged to attend. The event was broadcasted over ABC Wide Bay.

# Technical services

## Water Sewerage Personnel

- Supervisor Matt Cook was named Qld Water Operator of the year.
- Manager Trevor Harvey continued his two year term as Chairman of qldwater.
- The Technical Officer resigned, he was replaced with an operator based in Mundubbera who will be available for regional back-up as well as preventative maintenance duties.

## Capital

- A \$640,000 capital plan was completed with only one carry-over project to the 2014/15 financial year.
- The Biggenden Sewerage Treatment Plant rock filter project completed in 2012/13 continued to operate extremely well for the year with all waste water sample analysis being well below Environmental Licence requirements. Two technical papers were written and presented about this project as well as a nomination for an engineering excellence award being lodged.

## Operation & Maintenance

This year was another difficult year operationally in Gayndah as the plant operation continued in a manual mode due to the 2013 flood damage. This meant high overtime levels and the continuation of water restrictions at level 3.

Water main and service connection breaks continue to be an increasing issue throughout the district with the ageing infrastructure.

## Facilities Capital

- A new catering facility was completed at Cania Dam. This project was a joint initiative of North Burnett Regional Council and the Queensland Government through the Local Government Grants and Subsidies Program 2011/12.
- A new SES Shed was constructed at Eidsvold. Funding was received from Department of Community Safety.
- A new Truck Wash facility was built opposite the Eidsvold Saleyard. Funding received from QGC.
- A new toilet block and archive room were built at the Gayndah Administration Office.
- Disabled Access ramps were installed at the Mundubbera Community Hall and the Monto Sports Ground.
- Extensive work was undertaken on Council's playgrounds. In Biggenden new toddlers equipment and fencing was installed to create a toddler area in Lions Park, a new play forte was installed in Apex Park at Eidsvold, in Monto new rubberised softfall was installed in Memorial Park and in Mt Perry the carousel was refurbished and softfall installed underneath.
- A new shade sail was installed over the playground at Memorial Park, Mt Perry. This project was a joint initiative of North Burnett Regional Council and the Queensland Government through the Local Government Grants and Subsidies Program 2012/13.
- Three billboards were installed on the entrances to Mt Perry.



*Matt Cook with the 'Old Water Operator of the Year' trophy*

## Facility Maintenance

- A 5 year Capital Plan was developed for future capital projects required to maintain the Council owned housing (excluding aged facilities)
- A 10 year Capital Plan was developed for future capital projects required to maintain the five NBRC public swimming pools
- Asset Management
- Personnel
- Another difficult year with personnel from this department being seconded to the flood recovery project.
- A fixed term Technical Officer was employed to assist with the continuation of core functions of the department.

## Operations

- The road naming project continued
- Progress of the reduction of duplicate asset registers and data cleansing project was made in conjunction with the financial department asset re-valuation work. Both departments will soon be working from one consolidated asset register.



*The new 'Eidsvold Truck Wash' facility*

# Community grants

A horizontal bar spanning the width of the page, divided into two equal halves. The top half is a solid green color, and the bottom half is a solid blue color.



During the financial year Council continued to enable clubs, organisations, groups and families to provide events, activities and to access opportunities that would not otherwise be available.

In total Council provided a value of \$53,370.23 across the communities in the North Burnett. In addition, Council continued to provide photocopies and hall hire services at nominal rates for all local Not-For-Profit organisations.

The largest financial contributions in the name of the North Burnett community were made to 'Action Rescue Helicopter with \$10,000' which continues to provide life-saving emergency transport across the North Burnett and to the 'Bundaberg Health Service Rotary House with \$10,000' which continues to support our residents while in medical treatment in the Bundaberg region.

Significant contributions were made towards local community events and the category 'Sports Performance Grants' continued to be highly popular with contributions made towards the costs of young North Burnett individuals participating at state-level sporting competitions.

Based on the applications received the North Burnett communities received:

<i>Town</i>	<i>Dollar value received</i>
Biggenden	\$2,791.99
Eidsvold	\$614.05
Gayndah	\$8,586.68
Monto	\$11,287.25
Mt Perry	\$3,071.90
Mundubbera	\$5,432.00
Regional donations	\$21,586.36
<b>TOTAL</b>	<b>\$53,370.23</b>

# Community financial report



This Community Financial Report aims to simplify and provide a summary of the financial statements into a plain english explanation for our residents, businesses and other stakeholders.

## *Points of interest*

### Flood restoration

Flood works have had a significant impact on Council operations. As at 30 June, Council has completed 85% of the approved flood works, with the remainder of the works scheduled for completion in 2014/15.

### Assets

A revaluation of asset valuations has been carried out in 2013/14. This has resulted in an decrease to the asset values of \$44 million and an additional \$2.17 million in depreciation to 2012/13.

### Rates, Levies & Charges

Contributed to 37% of all council operating revenue in 2013/14.

### Borrowing

Council did not undertake any additional borrowing in 2013/14.

### Cash Position

Cash and cash equivalents increased from the \$34.54 million held in 2012/13 to \$42.189 million at 30 June 2014.

### Operating position

#### Operating Defecit of \$21,091,419

The negative operating position is a result of money paid in advance in 2012/13. (This comprises of \$14.91 million of flood money paid in advance in 2012/13 and \$5.2 million with the realignments of Federal Assistance Grand funding).

#### Net Result Surplus of \$50,732,983

The net result includes capital income which is reflected by the strong final position for 2013/14. (The surplus is directly attributed to \$72 million in capital flood money).

## *Financial Statements*

Financial statements are formal records of the financial performance and position of Council.

There are four financial statements that assist in providing a high level picture of council finances for the 2013/14 financial year.

These include:

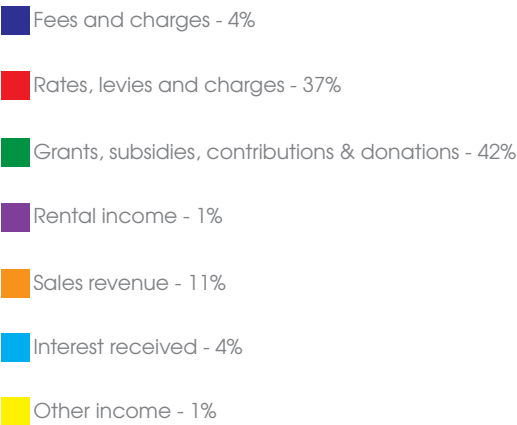
- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Changes in Equity
- Statement of Cash Flows

Statement of comprehensive income

Purpose: shows all the revenue the council has earned and the expenses incurred for the financial year.

Operational Revenue

Where did all the money come from in 2013/14 financial year?



Council’s operational income in 2013/14 was \$36.34 million. Grant income represents 42% of total income, with the remaining 58% of the operating income classed as own sourced income (41% own source income in 2012/13).

Total rates and charges levied (less discount) for 2013/14 was \$13.4 million. This equates to 37% of council’s operating income;

Sales revenue comes from contract work Council undertakes on behalf of Main Roads (\$2.9 million) and other private customers (\$1.1 million).

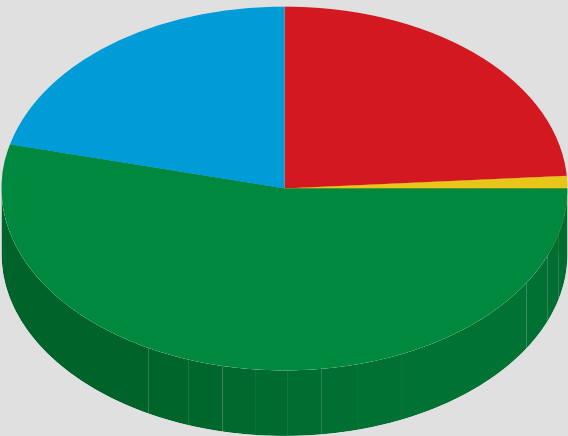
Operational Expenses

Where was the money spent in 2013/14?

Council spent \$44.9 million during the year on employee costs and materials and services. This is an 8% or \$3,682,461 increase from 2012/13 financial year. The additional costs have been incurred due to flood recovery works.

Finance costs have decreased by 14% or \$36,000 from the previous period due to no additional borrowings 2012/13 or 2013/14.

Depreciation expenditure of \$12.22 million records the consumption of assets controlled by council over the useful lives and provides an indication of what the level of expenditure on rehabilitation and renewal of existing assets is required annually. This year the revaluation of assets has contributed to the \$2.1 million increase in depreciation



### Capital Items

In addition to the operating revenues and expenses Council also receives support from the State Government and Federal Government, for the construction and acquisition of capital items. This money is irregular and specific to the purpose for which the grant was received and is therefore not included in operational revenue. In 2013/14 this was \$72,036,968 – consisting of:

1. \$2,069,457 Road Grants
2. \$50,000 EMS Grant
3. \$520,576 Upper Burnett Early Warning System
4. \$101,907 Cania Dam Recreation Facility
5. \$52,785 Waste Facility Upgrade
6. \$69,208,435 NDRRA Capital Projects
7. \$33,808 Various Building/other Structure Grants

QGC has provided a capital funding contribution in 2013/14 of \$685,333 which was used to build a Washdown Facility in Eidsvold.

### Statement of financial position

Purpose: shows the assets and liabilities which make up community equity as at 30 June 2014

### Net Current Assets

Council's net current assets (that is current assets less current liabilities) are \$16.9 million for 2013/14. This is a large variance from 2012/13 of \$32.2 million, this is a result of timing differences in the receipt of flood monies.

### Council Cash Position by Year

2008/09	\$15,550,000.00
2009/10	\$9,568,000.00
2010/11	\$14,656,000.00
2011/12	\$16,655,000.00
2012/13	\$34,536,000.00
2013/14	\$42,189,000.00

### Community Equity by Year

2008/09	\$850,660,000.00
2009/10	\$854,989,000.00
2010/11	\$870,693,000.00
2011/12	\$893,395,000.00
2012/13	\$841,988,000.00
2013/14	\$848,665,000.00

## Measures of Financial Sustainability

Purpose: assist in understanding the financial performance and position of council without reading through all the details contained within the Financial Statements.

### Operating Surplus Ratio

- net result (excluding capital income) divided by total operating revenue (excluding capital items)
- TARGET - between 0% and 10%
- 58.03% - Below target contributed by Flood Income outstanding

### Asset Sustainability Ratio

- capital expenditure on the replacement of assets (renewals) divided by depreciation expense
- TARGET - greater than 90%
- 194.82% - Above target due to extensive capital flood repairs

### Net Financial Liability Ratio

- total liabilities less current assets divided by total operating revenue (excluding capital items)
- TARGET - not greater than 60%
- -37% - On target due to council's low borrowings

# Financial statements



# North Burnett Regional Council

## Financial Statements

### For the year ended 30 June 2014

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**North Burnett Regional Council**  
**Statement of Comprehensive Income**  
For the year ended 30 June 2014

	Note	2014 \$	2013 \$
<b>Income</b>			
<b>Recurrent Revenue</b>			
Rates, Levies and Charges	3(a)	13,424,065	12,499,497
Fees and Charges	3(b)	1,401,435	1,517,969
Rental Income	3(c)	355,682	374,809
Interest Received	3(d)	1,266,536	785,168
Sales Revenue	3(e)	4,079,255	10,966,755
Other Income	3(f)	402,023	371,156
Grants, Subsidies, Contributions and Donations	4(a)	15,413,620	36,747,740
		<b>36,342,616</b>	<b>63,263,094</b>
<b>Expenses</b>			
<b>Recurrent Expenses</b>			
Employee Benefits	6	(13,813,735)	(15,081,005)
Materials and Services	7	(31,163,032)	(26,213,301)
Finance Costs	8	(241,139)	(277,269)
Depreciation	9	(12,216,129)	(10,037,320)
		<b>(57,434,035)</b>	<b>(51,608,895)</b>
<b>Operating Result before Capital Items</b>		<b>(21,091,419)</b>	<b>11,654,199</b>
<b>Capital Income</b>			
Grants, Subsidies, Contributions and Donations	4(b)	72,711,968	862,635
Gain/(loss) on the Sale of Non-Current Assets	5	(719,420)	(1,715,656)
		<b>71,992,548</b>	<b>(853,019)</b>
<b>Capital Expenses</b>			
Provision for Land Restoration	18	(168,146)	(168,146)
		<b>(168,146)</b>	<b>(168,146)</b>
<b>Net Result</b>		<b>50,732,983</b>	<b>10,633,032</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to net results</b>			
Increase/ (decrease) in Asset Revaluation Surplus	10	(44,055,980)	(62,039,757)
<b>Total other comprehensive income for the year</b>		<b>(44,055,980)</b>	<b>(62,039,757)</b>
<b>Total Comprehensive Income for the Year</b>		<b>6,677,003</b>	<b>(51,406,725)</b>

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

**North Burnett Regional Council**  
**Statement of Financial Position**  
As at 30 June 2014

	Note	2014 \$	2013 \$
<b>Current Assets</b>			
Cash and Cash Equivalents	11	42,189,757	34,536,447
Trade and Other Receivables	12	4,386,665	5,252,244
Inventories	13	532,390	440,958
<b>Total Current Assets</b>		<b>47,108,812</b>	<b>40,229,649</b>
<b>Non-Current Assets</b>			
Trade and Other Receivables	12	9,000	15,000
Property, Plant and Equipment	14	835,102,360	813,578,325
<b>Total Non-Current Assets</b>		<b>835,111,360</b>	<b>813,593,325</b>
<b>Total Assets</b>		<b>882,220,172</b>	<b>853,822,974</b>
<b>Current Liabilities</b>			
Trade and Other Payables	16	27,472,613	5,555,839
Borrowings	17	424,206	485,992
Provisions	18	1,980,728	1,690,271
Other	19	238,613	214,679
<b>Total Current Liabilities</b>		<b>30,116,160</b>	<b>7,946,781</b>
<b>Non-Current Liabilities</b>			
Borrowings	17	3,149,286	3,573,788
Provisions	18	289,676	314,358
<b>Total Non-Current Liabilities</b>		<b>3,438,962</b>	<b>3,888,146</b>
<b>Total Liabilities</b>		<b>33,555,122</b>	<b>11,834,927</b>
<b>Net Community Assets</b>		<b>848,665,050</b>	<b>841,988,047</b>
<b>Community Equity</b>			
Shire Capital		722,275,274	650,282,726
Asset Revaluation Surplus	20	137,804,849	181,860,829
Retained Surplus/ (Deficiency)		(11,415,073)	9,844,492
<b>Total Community Equity</b>		<b>848,665,050</b>	<b>841,988,047</b>

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

**North Burnett Regional Council**  
**Statement of Changes in Equity**  
For the year ended 30 June 2014

	Shire Capital		Asset Revaluation Surplus		Retained Surplus/(Deficiency)		Total	
	2014	2013	2014	2013	2014	2013	2014	2013
	\$	\$	\$	\$	\$	\$	\$	\$
Opening Balance	650,282,726	651,135,746	181,860,829	243,900,586	9,844,492	(1,641,560)	841,988,047	893,394,772
Net result	-	-	-	-	50,732,983	10,633,032	50,732,983	10,633,032
Other comprehensive income for the year	-	-	-	-	-	-	-	-
Increase/(decrease) in asset revaluation surplus	-	-	(44,055,980)	(62,039,757)	-	-	(44,055,980)	(62,039,757)
<b>Total comprehensive income for the year</b>	-	-	<b>(44,055,980)</b>	<b>(62,039,757)</b>	<b>50,732,983</b>	<b>10,633,032</b>	<b>6,677,003</b>	<b>(51,406,725)</b>
Transfers to and from reserves	-	-	-	-	-	-	-	-
Transfer to/from capital	71,992,548	(853,020)	-	-	(71,992,548)	853,020	-	-
<b>Total transfers to and from reserves</b>	<b>71,992,548</b>	<b>(853,020)</b>	<b>-</b>	<b>-</b>	<b>(71,992,548)</b>	<b>853,020</b>	<b>-</b>	<b>-</b>
<b>Closing Balances</b>	<b>722,275,274</b>	<b>650,282,726</b>	<b>137,804,849</b>	<b>181,860,829</b>	<b>(11,415,073)</b>	<b>9,844,492</b>	<b>848,665,050</b>	<b>841,988,047</b>

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

**North Burnett Regional Council****Statement of Cash Flows**

For the year ended 30 June 2014

	Note	2014 \$	2013 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		20,499,472	29,520,105
Payments to suppliers and employees		(45,271,249)	(44,066,279)
		<b>(24,771,777)</b>	<b>(14,546,174)</b>
Interest received		1,266,536	785,168
Rental Income		355,683	374,809
Non Capital Grants and Contributions		15,413,620	36,747,740
Borrowing Costs		(233,904)	(205,287)
<b>Net cash inflow (outflow) from operating activities</b>	25	<b>(7,969,842)</b>	<b>23,156,256</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(57,458,351)	(7,225,077)
Net movement on loans and advances		6,000	45,379
Proceeds from sale of property and equipment	5	849,821	511,883
Grants, subsidies, contribution and donations		72,711,698	862,635
<b>Net cash inflow (outflow) from investing activities</b>		<b>16,109,168</b>	<b>(5,805,180)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		-	960,000
Repayment of borrowings		(486,016)	(429,660)
<b>Net cash inflow (outflow) from financing activities</b>		<b>(486,016)</b>	<b>530,340</b>
<b>Net increase (decrease) in cash and cash equivalents held</b>		<b>7,653,310</b>	<b>17,881,416</b>
Cash and cash equivalents at beginning of the financial year		34,536,447	16,655,031
<b>Cash and cash equivalents at end of the financial year</b>	11	<b>42,189,757</b>	<b>34,536,447</b>

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

**North Burnett Regional Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2014

**1 SIGNIFICANT ACCOUNTING POLICIES**

**1.A Basis of Preparation**

These general purpose financial statements are for the period 1 July 2013 to 30 June 2014 and have been prepared in compliance with the requirements of the *Local Government Act 2009 and the Local Government Regulation 2012*. 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 Council's operations and effective for the current reporting period. Because the Council is a not-for-profit entity and the Australian Accounting Standards include requirements for not-for-profit entities which are inconsistent with International Financial Reporting Standards (IFRS), to the extent these inconsistencies are applied, 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 Constitution**

The North Burnett Regional Council is constituted under the Queensland *Local Government Act 2009* and is domiciled in Australia.

**1.D Date of Authorisation**

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

**1.E Currency**

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

**1.F Adoption of new and revised 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 resulted in any material changes to Council's accounting policies. However the application of AASB13 *Fair Value Measurement* and AASB2011-8 *Amendments to Australian Accounting Standards Arising from AASB13* for the first time this year has resulted in greater disclosures.

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

	<b>Effective for annual reporting periods beginning on or after:</b>
AASB 9 Financial Instruments (December 2009)	1 January 2018
AASB 10 Consolidated Financial Statements	1 January 2014
AASB 11 Joint Arrangements	1 January 2014
AASB 12 Disclosure of interests in other entities	1 January 2014
AASB 127 Separate Financial Statements (replaces the existing standard together with AASB 10)	1 January 2014
AASB 128 Investments in Associates and Joint Ventures (replaces the existing standard)	1 January 2014
AASB 1055 Budgetary Reporting	1 July 2014
2009-11 Amendments to Australian Accounting Standards arising from AASB 9 (December 2009)	1 January 2015
AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)	1 January 2015
AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards	1 January 2014
AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132]	1 January 2014
AASB 2013-1 Amendments to AASB 1049 - Relocation of Budgetary Reporting Requirements	1 July 2014
AASB 2013-3 Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
AASB 2013-4 Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting [AASB 139]	1 January 2014
AASB 2013-5 Amendments to Australian Accounting Standards – Investment Entities [AASB 1, AASB 3, AASB 7, AASB 10, AASB 12, AASB 107, AASB 112, AASB 124, AASB 127, AASB 132, AASB 134 & AASB 139]	1 January 2014
AASB 2013-6 Amendments to AASB 136 arising from Reduced Disclosure Requirements	1 January 2014
AASB 2013-7 Amendments to AASB 1038 arising from AASB 10 in relation to consolidation and interests of policyholders [AASB 1038]	1 January 2014
AASB 2013-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities – Control and Structured Entities [AASB 10, AASB 12 & AASB 1049]	1 January 2014
AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments [Operative dates: Part A Conceptual Framework – 20 Dec 2013; Part B Materiality – 1 Jan 2014; Part C Financial Instruments – 1 Jan 2015]	
Interpretation 21 Levies	1 January 2014

## **1.G Critical accounting judgements and key sources of estimation uncertainty**

In the application of 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.

**North Burnett Regional Council**  
**Notes to the Financial Statements**  
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Judgements, estimates and assumptions that have a potential significant effect are outlined in the following financial statement notes:

- Residuals and useful lives of property, plant and equipment – Note 1.O, Note 14 and Note 15
- Valuation and depreciation of property, plant and equipment - Note 1.O and Note 15
- Impairment of property, plant and equipment - Note 1.P and Note 10
- Contingent Liabilities - Note 22
- Provisions - Note 1.T and Note 18

**1.H Revenue**

Rates, levies, grants and other revenue are recognised as revenue on receipt of funds or earlier upon unconditional entitlement to the funds.

Rates and Levies

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, otherwise rates are recognised at the commencement of rating period.

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. In previous years, an equivalent amount was transferred from retained earnings to the relevant reserve until the funds were expended. Unspent non-reciprocal capital grants were placed in the Unspent capital grants reserve. Internal restrictions that have been placed on Council's cash and cash equivalents are now disclosed in Note 11.

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

Non-Cash Contributions

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

Physical assets contributed to Council by developers in the form of road works, stormwater, water and wastewater infrastructure and park equipment are recognised as revenue when the development becomes "on maintenance" (i.e. the Council obtains control of the assets and becomes liable for any ongoing maintenance) and there is sufficient data in the form of drawings and plans to determine the approximate specifications and values of such assets. All non-cash contributions are recognised at the fair value of the contribution received on the date of acquisition.

Cash Contributions

Council receives cash contributions from property developers to construct assets such as roads and footpaths and to connect new property developments to water and sewerage networks in the Council area. Where agreements between Council and the developers relating to these contributions are determined to fall within the scope of AASB Interpretation 18 Transfers of Assets from Customers these contributions are recognised as revenue when the related service obligations are fulfilled.

Developers also pay infrastructure charges for trunk infrastructure, such as pumping stations, treatment works, mains, sewers and water pollution control works. These infrastructure charges are not within the

**North Burnett Regional Council**  
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scope of AASB Interpretation 18 because there is no performance obligation associated with them. Therefore, infrastructure charges are recognised as income when received.

Rental Income

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

Interest

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

Sales Revenue

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

Council generates revenues from a number of services and 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.

**1.1 Financial Assets and Financial Liabilities**

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

North Burnett Regional Council has categorised and measured the financial assets and financial liabilities held at balance date as follows:

Financial Assets

Cash and cash equivalents (Note 1.J)

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

Investments (Note 1.N)

Financial Liabilities

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

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

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

All other disclosures relating to the measurement and financial risk management of financial instruments are included in Note 27.

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**1.J 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 are subject to an insignificant risk of changes in value, and bank overdrafts.

**1.K 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 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 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.L Inventories**

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

Inventories held for distribution are:

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

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

Land acquired by Council 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. As an inventory item, this land held for resale is treated as a current asset. Proceeds from the sale of this land will be recognised as sales revenue on the signing of a valid unconditional contract of sale.

**1.M Non-Current Assets Held for Resale**

Items of property, plant and equipment are reclassified as non-current assets as held for sale when the carrying amount of these assets will be recovered principally through a sales transaction rather than continuing use. Non-current assets classified as held for sale are available for immediate sale in their present condition and management believe the sale is highly probable. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less cost to sell and are not depreciated. On the eventual sale of these assets a gain or loss is recognised.

**North Burnett Regional Council**  
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**1.N 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 the 30 June 2014 Council did not have any term deposits in excess of three months.

**1.O 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 \$10,000 are treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised.

The classes of property, plant and equipment recognised by the Council are:

- |                               |                              |
|-------------------------------|------------------------------|
| – Land                        | – Buildings                  |
| – Plant and equipment         | – Road, drainage and bridges |
| – Water                       | – Sewerage                   |
| – Other infrastructure assets | – Work in Progress           |

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 Council valuation where that value exceeds the recognition thresholds for the respective asset class. Fair value is the price that would be received to sell the asset in an orderly transaction between market participants at the measurement date.

Capital and Operating Expenditure

Wage and material 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 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.

Valuation

Land, buildings, and all infrastructure assets are measured on the revaluation basis, at fair value, in accordance with AASB116 Property, Plant and Equipment and AASB 13 Fair Value Measurement. Plant and 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, Council uses internal engineers and asset managers to assess the condition and cost assumptions associated with all infrastructure assets, the results of which are considered in combination with an appropriate cost index for the region. Together these are used to form the basis of a management

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valuation for infrastructure asset classes in each of the intervening years. With respect to the valuation of the land and improvements, buildings and major plant asset classes in the intervening years, 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 15.

Any revaluation increment arising on the revaluation of an asset is credited to the appropriate class of the 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 of 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, indices and methods of valuations are disclosed in Note 15.

Capital Work in Progress

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

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 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.

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

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

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

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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 and 15.

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 and 15.

Changes to Estimations and Assumptions

During the year, property, plant and equipment was revalued by independent experts in accordance with council policy. This revaluation included a review of the estimations used in determining the written down value, cost and accumulated depreciation. The valuation procedures have been detailed in Note 15.

Council have adopted all changes suggested by the independent experts which has resulted in the written down value of assets being adjusted as a result of changes in the estimations and assumptions used to determine the written down value of assets. Council believes that the result has led to more accurate figures for users.

Land Under Roads

Land under roads acquired before 30 June 2008 is recognised as a non-current asset where the Council holds title or a financial lease over the asset. The North Burnett Regional 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.P Impairment of Non-Current Assets**

Each non-current physical and intangible asset and group of assets is assessed for indicators of impairment annually. If an indicator of possible impairment exists, the Council determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss. The 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 as an expense 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 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.

**North Burnett Regional Council**  
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**1.Q 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.R 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 entitlement to the leave is unconditional, the liability is treated as a current liability. Otherwise the liability is treated as non-current.

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 16 as a payable.

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 16 as a payable.

Sick Leave

Council has no obligation to pay sick leave on termination.

Superannuation

The superannuation expense for the reporting period is the amount of the contribution the Council makes to the superannuation plan which provides benefits to its employees. Details of those arrangements are set out in Note 23.

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 is 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 18 as a provision.

**North Burnett Regional Council**  
**Notes to the Financial Statements**  
 For the year ended 30 June 2014

**1.S Borrowings and Borrowing Costs**

Borrowings are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these liabilities are measured at amortised cost.

In accordance with the *Local Government Regulation 2012* Council adopts an annual debt policy that sets out planned borrowings for the next nine years. Council's current policy is to only borrow for capital projects and for a term no longer than the expected life of the asset. Council also aims to comply with the Queensland Treasury Corporation's borrowing guidelines and ensure that sustainability indicators remain within acceptable levels at all times.

All borrowing costs are expensed in the period in which they are incurred. No borrowing costs are capitalised on qualifying assets.

**1.T Restoration Provision**

The provision represents the present value of the anticipated future costs associated with the closure of six operating 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. 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. 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 current longest useable site will close in 348 years and that the restoration on the various sites will occur progressively after closing.

**1.U 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 the asset revaluation 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 revaluation surplus in respect of that class. Any excess is treated as an expense. When an asset is disposed of, the amount of the gain or loss is reported in the surplus in respect of that asset.

**1.V Retained Surplus**

The retained surplus represents that part of the Council's equity that corresponds to the amount of cash (reported within cash and cash equivalents) that is held for this purpose, and has not been restricted to meet specific future funding needs at the reporting date. These funds are available as a general funding source in future years.

A retained deficit represents an overall funding shortfall which needs to be recovered in future years to maintain a fully funded position.

**North Burnett Regional Council**  
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For the year ended 30 June 2014

**1.W Shire Capital**

In accordance with AASB101 paragraphs 5 and 6 the following disclosure is provided as the council considers such presentation is relevant to the understanding of the council's financial performance.

The Council's shire capital account at the reporting date, represents the amount the community has invested in capital assets to deliver future services, plus any equity and property investments it holds, less the amount it has borrowed to fund these assets. At the creation of the council any operating assets and liabilities that were required to be recognised, were brought to account through the shire capital account. The maintenance of the Councils capital capacity is fundamental to its long term sustainability to continue to deliver essential services to the community, it has therefore been separately identified and the change in value is reported in the Statement of Changes in Equity.

**1.X National Competition Policy**

Council has reviewed its activities to identify its business activities. Details of these are disclosed in Note 28.

**1.Y Rounding and Comparatives**

The financial statements have been rounded to the nearest \$1.

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

**1.Z 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 custodial 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 in Note 24.

**1.AA 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.

**1.AB Capital**

Capital represents the net carrying value of the capital assets less the amount of capital debt and asset revaluation surplus at the reporting date and includes the estimated initial value of working capital recognised at the inception of Council. It represents the net investment of council funds in assets purchased to deliver future services to the community.

**North Burnett Regional Council**  
**Notes to the Financial Statements**  
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**1.AC Carbon Pricing**

In 2011 the Australian Government introduced a Clean Energy Legislation package. One aspect of this package, which impacts Council indirectly, is the introduction of a pricing mechanism for greenhouse gas emissions in the Australian economy.

Waste deposited in landfills takes over twelve months to begin emitting carbon dioxide, it also continues to generate emissions for the following 40 years so council will have an ongoing liability for this "carbon tax" in respect of the past and future waste deposited. Council operates a number of small landfill facilities that have annual emissions of carbon dioxide equivalent that are below the individual site threshold of 25,000 tonnes. Council modelling indicates that the facilities are unlikely to exceed this threshold in the foreseeable future therefore no direct liability has arisen, or is likely to arise as a result of this legislation.

**North Burnett Regional Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2014

**Note 2a: Analysis of Results By Functions**

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

**Corporate Governance**

This comprises the support functions for the Mayor and Councillors, Council and committee meetings and statutory requirements and Library operations, plus Council's Customers Service, Finance and Information Technology sections.

**Community Services**

Community services and facilities including cultural, health, welfare, environmental and recreational services. This function includes:

- Entertainment venues
- Libraries
- Public health services
- Environmental licences and approvals
- Aged care services
- Economic development

**Planning and Development**

Management of the development of the region and approval processes for development and building.

**Transport Infrastructure**

Providing maintenance on roads and drainage and maintaining parks and gardens, caravan parks and swimming pools.

**Waste Management**

Providing refuse collection and disposal services.

**Water Infrastructure**

Providing water supply services.

**Sewerage Infrastructure**

Providing sewerage services.

**North Burnett Regional Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2014

**Note 2b: Analysis of Results By Function**

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

Year ended 30 June 2014

Functions	Gross Program Income				Total income	Gross Recurring Expenses	Gross Capital Expenses	Total Expenses	Net result from recurring operations	Net Operating Surplus	Assets
	Recurring		Capital								
	Grants	Other	Grants	Other							
	2014 \$	2014 \$	2014 \$	2014 \$							
Corporate Governance	4,861,061	9,440,695	570,576	-	14,872,331	7,697,780	719,420	8,417,200	6,603,976	6,455,131	101,087,461
Community Services	469,280	618,790	810,715	-	1,898,785	5,743,290	-	5,743,290	(4,655,220)	(3,844,505)	18,684,306
Planning & Development	-	237,151	-	-	237,151	795,323	-	795,323	(558,172)	(558,172)	-
Transport Infrastructure	10,082,858	4,097,352	71,277,892	-	85,458,101	35,733,975	-	35,733,975	(21,553,766)	49,724,126	719,692,908
Waste Management	421	1,858,141	52,785	-	1,911,347	2,709,343	168,146	2,877,489	(850,780)	(966,141)	-
Water Infrastructure	-	3,072,461	-	-	3,072,461	3,236,286	-	3,236,286	(163,825)	(163,825)	22,908,770
Sewerage Infrastructure	-	1,604,407	-	-	1,604,407	1,518,038	-	1,518,038	86,369	86,369	19,846,729
Total Council	15,413,620	20,928,997	72,711,968	-	109,054,583	57,434,035	887,566	58,321,601	(21,091,418)	50,732,983	882,220,174

Year ended 30 June 2013

Functions	Gross Program Income				Total income	Gross Recurring Expenses	Gross Capital Expenses	Total Expenses	Net result from recurring operations	Net Operating Surplus	Assets
	Recurring		Capital								
	Grants	Other	Grants	Other							
	2013 \$	2013 \$	2013 \$	2013 \$							
Corporate Governance	7,918,839	8,262,376	-	-	16,181,215	7,523,616	1,715,655	9,239,271	8,657,599	6,941,944	77,129,698
Community Services	475,752	859,140	82,449	-	1,417,341	3,981,456	-	3,981,456	(2,646,564)	(2,564,115)	18,343,982
Planning & Development	-	1,028,173	-	-	1,028,173	1,520,393	-	1,520,393	(492,220)	(492,220)	-
Transport Infrastructure	28,353,149	11,082,887	533,061	-	39,969,097	32,711,748	-	32,711,748	6,724,288	7,257,349	728,195,988
Waste Management	-	927,089	-	-	927,089	1,517,107	168,146	1,685,253	(590,018)	(758,164)	-
Water Infrastructure	-	2,882,995	247,125	-	3,130,120	3,134,351	-	3,134,351	(251,356)	(4,231)	20,297,917
Sewerage Infrastructure	-	1,472,694	-	-	1,472,694	1,220,225	-	1,220,225	252,469	252,469	9,855,389
Total Council	36,747,740	26,515,354	862,635	-	64,125,729	51,608,896	1,833,801	53,492,697	11,654,198	10,633,032	853,822,974

**North Burnett Regional Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2014

		2014 \$	2013 \$
<b>3 Revenue Analysis</b>			
<b>(a) Rates, Levies and Charges</b>			
General Rates		8,248,418	7,785,780
Environmental Levy		601,601	559,294
Water		1,742,336	1,635,655
Water Consumption		1,329,818	1,179,720
Sewerage		1,738,462	1,598,204
Waste Management		938,420	828,879
Rural Fire Levy		17,287	17,140
<b>Total Rates and Utility Charge Revenue</b>		<b>14,616,342</b>	<b>13,604,672</b>
Less: Discounts		(1,192,277)	(1,105,175)
<b>Net Rates and Utility Charges</b>		<b>13,424,065</b>	<b>12,499,497</b>
<b>(b) Fees and Charges</b>			
Community Service Fees		297,868	208,285
Building & Development Fees		237,151	331,513
Licences & Registrations		80,354	75,257
Caravan Parks		395,129	483,797
Water & Sewer Fees		140,613	192,701
Trade Waste & Recycling		192,611	161,815
Other Fees and Charges		57,709	64,601
		<b>1,401,435</b>	<b>1,517,969</b>
<b>(c) Rental Income</b>			
Other Rental Income		355,682	374,809
		<b>355,682</b>	<b>374,809</b>
<b>(d) Interest Received</b>			
Interest Received from Investments		1,178,047	683,399
Interest from Overdue Rates and Utility Charges		88,489	101,769
		<b>1,266,536</b>	<b>785,168</b>
<b>(e) Sales Revenue</b>			
Contract and Recoverable Works	Main Road Dept.	2,910,975	8,624,612
	Private Works	1,168,280	2,342,143
<b>Total Sales Revenue</b>		<b>4,079,255</b>	<b>10,966,755</b>
<b>(f) Other Income</b>			
Other Income		402,023	371,156
		<b>402,023</b>	<b>371,156</b>

The amount recognised as revenue for contract revenue during the financial year is the amount receivable in respect of invoices issued during the period. There are no contracts in progress at the year end. The contract work carried out is not subject to retentions.

**North Burnett Regional Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2014

	2014 \$	2013 \$
<b>4 Grants, Subsidies, Contributions and Donations</b>		
<b>4 (a) Recurrent</b>		
General Purpose Grants	6,097,661	10,347,348
State Government Subsidies and Grants	585,127	608,762
Commonwealth Government Subsidies and Grants	1,755,603	767,859
Donations	-	22,110
Contributions	63,302	67,173
Flood Damage Claims	6,911,927	24,934,488
<b>Total Recurrent Revenue</b>	<b>15,413,620</b>	<b>36,747,740</b>

<b>4 (b) Capital</b>		
State Government Subsidies and Grants	1,618,200	727,253
Commonwealth Government Subsidies and Grants	1,200,000	-
Contributions	685,333	135,382
Flood Damage Claims	69,208,435	-
<b>Total Capital Revenue</b>	<b>72,711,968</b>	<b>862,635</b>

**Conditions over Contributions**

Contributions recognised as income during the reporting period and obtained on the condition that they be expended in a manner specified by the contributor but had not been expended at the reporting date are as follows:-

Non-reciprocal grants for expenditure on infrastructure	860,077	24,438,606
	<b>860,077</b>	<b>24,438,606</b>

<b>5 Gain/Loss on Disposal of Non-Current Assets</b>		
Proceeds from sale of property, plant and equipment	849,821	511,883
Less: Cost of property, plant and equipment disposed	(3,798,978)	(4,554,061)
Accumulated depreciation on disposals	2,229,737	2,326,522
	<b>(719,420)</b>	<b>(1,715,656)</b>

**North Burnett Regional Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2014

	Note	2014 \$	2013 \$
<b>6 Employee Benefits</b>			
Total staff Wages and Salaries		11,447,445	12,735,871
Councillors' Remuneration		379,519	367,890
Annual, Sick and Long Service Leave Entitlements		1,869,024	1,718,370
Superannuation	24	1,329,199	1,343,126
		<b>15,025,187</b>	<b>16,165,257</b>
Other Employee Related Expenses		384,582	628,814
		<b>15,409,769</b>	<b>16,794,071</b>
Less: Capitalised Employee Expenses		(1,596,034)	(1,713,066)
		<b>13,813,735</b>	<b>15,081,005</b>
Councillor remuneration represents salary, and other allowances paid in respect of carrying out their duties.			
Total Council employees at the reporting date:		<b>2014</b>	<b>2013</b>
Elected Members		7	7
Administration Staff		78	81
Depot and Outdoors Staff		122	122
Trainee Staff		11	10
<b>Total full time equivalent employees</b>		<b>218</b>	<b>220</b>
<b>7 Materials and Services</b>			
Corporate Governance		3,986,360	3,415,622
Audit Services		216,800	211,000
Community Services		2,724,202	2,884,253
Planning & Development		930,391	841,423
Transport Infrastructure		19,292,789	15,358,798
Waste Management		1,480,383	1,211,759
Water Infrastructure		2,000,857	1,847,354
Sewerage Infrastructure		531,250	443,092
		<b>31,163,032</b>	<b>26,213,301</b>
<b>8 Finance Costs</b>			
Finance costs charged by the Queensland Treasury Corporation		204,715	205,287
Bank Charges		29,189	28,856
Bad Debts Written-off During the Year		7,235	43,126
		<b>241,139</b>	<b>277,269</b>
<b>9 Depreciation</b>			
Buildings		928,294	1,223,936
Plant and Equipment		1,077,328	1,883,349
Road, Drainage and Bridge Network		8,118,508	4,805,484
Water		682,921	774,856
Sewerage		735,541	519,165
Other Infrastructure Assets		673,537	830,530
<b>Total Depreciation</b>		<b>12,216,129</b>	<b>10,037,320</b>

**North Burnett Regional Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2014

	2014 \$	2013 \$
<b>10 Other comprehensive income</b>		
<b>Revaluation due to 2010-11 flood damage/(impairment)</b>		
Buildings	-	196,505
Roads, Drainage & Bridges	-	3,919,647
Water	-	2,026,740
Sewer	-	117,000
Other Infrastructure	-	542,894
<b>Total flood damage gains/(losses)</b>	<b>-</b>	<b>6,802,786</b>
<b>Revaluation due to 2013 flood damage/(impairment)</b>		
Buildings	-	(68,499)
Other Infrastructure	-	(13,626)
Roads, Drainage and Bridges	-	(80,556,901)
Water	-	(172,414)
<b>Total flood damage gains/(losses)</b>	<b>-</b>	<b>(80,811,440)</b>
<b>Revaluation due to change in fair value</b>		
Land	(359,996)	(122,653)
Buildings	9,546,510	525,944
Other infrastructure	(3,609,968)	358,905
Roads, Drainage and Bridges	(58,867,995)	10,806,022
Water	(1,138,230)	275,884
Sewer	10,373,699	124,795
<b>Total revaluations due to change in fair value</b>	<b>(44,055,980)</b>	<b>11,968,897</b>
<b>Net Change in Asset Values</b>	<b>(44,055,980)</b>	<b>(62,039,757)</b>
<b>11 Cash and Cash Equivalents</b>		
Cash on Hand	5,670	6,070
Cash at Bank	18,641,829	4,411,026
Deposits at Call	23,542,258	30,119,351
<b>Balance per Statement of Cash Flows</b>	<b>42,189,757</b>	<b>34,536,447</b>

Council's cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include:

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

Unspent government grants and subsidies	860,711	24,438,606
Unspent loan monies	-	80,647
<b>Total unspent restricted cash for capital projects</b>	<b>860,711</b>	<b>24,519,253</b>

Cash and deposits are held in the Queensland Treasury Corporation and National Australia Bank in normal term deposits and business cheque accounts. The bank currently has a short term S&P credit rating of A-1+ and long term rating of AA-. Other term deposits are with Bendigo Bank which has ratings of A-2 and A-.

**North Burnett Regional Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2014

	2014 \$	2013 \$
<b>12 Trade and Other Receivables</b>		
<b>(a) Current</b>		
Rateable Revenue and Utility Charges	701,494	801,468
Water Charges not yet levied	1,002,213	626,415
Other Debtors	1,466,716	2,806,970
Less: Impairment	(36,702)	(42,968)
GST	629,611	764,142
Loans and Advances	6,000	6,000
Prepayments	617,333	290,217
	<b>4,386,665</b>	<b>5,252,244</b>
<b>(b ) Non-Current</b>		
Loans and Advances	9,000	15,000
	<b>9,000</b>	<b>15,000</b>

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.

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

Movement in accumulated impairment losses (other debtors) is as follows:

Opening balance at 1 July	(42,967)	(1,477)
Amounts already provided for & written off this year	6,265	43,126
Increase in provisions recognised	-	(84,617)
<b>Closing balance at 30 June</b>	<b>(36,702)</b>	<b>(42,968)</b>

**13 Inventories**

**Inventories Held for Sale**

Miscellaneous saleable items	4,475	5,640
<b>Total Inventories for Sale</b>	<b>4,475</b>	<b>5,640</b>

**Inventories Held for Consumption**

Road Materials & Equipment Stores	527,915	435,318
<b>Total Inventories Held for Consumption</b>	<b>527,915</b>	<b>435,318</b>

<b>Total Inventories</b>	<b>532,390</b>	<b>440,958</b>
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**North Burnett Regional Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2014

**14 Property Plant & Equipment**

**30 June 2014**

	Land	Buildings	Plant & Equipment	Road, Drainage & Bridges	Water	Sewerage	Other Infrastructure	Work in Progress	Total
Basis of Measurement									
<b>Asset Values</b>									
Opening Gross Value	Fair Value	Fair Value	Cost	Fair Value	Fair Value	Fair Value	Fair Value	Cost	\$
Additions at cost	\$	\$	\$	\$	\$	\$	\$	\$	
Disposals	12,042,529	62,473,048	25,242,938	928,952,488	35,227,076	26,247,971	30,808,076	3,781,510	1,124,775,636
Revaluations adjustment to the ARR	-	-	-	-	-	-	-	27,265,865	27,265,865
Reversal of prior year revaluation (Restoration of flood damaged assets)	(42,672)	(194,037)	(2,750,965)	(811,304)	-	-	-	-	(3,798,978)
Transfers between classes	(359,996)	2,137,412	-	(114,018,232)	4,321,017	23,808,335	(4,523,955)	-	(88,635,419)
<b>Closing Gross Value</b>	-	-	-	52,099,520	-	-	-	-	52,099,520
	-	139,003	2,130,835	6,914,215	1,555,679	308,968	581,246	(11,629,946)	-
	<b>11,639,861</b>	<b>64,555,426</b>	<b>24,622,808</b>	<b>873,136,687</b>	<b>41,103,772</b>	<b>50,365,274</b>	<b>26,865,367</b>	<b>19,417,429</b>	<b>1,111,706,624</b>

**Accumulated Depreciation**

Opening Balance	-	27,529,503	11,115,063	227,945,539	15,161,664	16,734,105	12,711,437	-	311,197,311
Depreciation Provided in Period	-	928,294	1,077,328	8,118,508	682,921	735,541	673,537	-	12,216,129
Depreciation on Disposals	-	(101,653)	(1,711,733)	(416,351)	-	-	-	-	(2,229,737)
Revaluation Adjustment to ARR	-	(7,409,098)	-	(55,150,237)	5,459,247	13,434,636	(913,987)	-	(44,579,439)
Transfers Between Classes	-	-	-	-	-	-	-	-	-
<b>Accum Depreciation at period end</b>	-	<b>20,947,046</b>	<b>10,480,658</b>	<b>180,497,459</b>	<b>21,303,832</b>	<b>30,904,282</b>	<b>12,470,987</b>	-	<b>276,604,264</b>

**Total Written Down Value at June 30**

<b>11,639,861</b>	<b>43,608,380</b>	<b>14,142,150</b>	<b>692,639,228</b>	<b>19,799,940</b>	<b>19,460,992</b>	<b>14,394,380</b>	<b>19,417,429</b>	<b>835,102,360</b>
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Estimated Useful Life (years)

10 - 100

10 - 80

10 - 80

20 - 100

2 - 20

40 - 75

**North Burnett Regional Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2014

**30 June 2013**

	Land	Buildings	Plant & Equipment	Road, Drainage & Bridges	Water	Sewerage	Other Infrastructure	Work in Progress	Total
	Fair Value	Fair Value	Cost	Fair Value	Fair Value	Fair Value	Fair Value	Cost	\$
Basis of measurement	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Asset Values</b>									
Opening Gross Value	12,508,673	61,596,150	25,059,415	912,561,236	32,731,378	25,160,183	29,865,907	735,250	1,100,218,192
Additions at Cost	11,050	10,867	1,449,428	1,282,114	633,626	660,319	131,413	3,046,260	7,225,077
Disposals	(354,542)	(257,365)	(1,265,905)	(1,641,241)	(651,282)	(43,411)	(340,314)	-	(4,554,060)
Revaluations Adjustment to the ARS	(122,652)	1,123,396	-	16,750,379	2,513,354	470,880	1,151,070	-	21,886,427
Revaluation Adjustment to Income	-	-	-	-	-	-	-	-	-
Transfers Between Classes	-	-	-	-	-	-	-	-	-
<b>Closing Gross Value</b>	<b>12,042,529</b>	<b>62,473,048</b>	<b>25,242,938</b>	<b>928,952,488</b>	<b>35,227,076</b>	<b>26,247,971</b>	<b>30,808,076</b>	<b>3,781,510</b>	<b>1,124,775,636</b>

**Accumulated Depreciation**

Opening Balance	-	25,949,026	9,941,253	141,381,378	14,411,313	16,038,566	11,838,795	-	219,560,331
Depreciation Provided in Period	-	1,223,936	1,883,349	4,805,484	774,856	519,165	830,530	-	10,037,320
Depreciation on Disposals	-	(170,980)	(776,810)	(822,934)	(407,649)	(43,257)	(104,892)	-	(2,326,522)
Revaluation Adjustment to ARR	-	469,446	-	82,581,611	383,144	229,085	262,896	-	83,926,182
Transfers Between Classes	-	58,075	67,271	-	-	(9,454)	(115,892)	-	-
<b>Accum Depreciation at Period End</b>	<b>-</b>	<b>27,529,503</b>	<b>11,115,063</b>	<b>227,945,539</b>	<b>15,161,664</b>	<b>16,734,105</b>	<b>12,711,437</b>	<b>-</b>	<b>311,197,311</b>

**Total Written Down Value at June 30**

<b>12,042,529</b>	<b>34,943,545</b>	<b>14,127,875</b>	<b>701,006,949</b>	<b>20,065,412</b>	<b>9,513,866</b>	<b>18,096,639</b>	<b>3,781,510</b>	<b>813,578,325</b>
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Estimated Useful Life (years)

20 - 40

20 - 80

10 - 60

5 - 100

2 - 20

40 - 100

**North Burnett Regional Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2014

**15 Fair Value Measurements**

This note explains the judgements and estimates made in determining the fair values of the non-financial assets that are recognised and measured at fair value in the financial statements. Information on the fair values of financial assets and financial liabilities are contained within Note 27 Financial Instruments.

**(i) Recognised fair value measurements**

Council measures and recognises the following non-financial assets at fair value on a recurring basis:

Property, plant and equipment:			
-	Land	-	Water
-	Buildings	-	Sewerage
-	Road, drainage and bridges	-	Other Infrastructure

Council does not measure any other assets or liabilities at fair value on a recurring basis.

The following table presents the Council's non-financial assets measured and recognised at fair value at 30 June 2014 and are categorised into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table. Comparative information has not been provided as allowed by the transitional provisions of AASB 13 Fair Value Measurement.

At 30 June 2014		Note	Level 1	Level 2	Level 3
			\$	\$	\$
Land		14	-	-	11,639,861
Buildings		14	-	-	43,608,380
Road, drainage and bridges		14	-	-	692,639,228
Water		14	-	-	19,799,940
Sewerage		14	-	-	19,460,992
Other Infrastructure		14	-	-	14,394,380
<b>Total non-financial assets</b>			-	-	<b>801,542,781</b>

- **Level 1:** Fair value based on quoted prices (unadjusted) in active markets for identical assets or liabilities.

- **Level 2:** Fair value based on inputs that are directly or indirectly observable for the asset or liability.

- **Level 3:** Fair value based on unobservable inputs for the asset and liability.

Council's policy is to recognise transfers in and out of the fair value hierarchy levels as at the end of the reporting period. There were no transfers between levels 1 and 2 during the year, nor between levels 2 and 3.

**North Burnett Regional Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2014

**(ii) Valuation techniques used to derive fair values for level 2 and level 3 valuations and processes adopted**

Council adopted AASB 13 Fair Value Measurement for the first time this financial year and has reviewed each valuation to ensure compliance with the requirements of the new standard. There have been no changes in valuation techniques as a result of this review.

The Council obtains independent valuations for certain Property, Plant and Equipment assets at least every three years. At the end of each reporting period, an assessment is made to update the fair values of these assets, taking into account the most recent independent valuations or the Queensland Government Cost Index. As at 30 June 2014, the fair values of the non-financial assets have been determined by an independent valuer, Assetic Pty Ltd.

The fair values of the assets are determined using valuation techniques which maximise the use of observable data, where it is available, and minimise the use of entity specific estimates. If all significant inputs required to fair value an asset are observable, the asset is included in level 2. If one or more of the significant inputs is not based on observable market data, the asset is included in level 3. This is the case for Council's non-financial assets included in the table above, which are of a specialist nature for which there is no active market for similar or identical assets. These assets are valued using a combination of observable and unobservable inputs and therefore are included in level 3. Refer to Note 15 (iv) for further details on the valuations approach adopted for each asset class.

**(iii) Fair value measurements using significant unobservable inputs (level 3)**

The following table presents the changes in level 3 items for the year ended 30 June 2014 for recurring fair value measurements:

<b>At 30 June 2014</b>	<b>Land</b>	<b>Buildings</b>	<b>Road, drainage and bridges</b>	<b>Water</b>	<b>Sewerage</b>	<b>Other infrastructure</b>	<b>Total</b>
	\$	\$	\$	\$	\$	\$	\$
Opening balance 1 July 2013	12,042,529	34,943,545	701,006,949	20,065,412	9,513,866	18,096,639	795,668,940
Acquisitions/Additions	-	-	52,099,520	-	-	-	52,099,520
Disposals	(42,672)	(92,384)	(394,953)	-	-	-	(530,009)
Depreciation and impairment	-	(928,294)	(8,118,508)	(682,921)	(735,541)	(673,537)	(11,138,801)
Gains/(losses) recognised in other comprehensive income	(359,996)	9,546,510	(58,867,995)	(1,138,230)	10,373,699	(3,609,968)	(44,055,980)
Transfers between classes	-	139,003	6,914,215	1,555,679	308,968	581,246	9,499,111
Transfers in/(out) between levels	-	-	-	-	-	-	-
<b>Total non-financial assets</b>	<b>11,639,861</b>	<b>43,608,380</b>	<b>692,639,228</b>	<b>19,799,940</b>	<b>19,460,992</b>	<b>14,394,380</b>	<b>801,542,781</b>

**North Burnett Regional Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2014

**(iv) Valuation inputs and relationships to fair value**

The following are the factors that were considered when determining the fair value of all assets:

Factor	Description	Inputs Used
<b>Componentised Assets</b>	Current valuation techniques encourage the practice of breaking what would normally be considered one asset (for instance a road) into each of its components (formation, pavement and surface) where each component may have a different useful life. These components are then assessed, recorded and depreciated separately.	<ul style="list-style-type: none"> <li>- Separate components were identified using the AIQS, Rawlinson's Australian Construction Handbook</li> <li>- Useful life of asset components</li> </ul>
<b>Replacement Cost ("CRC")</b>	The cost of replacing the asset with a new asset of similar service potential and any associated costs associated with constructing that asset.	<ul style="list-style-type: none"> <li>- Costing guides issues by the AIQS, Rawlinson's Australian Construction Handbook and benchmarking data</li> <li>- Using first principles and recent actual cost or sale data (depending on the class)</li> <li>- Benchmarking with industry standards</li> </ul>
<b>Useful Life</b>	The useful life is the period between which the asset is completed and when the economic benefits embodied in the asset are fully consumed. Each asset will have a different useful life depending on the materials used to construct it, where it is located and how it is used.	<ul style="list-style-type: none"> <li>- Design / construction profiles of the asset;</li> <li>- Historical and current maintenance practices – the quantity and quality of both routine and periodic maintenance can affect the useful life;</li> <li>- Original quality of construction;</li> <li>- Type of asset – e.g. vehicle types and usage patterns can affect the life of a road;</li> <li>- Environment – e.g. reactive soils may lead to early deterioration of roads or pipes; and</li> <li>- Technical obsolescence</li> <li>- Internal evidence from the council of asset lives</li> <li>- Reference and benchmarking with international infrastructure manual, State Government agencies and other councils</li> </ul>
<b>Assessment of Remaining Service Potential</b>	The remaining service potential has been assessed through asset sighting and the condition being assessed based on the National Asset Management Framework and is used to determine the remaining useful life and the written down value of the asset. The Framework ranks each asset from 1 to 5 with 1 being in Very Good Condition and 5 being Unserviceable. The ranking determines what percentage of the useful life remains.	<ul style="list-style-type: none"> <li>- Expert valuers completed visual site inspections for a significant sample of above-ground assets.</li> </ul>
<b>Residual Value</b>	The cost of replacing the asset should it be allowed to become unserviceable.	<ul style="list-style-type: none"> <li>- Reference and benchmarking with international infrastructure manual, State Government agencies and other councils whilst applying local conditions and policies where necessary</li> </ul>

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**Specific factors influencing each asset class**

Due to the varied nature of the assets held by the Council, specific valuation techniques were employed for each asset class. The following lists each asset class and the specific considerations and factors that influenced fair value:

Asset Class	Valuation Approach	Inputs Used
<b>Land</b>	The assets were assessed by reviewing recent sales in the local area and after taking into factors that were unique to the asset.	- Price per square metre as per recent sales.
<b>Buildings</b>	<p>Where there is a market for Council building assets, fair value has been derived from the sales prices of comparable properties after adjusting for differences in key attributes such as property size.</p> <p>Where Council buildings are of a specialist nature and there is no active market for the assets, fair value has been determined on the basis of replacement with a new asset having similar service potential including allowances for preliminaries and professional fees. The gross current values have been derived from reference to market data for recent projects and costing guides issued by the Australian Institute of Quantity Surveyors, Rawlinson's (Australian Construction Handbook). Where a depth in market can be identified, the net current value of a building asset is the difference between the market value of the asset as a whole (including land) and the market value of the land component. Where there is no depth of market, the net current value of a building asset is the gross current value less accumulated depreciation to reflect the consumed or expired service potential of the asset.</p>	<ul style="list-style-type: none"> <li>- Price per square metre as per recent sales or the AIQS, Rawlinson's Australian Construction Handbook</li> <li>- Residual Value based on international infrastructure manual, State Government agencies or other councils whilst applying local conditions and policies where necessary</li> <li>- Assessment of Remaining Service Potential through site visits.</li> </ul>
<b>Roads and Road Infrastructure</b>	Current replacement cost was calculated by reference to the type of asset (rural or urban and sealed or unsealed), asset linear and area specifications, estimated labour and material inputs, services costs, and overhead allocations. For internal construction estimates, material and services prices were based on existing supplier contract rates or supplier price lists and labour wage rates were based on Council's Enterprise Bargaining Agreement (EBA). All direct costs were allocated to assets at standard usage quantities according to recently completed similar projects. Where construction is outsourced, CRC was based on recently completed similar projects. These rates were benchmarked against similar councils.	<ul style="list-style-type: none"> <li>- Price per square metre (holding depth as constant for each road class) using AIQS, Rawlinson's Australian Construction Handbook and benchmarking data or recent cost data</li> <li>- Residual Value based on international infrastructure manual, State Government agencies or other councils whilst applying local conditions and policies where necessary</li> <li>- Assessment of Remaining Service Potential through site visits</li> </ul>
<b>Bridges</b>	Each bridge is assessed individually, with the valuation varying according to the material type used for construction, the deck area, condition and size. Construction estimates were determined on a similar basis to roads.	<ul style="list-style-type: none"> <li>- Price per square metre using AIQS, Rawlinson's Australian Construction Handbook and benchmarking data or recent cost data</li> <li>- Residual Value based on international infrastructure manual, State Government agencies or other councils whilst applying local conditions</li> </ul>

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Asset Class	Valuation Approach	Inputs Used
<b>Drainage Assets</b>	The major components of drainage infrastructure are pits, pipes and channels; the valuation of which is determined according to diameter and depth for pits, linear meter per diameter for pipes and square metres for Channels.	<ul style="list-style-type: none"> <li>- and policies where necessary</li> <li>- Assessment of Remaining Service Potential through site visits</li> <li>- Price per square metre/metre using AIQS, Rawlinson's Australian Construction Handbook and benchmarking data or recent cost data</li> <li>- Residual Value based on international infrastructure manual, State Government agencies or other councils whilst applying local conditions and policies where necessary</li> <li>- Assessment of Remaining Service Potential through site visits</li> </ul>
<b>Water and Sewerage</b>	Fair value was determined as the current replacement costs using the modern equivalent asset, as appropriate to the particular asset. In all cases the assets were disaggregated to component level to ensure a reliable measure of cost and service capacity and deterioration of estimated remaining life.	<ul style="list-style-type: none"> <li>- Schedule rates for construction of asset or similar assets using AIQS, Rawlinson's Australian Construction Handbook and benchmarking data</li> <li>- Cost curves derived by Cardno</li> <li>- Building Price Index tables</li> <li>- Recent contract and tender data</li> <li>- Rawlinson's Rates for building and construction, and</li> <li>- Suppliers' quotations</li> </ul>

The following table summarised the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurements.

**North Burnett Regional Council**  
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Description			Unobservable inputs							
Asset Class	Asset Type	Asset Component	Replacement Cost <sup>(1)</sup>		Useful Life <sup>(2)</sup>	Average of Remaining Useful Life <sup>(2)</sup>	Residual Value <sup>(3)</sup>	% of Category Assessed	Condition Method <sup>(4)</sup>	
			\$	Unit	Years	Years				
Road, drainage & bridges	Sealed Roads & carparks	Pavement	39.04 - 61.94	\$/m2	80	58.49	15 - 20%	90%	Visual	
			8.00	\$/m2	10	10.51	10%	90%	Visual	
	Unsealed Roads & carparks	Pavement	29.36 - 37.44	\$/m2	100	58.49	60-90%	35%	Visual	
			70 - 135	\$/m2	10 - 30	20.63	20-50%	100%	Visual	
	Kerb	Kerb Structure	170.00	\$/m	70	33.47	25-30%	100%	Visual	
	Stormwater Drainage	Pipes	163 - 1,513.95	\$/m	25-100	43.64	0%	Ad hoc	Visual	
			Pits	2,249.73	\$/pit		34.30	0%	100%	Visual
	Bridges	Total Structure		2,295 - 2,958	\$/m2	25-80	18.65	10-40%	100%	Visual & most recent inspection report
	Culverts					50-80	35.40	0%	90%	Visual
	Floodways	Total Structure		39.52 - 233.92	\$/m	25-80	35.45	0%	100%	Visual

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Sewerage	Sewer Mains	Pipes	275 - 572	\$/m	60-80	14.58	0%	Ad hoc	N/A	
	Sewer Nodes	Nodes	5521.24	\$ / node	80	38.07	0%	Ad hoc	visual	
	Sewer Pump Stations	Facility	QLD Government Cost Index <sup>(5)</sup>			15-80		0%	100%	Visual
	Sewer Treatment Plants	Facility				15-80	18.90	0%	100%	Visual
Water	Water Mains	Mains	11.57 - 409	\$/m	80-90	38.81	0%	Ad hoc	N/A	
	Water Services,	Connections	362 - 1,137.90	\$ / connection	50	18.40	0%	Ad hoc	N/A	
	Water Pumping Stations	Facility	QLD Government Cost Index			15-80		0%	100%	Visual
	Water Treatment Plants	Facility				15-80	21.30	0%	100%	Visual
Buildings	Buildings	Building	Rawlinson's Australian Construction Handbook 2014			40-75	25.04	25%	60%	External Visual Expert for high value
Other infrastructure	Other Structures	Structure				10-70	17.16	0%	50%	Visual
	Parks Structure	Structure				10-100	14.57	0%	75%	Visual

1) The higher the replacement cost, the higher the fair value.

2) The higher the useful life, the higher the fair value.

3) The higher the residual value, the higher the fair value.

4) The better condition of the asset, the higher the fair value.

**North Burnett Regional Council**  
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	2014 \$	2013 \$
<b>16 Trade and Other Payables</b>		
<b>Current</b>		
Creditors and Accruals	25,965,594	4,077,669
Annual Leave	1,407,595	1,397,858
Other Entitlements	99,424	80,312
	<b>27,472,613</b>	<b>5,555,839</b>
<b>17 Borrowings</b>		
<b>Current</b>		
Loans – Queensland Treasury Corporation	424,206	485,992
	<b>424,206</b>	<b>485,992</b>
<b>Non-Current</b>		
Loans – Queensland Treasury Corporation	3,149,286	3,573,788
	<b>3,149,286</b>	<b>3,573,788</b>
<b>Loans – Queensland Treasury Corporation</b>		
Opening Balance at beginning of financial year	4,059,780	3,529,440
Loans Raised	-	960,000
Principal Repayments	(486,288)	(429,660)
<b>Book value at end of financial year</b>	<b>3,573,492</b>	<b>4,059,780</b>

The QTC loan market value at the reporting date was \$3,843,399 (2013: \$4,273,687). This represents the value of the debt if Council repaid it at that date. As it is the intention of Council to hold the debt for its term, no provision is required to be made in these accounts.

No assets have been pledged as security by the Council for any liabilities, however all loans are guaranteed by the Queensland Government.

All borrowings are in \$A denominated amounts and carried at amortised cost, interest being expensed as it accrues. No interest has been capitalised during the current or comparative reporting period. Expected final repayment dates vary from 28 May 2015 to 4 June 2033. There have been no defaults or breaches of the loan agreement during the period.

Principal and interest repayments are made quarterly in arrears.

	2014 \$	2013 \$
<b>18 Provisions</b>		
<b>Current</b>		
Long service leave	1,644,436	1,522,125
Landfill Restoration	336,292	168,146
	<b>1,980,728</b>	<b>1,690,271</b>
<b>Non-Current</b>		
Long service leave	289,676	314,358
	<b>289,676</b>	<b>314,358</b>
<b>Long Service Leave</b>		
Balance at beginning of financial year	1,836,483	1,749,948
Long service leave entitlement arising	360,423	341,128
Long Service entitlement extinguished	(24,681)	(92,050)
Long Service entitlement paid	(238,113)	(162,543)
<b>Balance at end of financial year</b>	<b>1,934,112</b>	<b>1,836,483</b>

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	2014	2013
	\$	\$
<b>Provision for Landfill Restoration</b>		
Balance at beginning of financial year	168,146	-
Provisions raised during the year	168,146	168,146
Balance at end of financial year	<b>336,292</b>	<b>168,146</b>

This is the present value of the estimated cost of restoring 6 current refuse disposal sites to a useable state at the end of their useful life. The projected cost is \$7,452,000 and this cost is expected to be incurred in 348 years.

**19 Other Liabilities**

Narayan Research Station	<b>238,613</b>	<b>214,679</b>
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This liability has arisen from the ongoing accumulation of lease funds which Council holds on behalf of the state to be invested into the facility owned by the State of Queensland.

**20 Asset Revaluation Surplus**

**Movements in the revaluation surplus were as follows:**

Balance at beginning of financial year	181,860,829	243,900,586
Net adjustment to non-current assets at end of period to reflect a change in current fair value:		
Land	(359,996)	(122,653)
Buildings	9,546,510	653,950
Road, Drainage and Bridge Network	(58,867,995)	(65,831,232)
Water	(1,138,230)	2,130,210
Sewerage	10,373,699	241,795
Other Infrastructure Assets	(3,609,968)	888,173
<b>Total Movement</b>	<b>(44,055,980)</b>	<b>(62,039,757)</b>
<b>Balance at end of financial year</b>	<b>137,804,849</b>	<b>181,860,829</b>

**Asset revaluation surplus analysis**

The closing balance of the revaluation surplus comprises the following asset categories:

Land	1,695,159	2,055,155
Buildings	13,964,750	4,418,240
Road, drainage and bridge network	109,831,399	168,699,394
Water	991,979	2,130,209
Sewerage	10,615,494	241,795
Other infrastructure assets	706,068	4,316,036
	<b>137,804,849</b>	<b>181,860,829</b>

**21 Commitments for Expenditure**

**a) Capital Expenditure**

Restoration Costs payable to Flood Contractors	<b>12,729,031</b>	-
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The above represents significant capital expenditure contracted for at the end of the period that relates to the restoration of assets damaged in the January 2013 flood but not recognised as liabilities.

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**21 b) Non-cancellable operating lease (minimum lease payments)**

Within one year	536,856	-
One to five years	2,684,280	-
More than five years	536,856	-
<b>Total Commitments</b>	<b>3,757,992</b>	<b>-</b>

JJ Richards provide kerbside collection services to North Burnett and have been contracted to provide these services for the 7 years from the start of the contract in July 2014.

**22 Contingent Liabilities**

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

**Local Government Mutual**

The Council is a member of the local government mutual liability self-insurance pool, LGM Queensland. In the event of the pool being wound up or it is unable to meet its debts as they fall due, the trust deed and rules provide that any accumulated deficit will be met by the individual pool members in the same proportion as their contribution is to the total pool contributions in respect to any year that a deficit arises.

As at 30 June 2014 the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

**Local Government Workcare**

The Council is a member of the Queensland local government worker's 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 \$491,790 (2013: \$470,535).

**Claims**

A claim has been lodged against the Council asserting that the Council has breached a contract. The matter is currently being considered by the courts and the Council expects judgement before the end of June 2015. It is not practical to estimate the potential effect of this claim but legal advice indicates that it is not probable that a significant liability will arise.

**23 Superannuation**

The 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 three elements referred to as:

1. The City Defined Benefits Fund (CDBF) which covers former members of the City Super Defined Benefits Fund
2. The Regional Defined Benefits Fund (Regional DBF) which covers defined benefit fund members working for regional local governments; and

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3. The Accumulation Benefits Fund (ABF) - The ABF is a defined contribution scheme as defined in AASB 119. 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 Regional DBF is a defined benefit plan as defined in AASB119. The Council is not able to account for the Regional DBF as a defined benefit plan in accordance with AASB119 because the scheme is unable to account to Council for its proportionate share of the defined benefit obligation, plan assets and costs. The funding policy adopted in respect of the Regional DBF is directed at ensuring that the benefits accruing to members and beneficiaries are fully funded as they fall due.

To ensure the ongoing solvency of the Regional DBF, the scheme's trustee can vary the rate of contributions from relevant local government employers subject to advice from the scheme's actuary. As at the reporting date no changes had been made to prescribed employer contributions which remain at 12% of employee assets and there are no known requirements to change the rate of contributions.

Any amount by which either fund is over or under funded would only affect future benefits and contributions to the Regional DBF, and is not an asset or liability of the Council. Accordingly there is no recognition in the financial statements of any over or under funding of the scheme.

As at the reporting date 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 2012. The actuary indicated that "the Regional DBF is currently in a satisfactory but modest financial position and remains vulnerable to adverse short and medium term experience."

Following the previous actuarial assessment in 2009, councils were advised by the trustee of the scheme, following advice from the scheme's actuary, those additional contributions may be imposed in the future at a level necessary to protect the entitlements of Regional DBF members. In the 2013 actuarial report the actuary recommended no change to the employer contribution levels at this time.

Under the *Local Government Act* the trustee of the scheme has the power to levy additional contributions on councils which have employees in the Regional DBF when the actuary advises such additional contributions are payable - normally when assets of the DBF are insufficient to meet members' benefits. The next actuarial investigation will be conducted as at 1 July 2015.

	2014 \$	2013 \$
The amount of superannuation contributions paid by Council to the scheme in this period for the benefit of employees and Councillors was:	1,329,199	1,343,126

## 24 Trust Funds

### Trust funds held for outside parties

Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities	16,921	12,154
Security deposits	222,412	220,855
	<b>239,333</b>	<b>233,009</b>

The 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.

**North Burnett Regional Council**  
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	2014 \$	2013 \$
<b>25 Reconciliation of net result for the year to net cash inflow (outflow) from operating activities</b>		
<b>Net Result</b>	<b>50,732,983</b>	<b>10,633,032</b>
Non-cash operating items:		
Depreciation and amortisation	12,216,129	10,037,320
	<b>12,216,129</b>	<b>10,037,320</b>
<b>Investing and Development Activities</b>		
Net (profit)/loss on disposal of assets	719,420	1,715,655
Capital Grants, subsidies, contributions and donations	(72,711,968)	(862,635)
Trade payables relating to Flood Reconstruction	(21,907,035)	-
	<b>(93,899,583)</b>	<b>853,020</b>
<b>Changes in operating assets and liabilities:</b>		
(Increase)/ decrease in receivables	1,192,695	(216,956)
(Increase)/decrease in prepayments	(327,116)	(179,257)
(Increase)/decrease in inventory	(91,432)	218,969
Increase/(decrease) in payables	21,907,035	1,616,687
Increase/(decrease) in liabilities	299,447	193,441
	<b>22,980,629</b>	<b>1,632,884</b>
<b>Net cash inflow from operating activities</b>	<b>(7,969,842)</b>	<b>23,156,256</b>

**26 Events after the reporting period**

There was no material adjusting events after the balance date.

**27 Financial Instruments**

Council has exposure to the following risks arising from financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

This note provides information (both qualitative and quantitative) to assist statement users to evaluate the significance of financial instruments on the Council's financial position and financial performance, including the nature and extent of risks and how the Council manages these exposures.

**Financial Risk Management**

Council is responsible for the establishment and oversight of the risk management framework, together with developing and monitoring risk management policies.

Council's management approves policies for overall risk management, as well as for specifically managing credit, liquidity and market risks.

Council's risk management policies are established to identify and analyse the risks faced, to set appropriate limits and controls to monitor these risks and adherence against limits. The Council aims to manage volatility to minimise potential adverse effects on Council's financial performance.

Council does not enter into derivatives.

**Credit Risk**

Credit risk is the risk of financial loss if counterparty to a financial instrument fails to meet its contractual obligations. These obligations arise principally from the Council's investments and receivables from customers.

Exposure to credit risk is managed through regular analysis of credit counterparty ability to meet

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payment obligations. The carrying amount of financial assets represents the maximum credit exposure.

Investments in financial instruments are required to be made with Queensland Treasury Corporation (QTC) or similar State / Commonwealth bodies or financial institutions in Australia, in line with the requirements of the *Statutory Bodies Financial Arrangements Act 1982*.

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

The following table represents the maximum exposure to credit risk based on the carrying amount amounts of financial assets at the end of the reporting period:

<b>Financial Assets</b>	<b>Note</b>	<b>2014 \$</b>	<b>2013 \$</b>
Cash and Cash Equivalents	11	42,189,757	34,536,447
Receivables – Rates	12	701,494	801,468
Receivables – Other	12	1,466,716	2,806,970
Receivables – Loans and Advances	12	15,000	21,000
		<b>44,372,968</b>	<b>38,165,885</b>
<b>Other Credit Exposures</b>			
Guarantees	22	491,790	470,535
		<b>44,864,758</b>	<b>38,636,420</b>

*Cash and Cash Equivalents*

Council may be exposed to credit risk through its investments in the QTC Cash Fund and QTC Working Capital Facility. The QTC Cash Fund is an asset management portfolio that invests in a wide range of highly credit rated counterparties. Deposits with the QTC Cash Fund are capital guaranteed. The Working Capital Facility deposits have duration of one day and all investments are required to have a minimum credit rating of "A-" therefore the likelihood of the counterparty having the capacity to meet its financial commitments is strong.

*Trade and Other Receivables*

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

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

By the nature of Council's operations there is a geographic concentration of risk in the local government area. Because the area is largely agricultural, there is a concentration in the agricultural sector.

Aging of past due receivables and the amount of any impairment is disclosed in the following table:

<b>30-Jun-14</b>	<b>Fully Performing</b>	<b>Past Due</b>			<b>Total</b>
		<b>&lt; 30 days</b>	<b>30-60 days</b>	<b>&gt; 60 days</b>	
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Receivables – Rates	701,494	-	-	-	701,494
Receivables – Other	1,107,276	288,223	2,298	68,919	1,466,716
Less: Impairment	-	-	-	(36,702)	(36,702)
Loans and advances	15,000	-	-	-	15,000
Net Receivables	1,834,124	288,223	2,298	32,217	2,156,862
<b>30-Jun-13</b>					
Receivables – Rates	801,468	-	-	-	801,468
Receivables – Other	2,087,601	563,701	3,724	151,944	2,806,970
Less: Impairment	-	-	-	(42,968)	(42,968)
Loans and advances	21,000	-	-	-	21,000
Net Receivables	2,910,069	563,701	3,724	108,976	3,586,470

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**Liquidity Risk**

Liquidity risk is the risk the Council will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Council is exposed to liquidity risk through its trading in the normal course of business and borrowings from the Queensland Treasury Corporation for capital works.

Council manages its exposure to liquidity risk by maintaining sufficient cash and cash equivalents to cater for unexpected volatility in cash flows. These are disclosed in the Note 11.

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:

	0 to 1 year	1 to 5 years	Over 5 years	Contractual Cash Flows	Carrying Amount
	\$	\$	\$	\$	\$
<b>2014</b>					
Trade and other payables	27,472,613	-	-	27,472,613	27,472,613
Loans – QTC	617,349	2,288,039	1,701,854	4,607,241	3,573,492
	28,089,962	2,288,039	1,701,854	32,079,854	31,046,105
<b>2013</b>					
Trade and other payables	5,555,839	-	-	5,555,839	5,555,839
Loans - QTC	709,696	2,369,364	2,251,444	5,330,504	4,059,780
	6,265,535	2,369,364	2,251,444	10,886,343	9,615,619

The outflows in the above table are not expected to occur significantly earlier and are not expected to be for significantly different amounts than indicated in the table.

**Market Risk**

Market risk is the risk that changes in market prices, such as interest rates, will affect the Council's income or the value of its holding of financial instruments.

*Interest Rate Risk*

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

The risk in borrowing is effectively managed by borrowing only from the Queensland Treasury Corporation and having access to a mix of floating and fixed funding sources such that the desired interest rate risk exposure can be constructed. Interest rate risk in other areas is minimal.

*Sensitivity*

Sensitivity to interest rate movements is shown for variable financial assets and liabilities based on the carrying amount at the reporting date.

The following interest rate 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.

**North Burnett Regional Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2014

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	
	2014	2013	2014	2013	2014	2013
	\$	\$	\$	\$	\$	\$
<b>Net Financial Assets</b>						
Cash Deposits	421,898	345,305	421,898	345,305	421,898	345,305
Borrowings QTC	(35,735)	(40,598)	(35,735)	(40,598)	(35,735)	(40,598)
<b>Net Total</b>	<b>383,464</b>	<b>304,707</b>	<b>383,464</b>	<b>304,707</b>	<b>383,464</b>	<b>304,707</b>

**Fair Value**

The fair value of trade and other receivables and payables is assumed to approximate the value of the original transaction less any allowance for impairment.

The fair value of borrowings from QTC is based on the market value of debt outstanding. The market value of a debt obligation is the discounted value of future cash flows based on prevailing market rates and represents the amount required to be repaid if it was to occur at balance date. The market value of debt is provided by QTC and is disclosed in Note 17.

**28 National Competition Policy**

**Business activities to which the code of competitive conduct (CCC) is applied**

North Burnett Regional Council applies the CCC to the following activities:

- Roads
- Water and Sewerage
- Waste Management
- Plant Operations

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 CSO value is determined by Council, and represents an activity cost which would not be incurred if the primary objective of the activity 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 the Council.

Revenue for services applied to Council assets cover all amounts received from third parties (mainly state and federal governments) for work completed on council assets. Revenue for services provided applied to assets owned by third parties covers all amounts received from third parties for work completed on assets not owned by council.

The following activity statements are for activities subject to the competitive code of conduct:

2014	Roads	Water & Sewerage	Waste Management	Plant Operations
	\$	\$	\$	\$
Revenue for Services applied to:				
- Council Assets	1,562,617	-	-	8,006,284
- Assets owned by third parties	4,077,465	4,676,868	1,111,011	-
	<b>5,640,082</b>	<b>4,676,868</b>	<b>1,111,011</b>	<b>8,006,284</b>
Less: Expenditure	8,814,488	4,754,325	1,822,117	4,353,511
<b>Surplus/(Deficiency)</b>	<b>(3,174,406)</b>	<b>(77,457)</b>	<b>(711,106)</b>	<b>3,652,773</b>

**North Burnett Regional Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2014

<b>2013</b>	<b>Roads</b>	<b>Water &amp; Sewerage</b>	<b>Waste Management</b>	<b>Plant Operations</b>
	\$	\$	\$	\$
Revenue for Services applied to:				
- Council Assets	593,416	-	-	7,383,448
- Assets owned by third parties	10,973,494	4,602,813	927,089	-
	<b>11,566,910</b>	<b>4,602,813</b>	<b>927,089</b>	<b>7,383,448</b>
Less : Expenditure	13,987,584	3,060,554	1,685,252	4,031,936
<b>Surplus/(Deficiency)</b>	<b>(2,420,674)</b>	<b>1,542,259</b>	<b>(758,163)</b>	<b>3,351,512</b>


**North Burnett Regional Council**  
**Notes to the Financial Statements**  
 For the year ended 30 June 2014

**Management Certificate**  
**For the year ended 30 June 2014**

These general purpose financial statements have been prepared pursuant to sections 176 and 177 of the *Local Government Regulation 2012* (the Regulation) and other prescribed requirements.

In accordance with section 212(5) of the Regulation we certify that:

- (i) the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulation 2012* 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 2 to 43, present a true and fair view, in accordance with Australian Accounting Standards, of the Council's transactions for the financial year and financial position at the end of the year.

  
 \_\_\_\_\_  
 Deputy Mayor  
 Faye Whelan

Date: 21 October 2014

  
 \_\_\_\_\_  
 Chief Executive Officer  
 Mr Mark Pitt

Date: 21 October 2014

## INDEPENDENT AUDITOR'S REPORT

To the Mayor of North Burnett Regional Council

### Report on the Financial Report

I have audited the accompanying financial report of North Burnett Regional Council, which comprises the statement of financial position as at 30 June 2014, 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 Deputy Mayor and the 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 Regulation 2012*, 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 gives a true and fair view and 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.

### *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 North Burnett Regional Council for the financial year 1 July 2013 to 30 June 2014 and of the financial position as at the end of that year.

### **Other Matters - Electronic Presentation of the Audited Financial Report**

Those viewing an electronic presentation of these financial statements should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.

  
D A STOLZ FCPA  
as Delegate of the Auditor-General of Queensland



Queensland Audit Office  
Brisbane

**North Burnett Regional Council**  
**Current-year Financial Sustainability Statement**  
For the year ended 30 June 2014

Measures of Financial Sustainability	How the measure is calculated	Actual - Council	Target
<b>Council's performance at 30 June 2014 against key financial ratios and targets:</b>			
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	(58.03%)	Between 0% and 10%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	194.06%	greater than 90%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	(37.29%)	not greater than 60%

**Note 1 - Basis of Preparation**


The current year financial sustainability statement is a special purpose statement prepared in accordance with the requirements of the *Local Government Regulation 2012* and the *Financial Management (Sustainability) Guideline 2013*. The amounts used to calculate the three reported measures are prepared on an accrual basis and are drawn from the Council's audited general purpose financial statements for the year ended 30 June 2014.

**North Burnett Regional Council**  
**Current-year Financial Sustainability Statement**  
For the year ended 30 June 2014

**Certificate of Accuracy**  
For the year ended 30 June 2014

This current-year financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the regulation).

In accordance with Section 212(5) of the Regulation we certify that this current-year financial sustainability statement has been accurately calculated.

  
\_\_\_\_\_  
Deputy Mayor  
Faye Whelan

Date: 21.10.14

  
\_\_\_\_\_  
Chief Executive Officer  
Mark Pitt

Date: 21.10.2014.

## INDEPENDENT AUDITOR'S REPORT

To the Mayor of North Burnett Regional Council

### Report on the Current-Year Financial Sustainability Statement

I have audited the accompanying current-year financial sustainability statement, which is a special purpose financial report of North Burnett Regional Council for the year ended 30 June 2014, comprising the statement and explanatory notes, and certificates given by the Deputy Mayor and Chief Executive Officer.

#### *The Council's Responsibility for the Current-Year Financial Sustainability Statement*

The Council is responsible for the preparation and fair presentation of the current-year financial sustainability statement in accordance with the *Local Government Regulation 2012*. The Council's responsibility also includes such internal control as the Council determines is necessary to enable the preparation and fair presentation of the statement that is accurately calculated and is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

My responsibility is to express an opinion on the current-year financial sustainability statement 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 statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of the statement 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 Council's internal control. 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 statement.

My responsibility is to form an opinion as to whether the statement has been accurately calculated based on the Council's general purpose financial report. My responsibility does not extend to forming an opinion on the appropriateness or relevance of the reported ratios, nor on the Council's future sustainability.

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.

### *Opinion*

In accordance with s.212 of the *Local Government Regulation 2012*, in my opinion, in all material respects, the current-year financial sustainability statement of North Burnett Regional Council for the year ended 30 June 2014, has been accurately calculated.

### *Emphasis of Matter - Basis of Accounting*

Without modifying my opinion, attention is drawn to Note 1 which describes the basis of accounting. The current-year financial sustainability statement has been prepared in accordance with the *Financial Management (Sustainability) Guideline 2013* for the purpose of fulfilling the Council's reporting responsibilities under the *Local Government Regulation 2012*. As a result, the statement may not be suitable for another purpose.

### **Other Matters - Electronic Presentation of the Audited Statement**

Those viewing an electronic presentation of this special purpose financial report should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.

  
D A STOLZ FCPA  
as Delegate of the Auditor-General of Queensland



Queensland Audit Office  
Brisbane

**North Burnett Regional Council  
Long-Term Financial Sustainability Statement  
Prepared as at 30 June 2014**

Measures of Financial Sustainability	Measure	Target	Actuals at 30 June 2014	Projected for the years ended									
				30 June 2015	30 June 2016	30 June 2017	30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	

**Council**

Operating surplus ratio	Net result divided by total operating revenue	Between 0% and 10%	(58.03%)	12.49%	(3.98%)	(3.42%)	(3.57%)	(3.72%)	(3.86%)	(4.00%)	(4.14%)	(4.29%)
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	greater than 90%	194.06%	116%	83%	85%	85%	85%	85%	84%	84%	83%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue	not greater than 60%	(37%)	(18%)	(32%)	(32%)	(32%)	(31%)	(31%)	(31%)	(30%)	(29%)

**North Burnett Regional Councils Financial Management Strategy**

Council measures revenue and expenditure trends over time as a guide to future requirements and to make decisions about the efficient allocation of resources to ensure the most effective provision of services. Council ensures that its financial management strategy is prudent and that its long-term financial forecast shows a sound financial position whilst also being able to meet the community's current and future needs.

**NORTH BURNETT REGIONAL COUNCIL**

**Certificate of Accuracy**

**For the long-term financial sustainability statement prepared as at 30 June 2014**

This long-term financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the regulation).

In accordance with Section 212(5) of the Regulation we certify that this long-term financial sustainability statement has been accurately calculated.

  
\_\_\_\_\_  
Deputy Mayor  
Faye Whelan

Date: 21.10.14

  
\_\_\_\_\_  
Chief Executive Officer  
Mark Pitt

Date: 21.10.2014.

Statutory policies

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Policy Title:	<b>Equal Employment Opportunity</b>
Policy No:	101
Policy Subject:	Human Resources
Department:	Executive Services
Stream:	Human Resources
Responsible Officer:	Chief Executive Officer
Authorised by:	North Burnett Regional Council
Adopted Date:	General Meeting – 18/11/2014
Review Date:	30/06/2015
Authorities:	<i>Public Service Act 2008 (Qld)</i> <i>Local Government Act 2009 (Qld)</i> <i>Local Government Regulation 2012 (Qld)</i>

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### INTRODUCTION:

The North Burnett Regional Council is committed to the implementation of, and adherence to Equal Employment Opportunity (EEO) principles in all aspects of our operations. This General Policy outlines objectives and strategies that were developed through a consultative process.

The overall objective of this General Policy is to identify, promote and implement effective EEO strategies that will complement and enhance Council's existing management practices.

### OBJECTIVES:

Through the implementation of this General Policy, the North Burnett Regional Council aims to achieve the following objectives:

- Employment practices which are based on fairness, equity and merit and promote employee participation and productivity;
- Fully utilise and develop the potential of every employee;
- Increase employee moral and motivation by increasing staff confidence in Council's human resource management practices and access to employment and training opportunities;
- Ensure that all Council policies and work practices are consistent with EEO principles;

- Achieve continuous improvement in the delivery of customer service through a workforce which understands and is responsive to customer needs.

## **PRINCIPLES:**

While employee co-operation and involvement are necessary prerequisites for the successful implementation of EEO strategies, the primary responsibility for implementing the strategies outlined in the General Policy rests with General Managers, Managers and Supervisors. It is imperative the EEO principles are integrated with other forms of managerial and supervisory responsibility.

Council's policy affirms that the North Burnett Regional Council is fully committed to ensuring the elimination of discriminatory practices within our workplace. Council employees, contractors and members of the public are encouraged to consult with the CEO or Department Heads over any issues concerning employment.

## **POLICY STATEMENT:**

The North Burnett Regional Council is committed to the implementation and maintenance of Equal Employment Opportunity (EEO) principles in all aspects of our operation. Council will ensure that all corporate policies and practices do not discriminate against any target group.

Council recognises that EEO contributes to operational efficiency by ensuring that employees are recruited and promoted on the basis of merit and their individual talents and capabilities. Council shall ensure that all employees have fair and equal access to training opportunities.

All citizens are entitled to compete for positions within Council and no applicant shall be excluded on the basis of their:

- race;
- gender;
- marital and/or parental status;
- age;
- religious or political beliefs;
- or any other grounds as deemed unlawful by Anti-Discrimination legislation.

Council will endeavour to develop a staffing profile that reflects that of the community.

The North Burnett Regional Council is committed to providing a work environment for our employees which is free from unwanted harassment of any kind.

## **1. Demographic Profile and Environmental Analysis**

Specific strategies have been incorporated into this policy which are directed towards achieving equitable employment participation rates which are reflective of our community. These strategies are congruent with Council's view that an organisation which is representative of the community which it serves is in a strong position to understand and meet the needs of that community.

The following tables demonstrate the progress that Council has made to date in achieving employee participation rates are reflective of the community that it serves. <sup>1</sup>

#### Gender

	<b><i>North Burnett Regional Council</i></b>	<b><i>Community</i></b>
<b><i>Male</i></b>	67%	51%
<b><i>Female</i></b>	33%	49%

#### Age

	<b><i>North Burnett Regional Council</i></b>	<b><i>Community</i></b>
<b><i>0 – 14</i></b>	0%	19.9%
<b><i>15 – 24</i></b>	11%	10.2%
<b><i>25 – 54</i></b>	59%	36.1%
<b><i>55 – 64</i></b>	25%	14.2%
<b><i>65 +</i></b>	5%	19.5%

#### Origin

	<b><i>North Burnett Regional Council</i></b>	<b><i>Community</i></b>
<b><i>Non-Indigenous</i></b>	95.1%	94.2%
<b><i>Estimated Resident Indigenous Population</i></b>	4.9%	5.8%

#### RESPONSIBILITIES:

The responsibility for implementing and upholding the principles of EEO at the North Burnett Regional Council rests with every General Manager, Manager and Supervisor. All employees of the North Burnett Regional Council regardless of employment terms or conditions are responsible for adhering to EEO policies and guidelines. The following outlines the responsibilities of individual Officers and Committees within Council with regard to EEO.

#### The EEO Officer is responsible for:

- Ensuring that the EEO policy is implemented;
- Overseeing the content and direction of Council's EEO programs;
- Participating in and contributing to workplace training;
- Assisting with the training of staff on EEO and related issues;
- Keeping up to date with legislative changes and requirements and disseminating information accordingly;
- Assisting staff with issues concerning EEO.

#### General Managers, Managers and Supervisors are responsible for:

- Raising awareness of EEO issues;

<sup>1</sup> <http://www.abs.gov.au> National Regional Profile: North Burnett (R) (Local Government Area)

All figures are from 2010 except for the Estimated Resident Indigenous Population figures being from 2006.

- Identifying needs
- Preventing unlawful discrimination;
- Supporting consultative and referral processes; and,
- Proactively implementing EEO policies and practices.

Ultimate responsibility for each strategy outlined in this policy rests with the designated officer. The Chief Executive Officer has direct responsibility for the EEO General Policy. However, the level of success achieved by the EEO Management Program and the strategies outlined in this policy will be dependant upon the involvement and commitment of **ALL** Council employees.



## Statutory Policy

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Policy Title:	<b>Administrative Action Complaints</b>
Policy No:	116
Policy Subject:	Governance
Directorate:	Corporate Services
Department:	Governance
Responsible Officer:	Chief Executive Officer
Authorised by:	North Burnett Regional Council
Adopted Date:	General Meeting – 15/11/2011
Review Date:	15/11/2013
Authorities:	<i>Local Government Act 2009</i> <i>Local Government (Operations) Regulation 2010</i> <i>Local Government (Finance, Plans and Reporting) Regulation 2010</i>

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### INTRODUCTION:

In accordance with section 268 of the *Local Government Act 2009*, section 119 of the *Local Government (Operations) Regulation 2010*, and section 115 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* a Local Government must implement and maintain a process for resolving administrative action complaints.

Council is committed to ensuring that complaints are dealt with in a responsive, efficient, fair and economical way with due respect to confidentiality of the complainants.

Should a request for service and / or action not be resolved by Council, or the effected person is dissatisfied by the decision or other action, an Administrative Action Complaint can be lodged by the effected person under the following policy.

### DEFINITIONS:

Terms used in the complaints management process have the following meanings:

**“Administrative Action Complaint”** is about an administrative action of Council made by an affected person, including:

## **DEFINITIONS (continued):**

- a) a decision, or failure to make a decision, including a failure to provide a written statement of reasons for a decision;
- b) an act, or failure to do an act;
- c) the formulation of a proposal or intention;
- d) the making of a recommendation

***“Effected Person”*** is a person who is apparently directly affected by an administrative action of Council.

***“Complaints Management Process”*** is a process for resolving complaints about administrative actions of Council that:

- a) covers all administrative action complaints made to Council;
- b) requires Council to quickly and efficiently respond to complaints in a fair and objective way;
- c) includes the criteria considered when assessing whether to investigate a complaint;
- d) requires Council to inform an affected person of Council’s decision about the complaint and the reasons for the decision, unless the complaint was made anonymously.

***“Natural Justice”*** or procedural fairness is giving someone who might be adversely affected by a decision a fair hearing prior to the decision being made.

***“Review”*** to undertake a second or repeated examination of a past event or decision, taking into consideration the facts and circumstances of such event or decision.

***“Council”*** is the North Burnett Regional Council.

***“Council Officer”*** includes a permanent, temporary, casual or contractor employed by Council.

***“InfoXpert”*** Council’s electronic document records management system.

## **OBJECTIVES:**

The complaints management process is established with the following objectives:

- a) the fair, efficient and consistent treatment of complaints about decisions and other administrative actions of Council;
- b) a complaints management process that is easy to understand and is readily accessible to all;
- c) detection and rectification, where appropriate, of administrative errors;
- d) identification of areas for improvement in Council’s administrative practices;
- e) increase in awareness of the complaints management process for Council’s staff and the community;
- f) enhancement of the community’s confidence in the complaints management process and of the reputation of Council as being accountable and transparent;

## **OBJECTIVES (continued):**

- g) building the capacity of staff to effectively manage complaints in an environment of continuous improvement;
- h) complaints will be acknowledged and resolved in a timely manner;
- i) Council will manage complaints confidentially and ensure that complainants do not suffer any form of reprisal for making a complaint; and
- j) Council will abide by the principles for natural justice / procedural fairness when dealing with complaints

## **SCOPE:**

The complaints management process has been established for resolving complaints by affected persons about administrative actions of Council or Council officers. The complaints management process does not apply to a complaint as follows:

- a) that could be made under Chapter 3, Part 1, Division 3, Section 38 of the *Local Government Act* about competitive neutrality issues;
- b) about official misconduct that should be directed to the Crime and Misconduct Commission;
- c) made under the *Public Interest Disclosure Act 2010*;
- d) about conduct and performance of councillors as prescribed in Chapter 6, Part 2, Division 6, Section 177 of the *Local Government Act 2009*.

## **PRINCIPLES:**

Council intends to provide a level of customer service that does not attract complaints, however acknowledges the right of persons providing feedback, both positive and negative, on its services and/or to lodge a complaint about a decision or other action it takes.

Council is committed to providing adequate resources and trained officers to deal with complaints and to record and analyse complaints data.

Council will endeavour to ensure that:

- a) anyone who is dissatisfied about a decision or other action can easily and simply lodge a complaint;
- b) complainants are provided with information on the complaints management process and, if necessary, assistance to make their complaint;
- c) each complaint is initially assessed in terms of its seriousness, safety implications, complexity and degree of urgency;
- d) Council officers will receive complaints in a professional manner and welcome valid feedback as an opportunity for improvement of the Council's administrative practices;
- e) complaints are resolved as quickly as possible, preferably on first contact if the complaint is straightforward;
- f) complainants are advised of their appeal rights at the relevant stages of the complaint management process;

## **PRINCIPLES (continued):**

- g) complainants will be provided with a written statement of outcomes, including details of the reasons for the outcome at the relevant stages of the decision-making process;
- h) people with particular needs are assisted – for example people who are in any way disadvantaged by intellectual or physical disability, education, language ability or any other impairment.

## **RESPONSIBILITY:**

All Council Officers:

- a) are required to observe the complaints management process;
- b) wherever appropriate, attempt to resolve a complaint before it is referred for attention under the complaints management process.

## **CONFIDENTIALITY**

Parties to a complaint are responsible for ensuring confidentiality at all times, with respect to both verbal discussions and written documentation relating to the request.

The number of people involved in the resolution of a complaint, will be kept to an appropriate level. The number will also be limited to those with a genuine need to know, or need to be involved. A complainant will be required to provide some personal details including contact information. Anonymous complaints will not be accepted.

## **FEEDBACK**

Complainants will be advised of outcome as soon as possible after a decision has been made. Any reasons for negative decisions must be outlined in a response and complainants must be advised of any available internal/external review options.

## **REMEDIES:**

Council through this policy has adopted a range of remedies for addressing administrative actions that it considers to be unfair or wrong. Remedies include, but are not limited to:

- a) an explanation for the action in question;
- b) an admission of fault;
- c) an apology;
- d) revocation or amendment of the decision;
- e) rectification, including repairing or replacing the matter in dispute;
- f) revision of relevant policy, procedure or practice;
- g) provision of technical advice;
- h) reimbursement of costs incurred as a result of the action in question;
- i) financial compensation, including an ex-gratia payment;
- j) waiver of debt;

**REMEDIES (continued):**

More than one remedy may be applied in the particular case if the circumstances justify that course of action.

**IMPLEMENTATION OF REMEDY:**

Council, through the Chief Executive Officer or delegate, will take action as per the workflow structured in InfoXpert to implement any remedy made available to a complainant and/or any revision of its policy, practice or procedure.

**COMPLAINTS MANAGEMENT SYSTEM:**

Council will maintain a Register of Administrative Action Complaints to ensure complaints are recorded, including the decision and outcome.

**RELATED POLICIES OR PROCEDURES:**

All Council policies and procedures must be taken into consideration when considering or investigating a complaint under the complaints management process.

**COMMUNICATION:**

In order to publicise the complaints management process, Council will place this document on its website and will train new and existing staff on the complaints management process.

Statutory Policy 116 – Administrative Action Complaints is available on Council's website at [www.northburnett.qld.gov.au](http://www.northburnett.qld.gov.au) or for inspection at Council Administration Offices.

**TAKING A COMPLAINT FURTHER:**

If Council decides not to undertake a review of the action, Council will inform the complainant that a complaint may be lodged with the Queensland Ombudsman or other relevant complaint entity (details below).

It is also recognised that a complainant is also entitled to have a matter reviewed if they are still dissatisfied with the outcome of Council's review process.

Level 17, 53 Albert Street  
Brisbane QLD 4000

GPO Box 3314  
Brisbane QLD 4001

<b>Telephone:</b>	(07) 3005 7000
<b>Toll Free (Landlines only):</b>	1800 068 908
<b>Fax:</b>	(07) 3005 7067
<b>Email:</b>	<a href="mailto:ombudsman@ombudsman.qld.gov.au">ombudsman@ombudsman.qld.gov.au</a>

# Statutory information

## Legislative Requirement

## Our Compliance

### Local Government Act 2009

#### Identifying beneficial enterprises (s41)

A local government's annual report for each financial year must contain a list of all the beneficial enterprises that the local government conducted during the financial year.

Nil

#### Identifying significant business activities (s45)

A local government's annual report for each financial year must-  
(a) contain a list of all the business activities that the local government conducted during the financial year; and

Refer to section: Financial Statements, Note 28

(b) identify the business activities that are significant business activities; and

Refer to section: Financial Statements, Note 28

(c) state whether or not the competitive neutrality principle was applied to the significant business activities, and if the principle was not applied, the reason why it was not applied; and

No - Cost of implementation outweighs the potential benefit

(d) state whether any of the significant business activities were not conducted in the preceding financial year, ie whether there are any new significant business activities.

No changes

### Local Government Regulation 2012 - Division 3 'Annual Report'

#### Preparation of Annual Report (s182)

Adopt Annual Report within one month after the QAO provides certification.

Annual Report placed on council website within two week after council has adopted it.

#### General Purpose Financial Statements (s183)

The Annual Report for a financial year must contain:-

(a) the general purpose financial statement for the financial year, audited by the auditor-general; and

(b) the current-year financial sustainability statement for the financial year, audited by the auditor-general; and

Refer to section: Financial Statements

(c) the long term financial sustainability statement for the financial year; and

(d) the auditor-general's audit reports about the general purpose financial statements and the current year sustainability statement.

#### Community Financial Report (s184)

The Annual Report must contain the community financial report for the financial year.

Refer to section: Community Financial Report

#### Particular Resolutions (s185)

The Annual Report for a financial year must contain:-

(a) a copy of the resolutions made during the financial year under s250(1); and

Adopted at Policy and Planning Meeting - 02/04/2013, details in 2012/13 Annual Report.

(b) a list of any resolutions made during the financial year under s206(2).

Nil

#### Councillors (s186)

(a) for each councillor, the total remuneration, including superannuation contributions, paid to the councillor during the financial year; and

(b) the expenses incurred by, and the facilities provided to each councillor during the financial year under the local government's expenses reimbursement policy; and

	Gross Remunerations	Super Contributions	Mileage & Incidentals
Cr DW Waugh	\$91,375.70	\$9,892.62	-
Cr FO Whelan	\$52,948.90	\$5,218.76	-
Cr PW Francis	\$45,687.98	\$2,741.18	-
Cr PW Lobegeler	\$45,687.98	\$2,741.18	\$2,341.48
Cr JF Dowling	\$45,687.98	\$2,741.18	\$4,413.02
Cr KW Wendt	\$45,687.98	-	-
Cr WW Bowen	\$45,687.98	\$5,341.18	-

(c) the number of local government meetings that each councillor attended during the financial year; and		PAP Standing Committee	Tech Services-Standing Committee	Special Meetings	General Meetings
	Cr DW Waugh	9	9	1	11
	Cr FO Whelan	10	10	1	11
	Cr PW Francis	10	10	1	11
	Cr PW Lobegeier	9	9	1	12
	Cr JF Dowling	10	10	1	12
	Cr KW Wendt	9	9	1	12
	Cr WW Bowen	10	10	1	12
(d) the total number of the following during the financial year-					
(i) orders and recommendations made under s180(2) or (4); and (ii) orders made under s181; and	Nil				
(e) each of the following during the financial year-					
(i) the name of each councillor for whom an order or recommendation was made under s180 of the Act or and order was under s181 of the Act; (ii) a description of the misconduct or inappropriate conduct engaged in by each of the councillors; (iii) a summary of the order or recommendation made for each councillor; and	Nil				
(f) the number of each of the following during the financial year-					
(i) complaints about the conduct or performance of councillors for which no further action was taken under s176c(2) of the Act; (ii) complaints referred to the department’s chief executive under s176c(3)(a)(i) of the Act; (iii) complaints referred to the mayor under s176c(4)(a) of the Act; (iv) complaints referred to the department’s chief executive under s176c(4)(a) of the Act; (v) complaints assessed by the chief executive officer as being about official misconduct; (vi) complaints heard by a regional conduct review panel; (vii) complaints heard by the tribunal; (viii) complaints to which s176c(6) of the Act applied.	Nil				
Administrative Action Complaints (s187)					
(1) The Annual Report for a financial year must contain-					
(a) a statement about the local government’s commitment to dealing fairly with administrative action complaints; and	Refer to section: Statutory Policies Administrative Action Complaints - Policy 116				
(b) a statement about how the local governments has implemented its complaints management process, including an assessment of the local government’s performance in resolving complaints under the process.					
(2) The Annual Report must also contain particulars of-					
(a) the number of the following during the financial year-					
(i) administrative action complaints made to the local government;	7				
(ii) administrative action complaints resolved by the local government under the complaints management process;	7				
(iii) administrative action complaints not resolved by the local government under the complaints management process; and	Nil				
(b) the number of administrative action complaints under paragraph (a)(iii) that were made in a previous financial year.					
2					
Overseas Travel (s188)					
(1) The Annual Report for a financial year must contain the following information about any overseas travel made by a councillor or local government employee in an official capacity during the financial year-					
(a) for a councillor - the name of the councillor;	Nil				
(b) for a local government employee - the name of, and position held by the local government employee;	Trevor Harvey - Manager Technical Services				

(c) the destination of the overseas travel;	New Zealand - North Island
(d) the purpose of the overseas travel;	LGAQ & qldwater 'New Zealand Innovations Study Tour'
(d) the cost of the overseas travel;	\$1,960.00
(2) The Annual Report may also contain any other information about the overseas travel the local government considers relevant.	Nil
<b>Expenditure on Grants to Community Organisations (s189)</b>	
The Annual Report for a financial year must contain a summary of-	
(a) the local government's expenditure for the financial year on grants to community organisations; and	Refer to section: Community Grants
(b) expenditure from each councillor's discretionary fund, including-	
(i) the name of each community organisation to which an amount was allocated from the fund; and (ii) the amount and purpose of the allocation;	Nil
<b>Other contents (s190)</b>	
(1) The Annual Report for a financial year must contain the following information-	
(a) the chief executive officer's assessment of the local government's progress towards implementing its 5 year corporate plan and annual operational plan.	21-10-2014 Cr KS Wendt OAM BEM moved and Cr PW Francis seconded: that pursuant to the Local Government Act 2009 and section 165 (3) - Local Government Regulation 2012, North Burnett Regional Council receives the annual review of the North Burnett Regional Council Corporate Plan 2013-2018 as a result of the review. Carried 6/0
(b) particulars of other issues relevant to making an informed assessment of the local government's operations and performance in the financial year;	Refer to section: Financial Statements
(c) an annual operations report for each commercial business unit;	Not applicable
(d) details of any action taken for, and expenditure on, a service, facility or activity-	
(i) supplied by another local government under an agreement for conducting a joint government activity; and (ii) for which the local government levied special rates or charges for the financial year;	Not applicable
(e) the number of invitations to change tenders under s228(7) during the financial year;	Nil
(f) a list of the registers kept by the local government;	<ul style="list-style-type: none"><li>• Asbestos Register</li><li>• Local Law Register</li><li>• Election Gifts Register</li><li>• Significant Business Register</li><li>• Delegations Register</li><li>• Statement of Interest Register: Councillors</li><li>• Statement of Interest Register: Senior Contract Staff</li><li>• Asset Register</li><li>• Gift Register</li><li>• Beneficial Enterprises Register</li><li>• Cost-Recovery Fees Register</li><li>• Contract with Lobbyists Register</li><li>• Road Map Register</li><li>• Local Heritage Register</li></ul>
(g) a summary of all concessions for rates and charges granted by the local government;	Type: New Dwelling Rate Relief Number of Properties: 12 Total Cost: \$7,510.00
(h) the report on the internal audit for the financial year;	<p>Council established an Internal Audit Committee during 2012/13 financial year. The Internal Audit Committee continues to meet on a regular basis and makes appropriate recommendations to assist Council in fulfilling its corporate governance role and oversight responsibilities in relation to accounting and reporting practices.</p> <p>Council's Internal Audit Committee includes one external member independent to Council and two Councillors. Chairman Mayor Cr D Waugh, Cr P Francis, Councillor. The Internal Audit Committee is also attended by the Chief Executive Officer, General Manager for Corporate and Community Services and Manager Finance and as required the External Auditors and Internal Auditor.</p> <p>Council's Internal Audit function will be carrying out the items listed in the 2014/15 audit plan with a strong focus on compliance with polices and legislation requirements, including Council's current risk management structure and the completion of a risk identification process.</p>

(i) a statement about the local government’s activities during the financial year to implement its plan for equal opportunity in employment;	Refer to section: Statutory Policies	
(j) a summary of investigation notices given in the financial year under s49 for competitive neutrality complaints;	Two complaints were received through the year both in relation to free non-commercial camping. For both complaints there was no finding of a breach of competitive neutrality.	
(k) the local government’s responses in the financial year on the QCA’s recommendations on any competitive neutrality complaints under s52(3).	Advice and investigation details from QCA reported to council. No breach of competitive neutrality findings were made.	
(2) In this section - annual operations report, for a commercial business unit, financial year-		
(a) information that allows an informed assessment of the unit’s operations, including a comparison with the unit’s annual performance plan;	Not applicable	
(b) particulars of any changes made to the unit’s annual performance plan for the previous financial year;	Not applicable	
(c) particulars of the impact the changes had on the unit’s;		
(i) financial position; and (ii) operating surplus and deficit; and (iii) prospects.	Not applicable	
(d) particulars of any directions the local government gave the unit.	Not applicable	
201 Annual Report must detail remuneration		
(1) The Annual Report of a local government must state-		
(a) the total of all remuneration packages that are payable (in the year to which the annual report relates) to the senior management of the local government; and		
(b) the number of employees in senior management who are being paid each band of remuneration.	Package Range	No. of senior contract employees
(2) The senior management of a local government, consists of the chief executive officer and all senior executive employees of the local government.	100,000-200,000	2
(3) Each band of remuneration is an increment of \$100,000.00	200,000-300,000	1
(4) To remove any doubt, it is declared that nothing in this section requires the exact salary of any employee in senior management to be separately stated in the annual report.		

