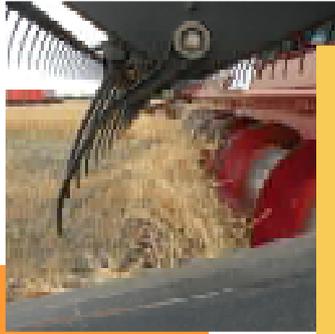


ANNUAL REPORT 2010/2011



Moonie



Maranoa



Wallam



Balonne

Bairwon



ST GEORGE - THALLON - DIRRANBANDI - HEBEL - BOLLON - MUNGINDI - NINDIGULLY

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Welcome

Welcome to the Annual Report produced by the Balonne Shire Council for the 2010-2011 financial year.

Our Annual Report tells you how Council was managed over the past 12 months. It is our report card on how we performed over the year providing accountability to ratepayers and other stakeholders of Council.

If you are a ratepayer of our Shire it provides you an insight into how the rates you paid were used.

We welcome feedback from stakeholders and would welcome any feedback on this report and on our performance throughout the year.

To provide feedback please contact Council on 4620 8888 or email council@balonne.qld.gov.au



Shire Profile

The Balonne Shire is located in Queensland on the New South Wales border some 500 kilometres from the east coast of Australia and has an area of 31,119m². A region of surprising diversity and unique attractions, the Balonne Shire is rich in native bird and animal life, wide open spaces, beautiful waterways, and many historic buildings.

Agriculture is the mainstay of the regional economy and today cotton, wheat, sheep, cattle and horticultural crops provide the base for the region's diverse rural industries. Central to the growth of these industries has been the development of the St George irrigation system, and of course, the natural river system. The St George Irrigation Project provides allocation water to cotton and horticulture farms and water harvesting permits have allowed for the development of an increased crop area in the shire.

The town of St George provides the main business and service centre for the Shire, and has the potential to further develop as a regional centre. Rural industries have also created and been supported by the towns of Dirranbandi, Bollon, Thallon, Mungindi and Hebel. Small localities such as Nindigully, Boolba and Alton are places of historic significance and important meeting places for the rural communities and travelling public they serve. Every town in Balonne is situated beside a river, providing access to fishing, water sports and the natural riparian environment.

With its population of just under 5,000 residents, Balonne Shire is also an important services junction-between NSW and Qld, between city and country and inland and coast. It is also located between the Surat, Cooper and Bowen Basins. The Shire is attractive to young families, with higher than average percentages of people in these age groups, and large numbers of temporary workers come to the Balonne every year to work for the irrigation industries.

This truly is "the land of droughts and flooding rains" Balonne's ten year drought ended with record-breaking floods in March 2010 and again in January 2011.

On the one hand, this caused damage which will take millions of dollars and several years to rectify, but, on the other, renewed water storages, soil moisture and heralded the potential for great harvests.



Mission Statement and Values

OUR VISION

"For the People":

A vibrant dynamic community, living and celebrating our diversity, natural assets and talents

OUR MISSION - OUR PURPOSE

To respond to community needs and expectations and to provide a range of services through quality leadership, policies and community representation

OUR VALUES

The Council is committed to the following core values, which it believes will enable it to achieve its vision and mission:-

Respect

- We value respect for the system of government, laws, people and environment

Teamwork

- We value teamwork, trust and loyalty in a collaborative effort to deliver the best possible service to our customers

Accountability

- We accept responsibility to our community for our decisions, our successes and our failures

Innovation

- We embrace continuous improvement and encourage new ideas and innovation

Empowerment

- We seek to develop the capacity of our communities to achieve self determination
- We value our staff and are committed to their ongoing training and development



Message from our Mayor



Once again the people of the Balonne Shire have been faced with the challenge of widespread flooding throughout the region. Coming on top of the floods experienced in the previous year and the damage to the road network during the two flood events, council staff has been overwhelmed out on the ground and internally, trying to deal with the enormity of completing restoration work as well as putting in place the proper checks and balances required under NDRRA funding guidelines. I believe as a relatively small council that we have met the challenges admirably and I compliment the staff for rising to meet the challenge. This of course has been accomplished with the assistance of private contractors and we have been fortunate in engaging the extra numbers needed to carry out the work.

The Balonne Shire experienced an estimated \$55 million worth of damage emanating from the March 2010 flood event, of which just under \$10 million of repairs had been completed by 30th June 2011. Following on from this event further flooding was experienced in December 2010 / January 2011. An estimated \$20 million worth of restoration work was identified in infrastructure damage. This work will follow on once the 2010 event repairs are approved.

Council has continued with our ordinary roads capital works program and committed \$2,983,233 to various programs including, Buckinbah Road reconstruction of 6.2km at a cost of \$508,000, Littleton Road Gravel resheeting 4 km, Pine Park Road gravelling 10km, Waggoo Road Bitumen Sealing 3km, Hollymount Road gravel resheeting \$214,000, Middle Road widening and reforming \$334,000 and Bollon Dirranbandi Seal section \$320,000. Council has spent \$490,686 on maintaining our town streets. A big but necessary undertaking was directed to upgrading our storm water drainage system. A sum of \$1,534,425 was expended on the Church Street drainage. This has proven to be effective as no local flooding was experienced in this area during the current wet season whereas some houses in this area had experienced frequent flooding in the past.

Council has spent \$298,771 in capital works upgrades to our water infrastructure. This is the beginning of a much larger commitment to upgrade and rationalise the water supply system in St George. Council has purchased two new preowned homes to accommodate the needs of our executive staff at cost of \$670,000. Sport and Recreation has received a big boost in the shire with the St George Skate Park being constructed at a cost of \$101,000. This meets the demands for recreation from the Youth Council. Rowden Park was upgraded with pop-up sprinklers and top dressing. This project cost \$109,000. The Dirranbandi Hall was another winner with a much needed upgrade at a cost of \$596,000. This is money well spent and the result is very pleasing and appreciated by the community. Further work will be done to complete the project next financial year. A critical piece of infrastructure, the Dirranbandi levee bank which protects the township of Dirranbandi from floodwater, received funding of \$240,000 to fortify the levee against future floods; this proved to be very fortuitous. Other miscellaneous works undertaken during this year included - Water and Electricity upgrades - Bollon showgrounds; Commencement of Community Plan; Economic Development Plan completed; Window to the West and other tourism related projects; Wallam Creek path project at Bollon.

All in all Council completed a busy but successful year.

Donna Stewart
MAYOR



Message from our Chief Executive Officer

This year was Queensland's summer of natural disasters and the Balonne Shire suffered a second major flood in less than a year. Our "once in a lifetime" experience has now become "twice in a lifetime" and counting.

The Shire's flood response has now become a well oiled machine, but the machine relies on the commitment and team work of the Balonne Shire Councillors and Staff, SES and all other agencies involved in the Local Disaster Management Group and the support of many volunteers from across the community. This was a prolonged flood with the response lasting six weeks. The SES flood boat crews, estimates they ferried 5,000 people across the Balonne River at St George. The resourceful residents of Dirranbandi organised high clearance vehicles to bring in essential supplies through kilometres of flooded roads. A team of Council workers and local contractors built a temporary levee to protect most of the Town of St George and numerous residents constructed levees to protect their own properties using their own resources but quite often assisted by friends and neighbours. The floods brought challenges, hardship and prosperity and have to be accepted as part of living in the "River Country".

The estimated cost of repairs to infrastructure from the March 2010 floods has exceeded \$55m which is being funded through the Natural Disaster Relief and Recovery Arrangements (NDRRA). Council's workforce and plant has been increased to be able to do the work. The reconstruction effort is a significant boost to our local economy and offers opportunity for the workforce to gain skills and experience. Council's annual budget for the coming year is three times the average and this rapid increase in demand for operational capacity obviously places strain on the organisation, however I am confident the Balonne Shire Council team will continue to rise to the challenge and will emerge a stronger more capable organisation.

Although the flood response and reconstruction seem all consuming the normal business of Council continued during the year. A record cotton harvest tested the Shire's damaged road network and these repairs, if only temporary, had to be given priority.

The Basin Plan continued to be a concern to our communities with the threat of a substantial reduction in irrigation water. Council has been actively involved in helping shape the Plan and has partnered with the community to effectively lobby the decision makers. Multiple submissions were prepared and Balonne Shire has been well represented on influential committees assisting the Murray Darling Basin Authority

The integration of asset management into Council's planning and management systems has commenced and the Balonne Shire now has policies in place and is well on the way to integrated procedures, the benefits of this work should be realised in the next year's Budget.

Another significant legislative change was the removal of the value of water entitlements from rateable value of land. This produced a historic shift in the distribution of the rate base and was the impetus for a review of the rating system in the Balonne Shire. The new rating categories will be introduced in the 2011/2012 year and should result in an equitable levying of rates that preserves the



rates revenue for the Shire. The implementation of the changes arising from the Local Government Act 2009 also gave rise to significant additional work during the year.

Other projects of note include

- the Wallam Creek Walking Trail at Bollon;
- The gazettal of the Noondoo-Thallon Roads as a Main Road and the continuing seal program that is now close to complete;
- The upgrade of the record storage facilities;
- A major storm water project that has alleviated flooding in St George;
- The upgrade to the Rowden Park playing surface and installation of automated watering;
- The Green Army Employment Program which beautified the riverbank at St George;
- The preparations for the migration to digital TV in the towns where TV is retransmitted.

All in all it has been a year of achievement which the Staff and Councillors should be proud of.

Regards

Scott Norman
CHIEF EXECUTIVE OFFICER



Elected Representatives



**Cr. Donna Stewart
(Mayor)**

Cr. Donna Stewart was elected as Mayor of Balonne Shire Council on 15 March, 2008. Cr. Stewart is responsible for the portfolios of community engagement, emergency response, regional co-operation, aboriginal employment strategy, economic development, planning scheme and development regulation. Cr. Stewart is also an ex-officio member of all other portfolios.



Cr. Andrew Sevil

Cr. Andrew Sevil was elected to Council in May 2005 and is currently serving his second term. Cr. Sevil is responsible for the portfolios of water resource management, engineering, fleet management, aerodromes, main roads contracts, works depots, asset management, cemeteries, television and radio retransmission and sporting facilities.



**Cr. Richard Marsh
(Deputy Mayor)**

Cr. Richard Marsh was elected to Council in July 2002 and is currently serving his third term. Cr. Marsh is responsible for the portfolios of human resource management, financial management, workplace health and safety, administration and governance, urban water and waste water, waste management, community halls, administration and depot buildings, staff housing, environmental health, urban animal control, urban streets, storm water and footpaths.



Cr. Ian Winks

Cr. Ian Winks was elected to Council in March 2008. Cr. Winks is responsible for the portfolios of stock routes and commons, animal pests control, plant pest control, great artesian basin, show grounds and Shire roads and bridges.



Cr. Robyn Fuhrmeister

Cr. Robyn Fuhrmeister was elected to Council in March 1991 and is currently serving her sixth term. Cr. Fuhrmeister is responsible for the portfolios of tourism, parks and gardens, community development, skill centre, staff negotiation table, Care Balonne, community safety, public health, public transport, WORK, cultural development, museums, libraries, regional arts development fund and cultural and community events.



COUNCILLOR REMUNERATION

The following pages detail the payments received the basis on which Councillors are paid for performing the role of Councillor. Copies of the relevant polices including reimbursement of expenses are included.

Councillor	Monthly Council Meetings*	Total Fees Paid#
Cr. D.S. Stewart (Mayor)	10	\$71,684.96
Cr. R. Marsh (Deputy Mayor)	10	\$41,319.96
Cr. R. Fuhrmeister	11	\$28,899.94
Cr. A. Sevil	10	\$30,609.94
Cr. I. Winks	11	\$30,129.94

* January 2011 General Meeting cancelled due to flood event.

Fees include base remuneration and meeting fees for other meetings attended as a representative of Council. Remuneration covers 2010/11 financial year as opposed to calendar year limits determined by the tribunal.

Local Government Remuneration and Discipline Tribunal

The Tribunal is an independent body responsible for deciding categories of local government and the remuneration to be paid to mayors, deputy mayors and councillors - according to the categories.

The Local Government Remuneration and Discipline Tribunal also establishes processes for dealing with allegations and makes determinations regarding councillors' conduct that is not in accordance with the principles and obligations set out in the Act.

A report on the tribunal's remuneration determinations is made to the Minister responsible for local government by 1 December annually. The most recent report regarding remuneration for local government councillors was published by the Local Government Remuneration Tribunal in December 2010.

Each Local Government then must adopt a remuneration schedule for Councillors in accordance with the tribunal's determination.

Balonne Shire Council adopted the following Remuneration Package on 17 December 2010.



Balonne Shire Council Remuneration Package for Councillors 2011

Adopted 17th December 2010

1. PURPOSE OF THE REMUNERATION PACKAGE

This remuneration package is to fix the basis for payment to the Mayor, Deputy Mayor and Councillors for services rendered in carrying out their statutory duties.

The remuneration does not include the reimbursement of expenses or the provision of facilities as these are dealt with under the expenses reimbursement policy to be adopted by local governments.

2. PRINCIPLES ON WHICH REMUNERATION PACKAGE IS TO BE BASED

Remuneration must fall within the range determined by the Local Government Remuneration and Discipline Tribunal (The Tribunal). If there is inconsistency between the determination of the Remuneration Tribunal and this document, the determination of the Tribunal will prevail.

Remuneration includes any fees or allowances paid to the mayor and councillor by a Council and is intended to provide compensation for the time and effort councillors spend on council business.

Remuneration shall be calculated on a base rate of remuneration complemented by additional payments reflecting an individual councillor's involvement in council affairs including attendance at council meetings, committee meetings, meetings concerning the local government and community matters, deputations, inspections, and training and educational seminars and conferences which further the councillor's knowledge of local government affairs and requirements. Total remuneration shall not exceed the maximum set by the Tribunal.

A listing of fees/allowances paid to each councillor is published in the Council's Annual Report.

3. LEVEL OF REMUNERATION

3.1 Mayoral Remuneration

- (a) The annual base rate payable to the Mayor shall be \$63,560.
- (b) Meeting Fees are to be paid in addition to the base rate.
- (c) Total Remuneration shall not exceed \$73,590.

3.2 Deputy Mayoral Remuneration

- (a) The annual base rate payable to the Deputy Mayor shall be \$30,110.
- (b) Meeting Fees are to be paid in addition to the base rate.
- (c) Total Remuneration shall not exceed \$40,140.

This allowance provides for Acting Mayoral duties, as required in the absence of the Mayor.



3.3 Councillor Remuneration

- (a) The annual base rate payable to each Councillor shall be \$23,420.
- (b) Meeting Fees are to be paid in addition to the base rate.
- (c) Total Remuneration shall not exceed \$33,450.

3.4 Daily Meeting Fees

Daily Meeting Fees will be paid for attendance of a meeting or meetings as follows:-

- (a) Council General Meetings, Council Standing Committee Meetings, Council Special Meetings; Council Authorised Conferences; Council Authorised Deputations, Council Authorised Delegations and Inspections, Council Advisory Committee Meetings and Council Authorised Community Committee Meetings.
- (b) Meeting Fees will not be paid where an Elected Member is already paid a meeting fee/allowance by the Statutory Bodies or Community Committee upon which the Elected Member directly represents Council.
- (c) Meeting fees payable are:-

Councillor and Mayor Meeting Fees (per day)		
Where the meetings, inclusive of travel time, are:-		
greater than 4 hours duration	less than 4 hours but greater than 2 hours duration	less than 2 hours duration
<i>(100%)</i>	<i>(60%)</i>	<i>(40%)</i>
\$250	\$140	\$70

3.5 Superannuation

No superannuation payments will be made to Councillors that are additional to remuneration detailed in this Policy. Councillors may enter into an agreement with Council to salary sacrifice remuneration due under this Policy. Such agreements must comply with the Local Government Act 2009 and subordinate regulations.

3.6 Method of Payment

Payment of the Mayoral, Deputy Mayoral, and Councillor allowances and any meeting fees shall be made monthly in arrears by direct deposit to a bank account of the Councillor's nomination.

3.7 Date and Period of Effect

The remuneration package as listed above will be for the period 1st January, 2011, until 31st December, 2011.

COUNCILLOR EXPENSES REIMBURSEMENT

The reimbursement of expenses incurred by a Councillor in performing their role is governed by Council's Expenses Reimbursement Policy.

Councillor Expenses Reimbursement Policy Adopted 18th February 2011

Authority: Section 45 of the *Local Government (Operations) Regulation 2010*

1. POLICY STATEMENT

To provide guidance for reimbursement of reasonable expenses incurred by Councillors in discharging their duties and responsibilities.

2. PRINCIPLES

This policy ensures that the Council's reimbursement of expenses incurred by Councillors is consistent with the local government principles and financial sustainability criteria as defined in the *Local Government Act 2009*.

Councillors should not be financially disadvantaged when carrying out their roles, and should be fairly and reasonably compensated in accordance with statutory requirements and community expectations.

Councillors should not receive a private benefit through their role as a Councillor and as such this policy provides for actual reimbursement of legitimate expenses and full disclosure through appropriate accountability requirements.

3. SCOPE

This policy applies to all Councillors for the reimbursement of expenses incurred, or to be incurred, by them in undertaking their responsibilities.

This policy does not provide for salaries or other forms of Councillor Remuneration. Councillor Remuneration is determined annually by the Local Government Remuneration Tribunal.

4. DEFINITIONS

Council business – means the official business of a Councillor as generally described in Chapter 2, Part 1 of the *Local Government Act 2009*. Council business should result in a benefit being achieved either for the local government and/or the local government area.

****** *Participating in a community group event or being a representative on a board not associated with Council is not regarded as Council business.*



Entertainment and hospitality – means the cost to Council of providing entertainment or hospitality as outlined in Council’s Entertainment and Hospitality Expenditure Policy.

Professional development – includes study tours, attendance at industry workshops, courses, seminars and conferences that improves Councillors’ skills and knowledge relevant to their responsibilities as Councillor.

Training – any facilitated learning activity which is considered by Council to be a requirement for Councillors to discharge their duties and responsibilities as Councillors.

5. POLICY

The Council will reimburse Councillors for expenses as set out in this policy. Any expenses not provided for by this policy may be reimbursed only with approval from the Chief Executive Officer.

When considering an application for approval of any matter related to this policy, the Council or the Chief Executive Officer must have regard to any relevant principles as contained in the *Local Government Act 2009* and any applicable budget allocation.

5.1 Council business

The Council will reimburse expenses incurred in undertaking Council business which includes:

- Preparing, attending and participating in Council meetings, committee meetings, workshops, strategic briefings, deputations and inspections;
- Attending civic functions or civic events to perform official duties or as an official Council representative;
- Attending public/community meetings, presentation dinners and annual general meetings as an official Council representative;

5.2 Professional development

The Council will reimburse expenses incurred for Council-approved professional development incurred for:

- mandatory professional development; and
- discretionary professional development deemed beneficial for the Councillor’s role.

5.2.1 Travel Expenses

The Council will reimburse local, interstate and overseas travel expenses (e.g. flights, car, accommodation, meals) deemed necessary for undertaking Council business and approved professional development.

Councillors are to travel via the most direct route, using the most economical and efficient mode of transport. The amount of the reimbursement will be the actual amount expended by the Councillor.

NOTE: Any fines incurred while travelling in Council-owned vehicles, privately owned vehicles or rental vehicles when attending to Council business will be the responsibility of the Councillor incurring the fine.



5.2.2 Flight bookings

All Councillor travel approved by Council will be booked and paid for by Council. Economy class is to be used where possible although Council may approve business class in certain circumstances.

Airline tickets are not transferable and can only be procured for the Councillor's travel on Council business. They cannot be used to offset other unapproved expenses (e.g. cost of partner accompanying the Councillor).

5.2.3 Travel transfer costs

Any travel transfer expenses associated with Councillors travelling for approved business will be reimbursed on production of original receipts.

Example: trains, taxis, buses and ferry fares

Cab charge vouchers may also be used if approved by Council where Councillors are required to undertake duties relating to the business of Council.

5.2.4 Private vehicle usage

Councillor's private vehicle usage may be reimbursed by Council if the:

- Travel is in accordance with this policy
- Claim for mileage is substantiated with log book details
- Total travel claim does not exceed the cost of the same travel using economy flights plus the cost of taxi transfers.

Payment for use of the Councillor's private vehicle on Council business will be reimbursed to the Councillor on a kilometre rate as set out in *Public Service Act 2008* for motor vehicle allowances payable to public service employees (Currently Directive 14/10 September 2010 - Motor Vehicle Allowance)

5.2.5 Accommodation

All Councillor accommodation for Council business will be booked and paid for by Council.

Where particular accommodation is recommended by conference organisers, Council will take advantage of the package deal that is the most economical and convenient to the event.

5.2.6 Meals

Councillors will be reimbursed for the actual cost of meals when:

- the Councillor incurs the cost personally;
- the meal was not provided within the registration costs of the approved activity/event/travel;
- and
- the Councillor can produce original documents sufficient to verify the actual meal cost.

The actual and reasonable costs allowed for meals are not to exceed the Public Service Domestic Travelling and Relieving Expenses Directive No 15-10 September 2010 equal to the allowance for overnight stay in Brisbane (or as updated).

http://www.justice.qld.gov.au/_data/assets/pdf_file/0006/60693/Domestic-Travelling-and-Relieving-Expenses-15-10.pdf



Meal allowances shall be to the value below, however, the CEO may approve payment beyond these amounts in circumstances considered appropriate.

(Current 1st September 2010)

- ◆ Breakfast \$23.10
- ◆ Lunch \$25.90
- ◆ Dinner \$44.50

If a Councillor cannot produce a receipt for a meal they have purchased then a statutory declaration must be completed to claim the reimbursement.

No alcohol will be paid for by Council.

5.2.7 Incidental expenses

Up to \$20 per day may be paid to cover any incidental costs incurred by Councillors required to travel, and who are away from home overnight, for official Council business.

5.3 Provision of facilities

All facilities provided to Councillors remain the property of Council and must be returned to Council when a Councillor's term expires.

5.4 Administrative tools

Administrative tools shall be provided to Councillors as required to assist Councillors in their role.

Administrative tools include:

- ◆ office space and meeting rooms
- ◆ computers
- ◆ mobile phones / reimbursement of call costs
- ◆ stationery
- ◆ access to photocopiers
- ◆ printers
- ◆ facsimile machines
- ◆ publications
- ◆ use of Council landline telephones and internet access in Council offices.

Secretarial support may also be provided for the Mayor and Councillors.

Council may provide a Councillor with home office equipment including computer, internet access if necessary.

5.5 Maintenance costs of Council owned equipment

Council will be responsible for the ongoing maintenance and reasonable wear and tear costs of Council-owned equipment that is supplied to Councillors for official business use.

This includes the replacement of any facilities which fall under Council's asset replacement program.



5.6 Name Badge/Safety equipment for Councillors

A local government may provide Councillors with:

- a name badge
- the necessary safety equipment for use on official business. e.g.: safety helmet/boots.

5.7 Use of Council vehicles on Council business

Councillors may have access to a Council vehicle for official business.

5.8 Insurance Cover

Council will indemnify or insure Councillors in event of injury sustained while discharging their civic duties.

Council will pay the excess for injury claims made by a Councillor resulting from conducting official Council business.

5.9 Fuel Costs

Fuel for a Council-owned vehicle used for official Council business, will be provided or paid for by Council.

5.10 Car Parking Amenities

Councils are to provide Councillors with reimbursement of parking costs paid by Councillors while attending to official Council business.

NOTE: Any fines incurred while travelling in Council-owned vehicles, privately owned vehicles or rental vehicles when attending to Council business will be the responsibility of the Councillor incurring the fine.

Executive Staff

Chief Executive Officer

Scott Norman (Bachelor of Business (Accounting), CPA, MLGMA, MLGAA) commenced employment with the Balonne Shire Council in 2005 as Deputy Chief Executive Officer/Director of Corporate and Community Services. He was appointed as Chief Executive Officer in September, 2008.

A review of Council's Executive was undertaken during the year with a new Management team established to provide support to Council's Chief Executive Officer and oversee the different functional areas of Council.

Director of Technical Services

Paolo Turri commenced with Council as the Director of Technical Services in August, 2008. He has an Associate Diploma in Engineering (Surveying and Mapping) and Certificate IV in Business (Frntlne.Man). Paul is responsible for transport, urban water supply and waste water, drainage infrastructure, parks, gardens and recreational facilities, commercial services and public amenities.

Manager of Finance and Administration

Peter O'May joined Council's Executive Management Team in February 2011 bringing considerable local government experience to this position having held various positions with Maryborough City Council, Wondai Shire Council and recently as Chief Executive Officer of Boulia Shire Council. Peter is responsible for governance, administration, finance and information technology.

Director of Health, Planning and Environment

John Carleton commenced employment with Council in 2009 as Director of Corporate and Community Services. He has a Master of Science and a Bachelor of Science. With long time Director Steve Mizen commencing long service leave in December 2009, John has moved to the position of Director of Health, Planning and Environment. John is responsible for planning, public and environmental health, building, housing, disaster management, council facilities, WORK program and waste management.

Manager of Economic and Community Development

Marlyn McInerney joined Council's Executive Management team in January 2011. No stranger to Balonne Shire Marlyn was employed on a short term contract in 2010 to complete an economic development plan for Council.

Marlyn is responsible for economic and community development and the management of Council's libraries and tourism & visitor services.



Senior Contract Employee Remuneration

In accordance with Section 210 of the *Local Government Act 2009* details of senior contract employees remuneration packages are to be detailed within the Annual Report.

A **senior contract employee** is—

- (a) the chief executive officer; or
- (b) any other local government employee who is employed—
 - (i) on a contractual basis; and
 - (ii) in a position that reports directly to the chief executive officer.

Senior Contract Employee Remuneration

Remuneration Package Range	Employees
\$75,000 - \$99,999	1
\$100,000 - \$124,999	2
\$125,000 - \$149,999	1
\$150,000 - \$174,999	1



Our People

It is only through our staff that Balonne Shire Council is able to achieve our corporate objectives and enhance services to the community. Our employees are our most valuable asset and they are a major factor in contributing to a positive public image. Council's vision "For the People" is a commitment to staff wellbeing, encouraging personal and professional growth and development, and the creation of a safe and healthy work environment built on mutual trust, respect and integrity.

Recruitment

The recruitment and selection of quality staff is conducted within established policies and procedures, which continue to provide equal opportunity for all persons to obtain employment, career development or promotion, in a clear and transparent manner. Where possible Council seeks to up skill current employees and foster local talent to reduce the impact of staff turnover.

Equal Employment Opportunity

Balonne Shire Council is committed to the implementation of, and adherence to equal employment opportunity principles in all facets of its operations. All employees and applications for employment will be treated fairly in the selection and promotion decisions and shall be made on the basis of only factors relevant to the job such as skills, qualifications, abilities and aptitude.

Staff Age Profile

The age demographic of the Council workforce ranges from 15 to 65 plus years and in accordance with equal employment opportunity principles Council does not discriminate on the basis of age.

Gender Profile

Council's gender profile at 30 June 2011 was 64% male as compared to 36% female. Of the 64% males employed, these were employed on a full-time basis whilst approximately 21% of females were employed on a part-time basis and approximately 15% were employed on a full-time basis.

Workplace Behaviour, Performance and Improvement Counselling:

To ensure that employees are aware of, and adhere to the expected standards of workplace behaviour and performance, a Code of Conduct has been prepared, and is promoted through Councils' General Induction Program.

The expectations contained within the Code of Conduct are based upon the ethical principles outlined in the Public Sector Ethics Act 1994, specifically:

- Respect for the Law and the system of Government
- Respect for persons
- Integrity
- Diligence
- Economy and efficiency

All staff members are provided with a copy of the Code of Conduct within their Induction Manual, and copies are also available upon request.



Training and Professional Development:

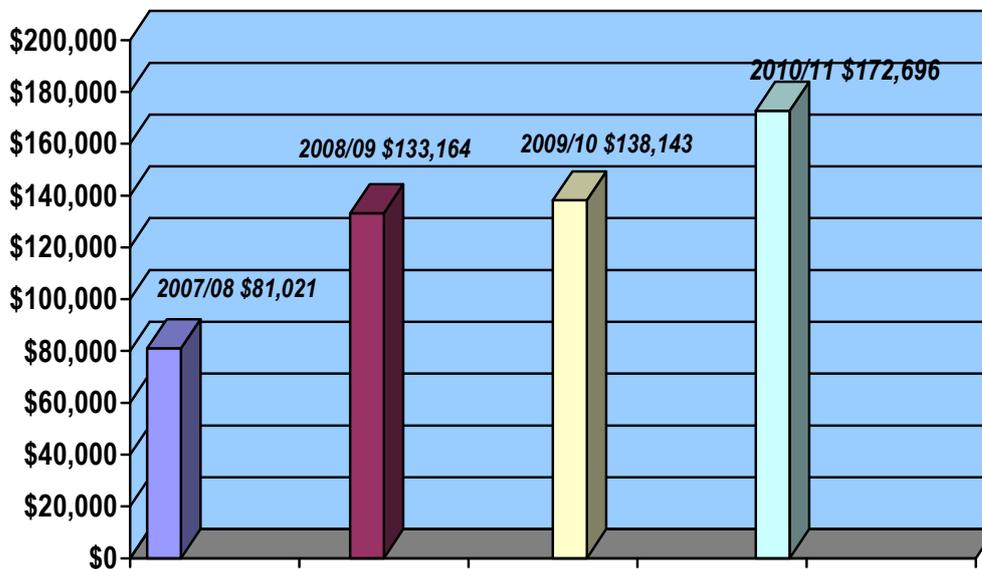
Council strives to enhance the skills and capabilities of its employees, in order to develop effective, efficient and multi-skilled teams.

For an organisation to perform effectively, emphasis must be placed on the training and development of our staff. In line with training guidelines Council is committed to:

- Providing fair and equal access for all employees in relation to training and professional development opportunities;
- Enhancing the productivity and performance of its employees;
- Ensuring employees are kept abreast with advancements, technological, professional and/or ideological, in their respective fields of expertise;
- Linking Staff development and appraisals with the identification of training needs to ensure that Council's strategic and operational direction and initiatives are achieved;
- Ensuring that training dollars are distributed fairly and equitably throughout the organisation;
- Providing opportunities for employees to develop career paths.

Balonne Shire Council actively encourages its employees to undertake study to enhance their knowledge and skills. As part of the training guidelines Council contributes to the financial cost of approved courses.

Staff Training & Development Expenditure



Statutory Reporting

The *Local Government Act 2009* and *Local Government (Finance, Plans and Reporting) Regulation 2010* require a Local Government to publish information on a number of areas within its Annual Report.

The following information is provided in accordance with these requirements.

SPECIAL RATES AND CHARGES

Thallon Town Rural Fire Brigade Special Charge

For the 2010/11 year a special charge was levied on those rateable properties contained in the benefited area in the town of Thallon. This was for the purpose of raising revenue to fund the operation of the Thallon Town Rural Fire Brigade. Funds collected are for the purpose of the ongoing operation and maintenance of the Thallon Rural Fire Brigade. During the year \$6941.20 was levied.

REBATES AND CONCESSIONS

Remission for Occupancy/Ownership by Pensioners

Council provides a Remission of Rates for properties owned or occupied by Pensioners, equal to 100% of the General Rate up to a maximum of \$150 per annum, to owners of qualifying premises. This subsidy was in addition to the subsidy offered by the State Government.

Payment of Rates by Instalments

The Council will accept applications for payment of rates by instalments from property owners who can demonstrate a genuine financial hardship. The Council has determined that each such application is to be assessed on its merits. All instalment plans must have the effect of liquidating the debt by no later than the end of the current financial year unless Council, by resolution, determines otherwise.

No premium is charged for the payment of rates by instalments under such arrangements; however Interest continues to be charged on overdue rates which are subject to an instalment payment plan.

Other Remissions

Other remission requests, or rate deferral requests, are assessed on a case-by-case basis.

Discount for Prompt Payment

Council allows a discount for prompt payment of rates / charges as a means to ensuring a timely flow of cash to fund its operations. Council set by resolution at its Budget Meeting a discount of 10%, with the date by which, the rate must be paid at least 30 days after the issue of the rate notice. Council provides the discount for each rate moiety. The discount applies to the prompt payment of:-

- General Rates;
- Urban Water Charges incl. Excess Water Charges;
- Rural Residential Water Charges incl. Excess Water Charges;
- Sewerage Charges;
- Cleansing Charges; and
- Thallon Town Rural Fire Brigade Special Charge.



TENDERS

Expression of Interest Prior to Tenders Being Called

No expressions of interest were called prior to inviting tenders (refer Section 177(3) & Section 177(5) of the *Local Government (Finance, Plans and Reporting) Regulation 2010*).

Changes to Tenders

No tenderers were invited to change their tender to take account of any changes to tender specifications. (refer Section 177(7) of the *Local Government (Finance, Plans and Reporting) Regulation 2010*).

SUMMARY OF EXPENDITURE FOR PARTICULAR ITEMS

The following summary of expenditure is provided in accordance with Section 117 of the *Local Government (Finance, Plans and Reporting) Regulation 2010*

Grants to Community Organisations	Amount
Regional Development Arts Funds Contributions	\$ 21,440
Community Grants	\$ 7,987
Free or Concessional Use of Council Facilities	\$ 5,240
Total Contributions to Community Organisations	\$ 34,667

OVERSEAS TRAVEL

No Councillors or employees of Council undertook any overseas travel for the financial year 2010/11 (refer Section 116 of the *Local Government (Finance, Plans and Reporting) Regulation 2010*)

COUNCILLOR CONDUCT

In accordance with the *Local Government Act 2009* Councillors are required to maintain appropriate standards of conduct and performance. Details of complaints and orders made under the *Local Government Act 2009* must be reported in Council's Annual Report.

No complaints were made with respect to the conduct or performance of Councillors during the year.



REGISTERS

In accordance with Section 119 (1) (e) of the *Local Government (Finance, Plans and Reporting) Regulation 2010* the following table lists the registers and other publications that are kept under the control of the Chief Executive Officer. These are open to inspection, with or without restriction where indicated in the table. In some cases, charges may apply for copies or extracts if these are allowable.

Register / Document	Purpose	Access
Land Record	To record details of every parcel of rateable land in the Shire	Available to any person – fees and restrictions may apply
Fees and Charges	To record the charges set by Council	Available to any person
Road Register	To show details of roads in the Shire Available to any person	Available to any person
Local Law Policies	To record all Local Law Policies adopted by Council	Available to any person
Shire Planning Scheme	To appropriately manage development within the Balonne Shire Council area.	Available to any person
Minutes of Council Meetings	To record all the resolutions made by the Council at Ordinary or Special Meetings	Available to any person after the meeting. Also available on Council's website
Delegations by Council	To record the delegation of power from Council (e.g. To Chief Executive Officer)	Available to any person
Delegations by Chief Executive Officer	To record the delegation of power from the Chief Executive Officer to another Officer.	As permitted by law
Policy Register	To document the policies of Council	Available to any person
Corporate Plan	To document the goals, strategies and performance indicators set by the Council for the five year period 2009-2014	Available to any person
Annual Operational Plan	To document the strategies and activities set by the Council for the year	Available to any person
Budget	To record the proposed expenditures and revenues required to implement the Council's strategies and goals this year	Available to any person
Annual Report	To document the financial position and the performance of the Corporate and Operational Plans for the year, as well as other accountabilities both mandatory and discretionary	Available to any person
Personal Interest of Councillors	To record certain financial and other personal interests of Councillors	Available to any person upon written application to the Chief Executive Officer. Relevant Councillor/s must be informed of the application
Personal Interests of Councillors' Related Persons	To record certain financial and other personal interests of specified persons related to Councillors	Restricted to Councillors of Balonne Shire Council and persons permitted by law or their agents
Personal Interest of the Chief Executive Officer and other specified employees	To record certain financial and other personal interests of the Chief Executive Officer and certain other employees	Available only to Councillors, the Chief Executive Officer or a person permitted by law or their agent



LAND AND RESERVES

Balonne Shire Council is responsible for the following land under infrastructure:-

2,377 km of roads (*a further 639.58 km of Main Roads are within the Shire*)

14,040.66 hectares of reserve land that are reserves under the *Land Act 1994*

This land does not have a value within Council's financial statements.

Council Managed Reserves

Camping and Water Reserve	10,259.72
Cemetery Reserve	9.54
Crossing Reserve	121.40
Gravel Reserve	8.09
Pasturage Reserve	660.05
Pound Reserve	102.21
Public Purposes Reserve	291.80
Recreation Reserve	0.23
Reserve for Local Government (Refuse Disposal) Purposes	22.30
Reserve for Local Government (Noxious Waste Disposal)	2.33
Reserve for Local Government (Sewerage) Purposes	0.12
Reserve for Museum	.20
Reserve for Park	6.43
Reserve for Recreation	1.13
Pasturage Reserve	239.00
Pound Reserve	8.11
Reserve for Recreation	32.02
Reserve for Scenic Purpose	12.10
Reserve for Scientific Purposes	0.02
Reserve for Water	13.00
Sanitary Depot Reserve	2.02
Sanitary Reserve	18.31
Town Reserve	593.81
Town Reserve (Extension) Reserve for Township	1601.00
Water Reserve	35.62
Water Supply Reserve	0.12
Total	14,040.66 hectares



Performance Report

Programme: - 0100 Corporate Governance

Goal: To provide effective organisational leadership through strategic planning, accountability and ethical standards of practice

Strategies: 0100-1 Provide sound corporate governance practices

<i>Activity</i>	<i>Outcomes</i>	<i>Performance</i>
Development of Annual Report	Compliance with statutory requirements and informed community	The Annual Report including audited financial statements was due to be adopted by 30 November 2011, however due to delays in receiving Council's audited financial statements from the external auditors, the Annual Report will be adopted in January 2012
Maintain a Workplace Health and Safety Plan to provide a structural methodology to conduct all workplace health and safety matters	Safe Work Environment	Council's Workplace Health & Safety Management System Safe Plan 2 was maintained with ongoing audits completed
Undertake an organisational review	Organisation needs defined	A management restructure was completed to align functional roles with Senior Management positions A full Organisational review is scheduled for 2011/12
Review Committee Structure/Terms of Reference	Effective meeting structure	Committee representation was considered however given the upcoming election, committee structures / representations will be determined following the March 2012 election
Maintain a local law register	Governance - Compliance refer S31 LGA 2009 s16 ops reg	A Local Laws Register has been maintained. A review of all Local Laws is scheduled for 2011/12
Guidelines for Councillors asking advice of employees	Governance - refer S170(4) LGS2009	Guideline still under development
Register of Mayor's direction to the CEO	Governance - Compliance ref s13(3) LGA 2009	Register established. No entries. To be reported on monthly / as required basis
Record of declaration MPI (Material Personal Interest)	Governance - Compliance ref s172(4) LGA 2009 - MPI noted in minutes and website	Declarations noted within Council meeting minutes and on Council's website
Record of written complaints about Councillors	Governance - Compliance ref s172(4) LGA 2009 - Record of complaints and outcomes established	Report contained within the Annual Report
Local law making process	Ref s29LGA2009 - Formulate BSC process for making Local Laws	Under development. To be completed in 2011/12



Finance and infrastructure on Website	Ref 102(1)(c) LGA09 - timely and accurate information	Council's Budget and Annual Report and other related information / documents are posted on Council's website
Asset management annual return	Governance - Compliance Department of Infrastructure & Planning	The Annual Return was submitted as required
Community engagement annual return	Governance - Compliance Department of Infrastructure & Planning	The Annual Return was submitted as required
Governance annual return	Governance - Compliance Department of Infrastructure & Planning	The Annual Return was submitted as required
Financial management annual return	Governance - Compliance Department of Infrastructure & Planning	The Annual Return was submitted as required
Right to Information Act implementation	Compliance with the Right to information Act	Actions completed as required
Type 2 Water Authority migration	Webb Weller report - participate in process to migrate abolished entities to alternate structures	
Councillor Conduct	Develop Councillor Conduct Procedures	Councillor conduct maintained in accordance with <i>Local Government Act 2009</i> requirements
Investigate the Re-alignment of Shire Boundaries - Maranoa and Goondiwindi Regional Council	That smaller communities that feel a part of the Balonne Shire become official members of the shire.	Community consultation undertaken with residents in affected areas not supporting any changes, therefore no further action taken
Realign DCDBS by DERM so that Council has reliable mapping data not only for Rates, but for emergency services and other planning issues	That the data Council has is a true reflection of reality	Council raised this issue at the Local Government Association of Qld (LGAQ) Annual State Conference for the LGAQ to lobby further

Strategies: 0100-2 Representation by elected representatives on regional bodies

<i>Activity</i>	<i>Outcomes</i>	<i>Performance</i>
Maintain Council representation on relevant government and Council regional bodies	Effective representation of Balonne Shire	Council representation on regional bodies such as the South West Local Government Association, Murray Darling Basin, Regional Planning maintained

Strategies: 0100-3 Develop annual operating plans and review quarterly to monitor progress

<i>Activity</i>	<i>Outcomes</i>	<i>Performance</i>
Report on progress towards meeting corporate plan objectives	Achievement of Corporate Goals	Quarterly reports on progress were presented to Council
Development of Annual Operating Plan	Plan developed to implement corporate objectives	The 2011/12 Operational Plan was adopted in preparation of the 2011/12 budget

Strategies: 0100-4 Develop, review, enhance and simplify business policies and processes

<i>Activity</i>	<i>Outcomes</i>	<i>Performance</i>
Review of Organisational Policies and Procedures	Policies updated	Statutory Policies updated as required. Ongoing review of operational policies and procedures scheduled for 2011/12

Strategies: 0100-5 Provide leadership that promotes community views and interests

<i>Activity</i>	<i>Outcomes</i>	<i>Performance</i>
Seek community & stake holder views in line with community consultation policy	Enhanced decision making & policies	Community consultation was undertaken on various activities throughout the year

Strategies: 0100-6 Develop effective regional partnerships and alliances to optimise influence in the region and participate in regional planning

<i>Activity</i>	<i>Outcomes</i>	<i>Performance</i>
Participate in regional planning process	Effective partnerships and alliances	Membership maintained with regional planning meetings attended as scheduled.

Strategies: 0100-7 Adopt a risk management approach to Council operations and programs

<i>Activity</i>	<i>Outcomes</i>	<i>Performance</i>
		Project deferred to 2011/12

Strategies: 0100-8 Maintain an effective Council image, communications and public relations between Council and the community in an ethical manner

<i>Activity</i>	<i>Outcomes</i>	<i>Performance</i>
Implementation of Community Consultation Protocols	Informing, involvement and consultation of community in matters that affect them	Ongoing - Community consultation was undertaken on various activities throughout the year. E.g. Economic Development, Skate Parks St George & Dirranbandi, Showgrounds, Hebel Hall
Ensure professional presentation of documents	Positive image	Ongoing – Corporate image maintained in all documentation
Review Community Engagement Policy	s113 FP&R Reg confirm existing policy is compliant - effective community engagement	Policy reviewed for presentation to July 2011 Council meeting

Strategies: 0100-9 Lobby other spheres of government on behalf of Balonne Shire communities with regard to the provision of services in the shire

<i>Activity</i>	<i>Outcomes</i>	<i>Performance</i>
Create opportunities in response to demand to lobby other tiers of government on behalf of Balonne with regard to the provision of services in the shire	Recognition of Shire needs / Effective representation as required	Representation maintained with issues lobbied including the Murray Darling Basin Plan, Flood mapping, Disaster recovery funding and the submission of various funding applications

Strategies: 0100-10 Develop and maintain a comprehensive integrated Asset Management Strategy/Plans for all of Council's infrastructure

Activity	Outcomes	Performance
Develop and implement Asset Management Strategy/Plans	Infrastructure maintained to appropriate standards	Technical Officer employed with a Draft Asset management plan drafted.

Strategies: 0100-11 Maximise opportunities through external funding sources for the benefit of the Balonne Shire

Activity	Outcomes	Performance
Investigate opportunities for grants and subsidies for Council projects	Enhanced community infrastructure and community services	Various funding applications submitted. \$234,900 received in grant funding for various projects. \$1.7 million was also received in State and commonwealth funding for capital road works
Seek funding for the construction of a Skate Park	Funding received	Funding of \$108,000 was received from Federal and State Governments to assist in funding the Skate Parks in St George and Dirranbandi

Programme: - 0200 Corporate Services

Goal: To enhance the capability and performance of Balonne Shire and ensure resources are directed to achieve organisational objectives

Strategies: 0200-1 Maintain corporate functions to support and increase the effectiveness of operations

Activity	Outcomes	Performance
Develop and implement a Strategic Records Management Plan	Compliance with statutory requirements and enhanced record keeping	Project deferred to 2011/12
Develop and implement an Annual Records Operating Plan	Compliance with statutory requirements and enhanced record keeping	Project deferred to 2011/12
Review of records storage and rationalisation	Effective and efficient recordkeeping system	Project commenced continuing into 2011/12 year
Update of Accounting Manual	Compliance and documented procedures	Purchasing delegation updated as required. Complete manual review still to be undertaken
Record Management Software Upgrade	Effective document management and workflow	Software identified and installed with training on new TRIM software commencing
Provide support to Technical Services through an efficient and effective stores operation	Minimise waiting times for work crews for supplies	Annual Stock-take undertaken. Store items supplied in a timely manner
Ensure that Council's archive of records are fire, rodent and weather proof. Also have secure access	All archive records will be in the one secure location	New record storage containers in place with records being transferred progressively

Digitisation of Council Records (Planning, Town Maps ,and old historical records)	Officers will be able to access this information in a timely manner	Project commenced continuing into 2011/12 year
Proper storage and record of old Maps and other records	Maps and Historical records don't deteriorate and are able to be found	Project commenced with the digitising of maps and storage of maps in secure tubes. Project will continue in the 2011/12 year

Strategies: 0200-2 Provide an efficient and effective customer service to all internal and external customers within resource limitations and community expectations

Activity		Performance
Hire of Facilities Processes	Effective Systems for Hire of Facilities	Online information & forms available
Review Request for Action Process - automate it	Compliant effective customer request system	Project deferred to 2011/12

Strategies: 0200-3 Ensure long term viability of the shire and provide accountability in financial management

Activity		Performance
Review Borrowing Policy	Infrastructure development through planned borrowings	Policy reviewed and adopted in June 2011 in preparation of 2011/12 budget
Maintain a long term Borrowing Model to determine borrowing limits and assess capital expenditure proposals development through planned borrowings	Council has adequate funds to manage its Asset Management Plan and sufficient funds to manage Council's operation	Council maintains a limit for interest and redemption payments of 20% of rate revenue for borrowings.
Maintain a performance standard for annual interest and redemption expenses	Interest and Redemption does not exceed 30% of annual net General Rates and Utility Charges revenue for each program	Policy reviewed and adopted in June 2011 in preparation of 2011/12 budget
Investment Policy review for compliance	Maximise returns within the terms of the policy	Policy reviewed and adopted in June 2011 in preparation of 2011/12 budget
Maintain a Cash Management Procedure to meet commitments as they fall due	Maximise funds available	An at call cash reserve fund with a higher interest rate was established and linked to Council's operating account for funds required in the short term.
Develop and maintain sound budgeting processes and prudent methodology to meet future requirements	Balanced Surplus/Operational Budget & fully funded Capital Works	A massive surplus resulting from the receipt of flood restoration funds in advance was recorded. The budget would have been in surplus without the flood restoration funds
Completion of Annual Financial Statements	Compliance with statutory requirements accountability to the community	Statements completed with unqualified audit opinion
Develop long term financial plan	10 Year plan refer S104 LGA 2009 S89-90 FP&R	10 year forecasts completed
Prepare Financial Forecast	Annual 10 year forecast in line with long term financial plan S104 LGA 2009 S80 FP&R Reg	2011/12 budget supported by 10 year forecast

Develop Asset Management Plan	10 Year plan refer S104 LGA 2009 S91-92 FP&R	Works continued on the development of Asset Management Plans with the draft Asset Management Plan to be adopted by Council in September 2011.
Financial Management Documents submitted AG	Governance - Compliance refer S128 FP&R Reg	Financial Management Documents submitted 15 September 2010
Establish an Internal Audit Function	Governance - Compliance refer S105 LGA 2009 Internal Audit function established	Council approved the appointment of an external auditor to provide an internal audit function for Council.
Internal Audit Plan	Governance - Compliance refer S130 (4) FP&R Reg Internal audit Plan Adopted	The Internal Audit Plan is yet to be completed. Expected in 2011/12
Report on internal audit	Report delivered twice a year	Report to be completed following development of Internal Audit Plan in 2011/12
Development of a better cost allocation system - On-cost	Improved on-costs system	On-cost system reviewed with further development required to be completed in 2011/12

Strategies: 0200-4 Maintain an equitable and effective system of revenue raising and collection

Activity	Outcomes	Performance
Review Revenue Policy/Revenue Statement	Revenue raising principles articulated	Policy reviewed and adopted in June 2011 in preparation of 2011/12 budget
Rating Model	Equitable rating model post ROP - SBC project	An external consultant provided support in the development of a new differential rating system which was adopted for the 2011/12 budget

Strategies: 0200-5 Maintain an equitable and effective system of commercial charges for miscellaneous services

Activity	Outcomes	Performance
Review Regulatory and Commercial Charges	Charging Framework	Fees & Charges were reviewed and adopted in June 2011 in preparation of 2011/12 budget

Strategies: 0200-6 Identify and pursue all relevant funding sources available to help provide services to Balonne Shire communities

Activity	Outcomes	Performance
Capitalise on opportunities for grants and subsidies for Council Projects	Provision of enhanced community infrastructure/services	New Skate Parks in St George and Dirranbandi have been completed with significant external funding utilised to fund these projects



Strategies: 0200-7 Maintain an efficient, committed and appropriately skilled workforce within an open and responsive organisation that supports Council's strategic direction

<i>Activity</i>	<i>Outcomes</i>	<i>Performance</i>
Facilitate staff skills development	Provision of relevant training and enhanced knowledge and skills	Ongoing training is provided to staff as required
Develop Annual Equal Opportunity Plan	Compliance with statutory requirements and employees provided with equal opportunity for development	
State Officers Employee Development	Development and implement State Officers Development program refer EB	An agreement was reached with relevant Unions to rollover the current Enterprise Bargaining agreement for 12 months
Employee Wellness Program	Develop an employee wellness program plan for more effective employees	Program design was not completed
Employee Wellness Program	Implement employee wellness program - dependant on development	No program designed / implemented
Review of salary packaging opportunities and the implications for Fringe Benefit Tax	Review of effective salary package techniques for staff attraction and retention of staff	Initial scoping undertaken – for consideration ion 2011/12

Strategies: 0200-8 Develop an integrated and positive workforce culture to focus on performance and teamwork

<i>Activity</i>	<i>Outcomes</i>	<i>Performance</i>
Maintain a Human Resources Manual	Transparent human resources practices	Commenced - LGAQ has redeveloped their manual which forms the basis of Council's practices
Maintain Staff Development and Appraisal Process	Motivated & empowered staff Job descriptions reviewed and appraisals completed	Ongoing staff appraisal undertaken
Distribution of Staff Newsletter	Enhanced communication within staff environment of Council activities	Workloads resulted in a reduced number of staff newsletters with 2 newsletters distributed

Strategies: 0200-9 Provide appropriate civic and office accommodation and information technology resources to help Council achieve its corporate and administrative objectives

<i>Activity</i>	<i>Outcomes</i>	<i>Performance</i>
Maintenance and enhancement of Council's website	Information resource tool for staff and community/increased awareness of activities and programs	Updated information was maintained on website
Upgrade administration building	Modern contemporary office to meet legislative requirements, needs of staff and community	Ongoing design works were completed for release of tenders in 2011/12
Maintain and upgrade office equipment and information technology infrastructure	Organisational information technology requirements met	Upgrade of infrastructure/Rolling upgrade as required. New servers purchased for introduction of new software in 2011/12
BSC Website development - Resolute	Resolute website upgrade. Faster, easier to navigate website	New website platform utilised for ease of editing and use

Programme: - 0300 Planning, Development and Environmental Health Services

Goal: To implement appropriate planning and building construction controls to ensure and encourage the balanced quality development of the shire and the protection of the environment

Strategies: 0300-1 Effectively control urban animals in the shire and promote responsible animal ownership in accordance with local laws

<i>Activity</i>	<i>Outcomes</i>	<i>Performance</i>
Implement a Public Education program on Local Law requirements	Awareness of Local laws	Ongoing information provided to the community through newspaper advertisements and letterbox drops
Enforcement of Local Law	Compliance with Local Laws and reduced animal nuisances	Complaints followed up as required. House to House inspection program completed to monitor compliance with Local Laws
Review Local Laws	Updated Local Laws	Deferred to 2011/12
St George Pound upgrade	Pound security is upgraded and cats accommodated	Upgrades completed including installation of surveillance cameras
Implementation of the new Cat and Dog Legislation	Compliance with the legislation	Monitoring of compliance undertaken as required

Strategies: 0300-2 Provide cemeteries and cemetery services which meet community needs

<i>Activity</i>	<i>Outcomes</i>	<i>Performance</i>
Implement a cemetery maintenance programme	Well kept cemetery	Cemetery maintained to satisfaction of the community
Maintain accurate records of burials at all Council controlled cemeteries and rural sites	Accessibility of cemetery information	Accurate database maintained
Burials are completed in the most appropriate manner to meet the grieving family's needs but in a way that uses Council's resources efficiently and effectively.	Empathy towards grieving family	Appropriate levels of service were maintained within operations

Strategies: 0300-3 Monitor public conveniences to ensure they are in a clean and tidy condition

<i>Activity</i>	<i>Outcomes</i>	<i>Performance</i>
Implement a programme for the cleaning and maintenance of public conveniences and streets	Clean and tidy facilities	Facilities were maintained at a high standard with feedback received from community acceptable
Develop and continually review a 5 year asset maintenance and capital replacement plan for public conveniences	Forward planning to meet needs	Ongoing planning undertaken
Construct Toilet Bollon Free camp	Dependant on funding - Tourism Minors grant	Funding approved – project to be completed in 2011/12

Strategies: 0300-4 Implement adequate health inspection and education programmes to achieve the standard prescribed by health legislation

Activity	Outcomes	Performance
Digitisation of Health Records	All Health Records are Digitised and organised to enable improved performance	Project 75% completed allowing staff to obtain preserve historical records and retrieve information in a timely manner
Undertake an inspection programme for all food premises fault correction	Safe food premises	Inspections completed to ensure compliance with the Health Act
Inspection of refuse pits and sewerage works Environmental Regulations	Compliance with legislation and well managed facility	Inspections completed and rectification works undertaken as required to ensure compliance with applicable legislation
Annual Licensing and twice yearly inspection of all premises requiring licensing under Council's Local Laws or State Govt Legislation	Safe food premise compliance	Inspections completed to ensure compliance with applicable legislation

Strategies: 0300-5 Promote recycling alternatives

Activity	Outcomes	Performance
Promote recycling through the contract refuse collection of recycling on service and ongoing public education regarding the benefits	Enhanced community awareness and education	Waste disposal / recycling brochure developed and distributed throughout the community

Strategies: 0300-6 Provide efficient, effective and environmentally sensitive refuse collection and/or disposal services

Activity	Outcomes	Performance
Maintain / enhance Refuse Tips within the Shire	Well managed facility	Compliance with environmental requirements
Compliance with environmental legislation	Achievement of legislative compliance	Compliance with environmental requirements
Promote effective use of the contract refuse collection / recycling service	Satisfactory collection/recycling service	Waste disposal / recycling brochure developed and distributed throughout the community
Maintain a refuse collection service in the Towns of Bollon, Thallon, Dirranbandi and St George	Satisfactory collection service	Satisfactory level of service maintained
Maintain a refuse disposal service for the Town of Hebel	Satisfactory disposal service	Compliance with environmental requirements
Review Cleansing Utility Charge options for the forthcoming year	Effective charging scheme	Deferred to 2011/12
Waste facilities upgrade plan	Efficient & effective waste management that is compliant to leg requirements	Planning commenced. Ongoing development required over coming years
Waste facilities upgrade	Efficient & effective waste management that is compliant to leg requirements	Budgeted upgrades completed. Initial operational changes trialled

Trade Waste management Plan	Compliance - EPA	In progress
Strategies: 0300-7 Develop, implement and maintain a corporate environment management system that effectively addresses responsibilities under relevant environmental legislation		
Activity		
Undertake licensing of premises under the Environmental Protection Act	Achievement of legislative requirements/protection of environment	Inspections conducted to maintain compliance with conditions of licence/approval
Implement public education regarding compliance with conditions of environmental licences /approvals	Enhanced community education and awareness	Public acceptance of need for such environmental controls
Maintain and implement an Integrated Environmental activities Management System for Council's environmentally relevant activities	Protection of environment/sustainable development/operations conducted in an environmentally sensitive manner	EPA Licence maintained

Strategies: 0300-8 Facilitate access to community health services

Activity		
Support Community Health Facilities especially in the Smaller Communities - Bollon Bush Nursing Facility and Hebel Medical Facility	Smaller communities have access to health facilities	Bollon Bush nursing facilities maintained at an acceptable standards. Ongoing lobbying for funding to upgrade Hebel Hall
Support the Maranoa Health Enhancement Program	Active contribution to community well being	Representation at meetings & financial support provided

Strategies: 0300-9 Provide planning services to ensure compliance of development applications with the Integrated Planning Act and Council's Shire Planning Scheme

Activity		
Ensure compliance with the Shire Planning Scheme which is now compliant with the SPA	Social, economic and community sustainable development	Compliance with Planning Scheme regulated as required
Implement Priority Infrastructure Plan which is compliant under SPA	Appropriate allocation of resources	Under development to be completed in 2011/12
Review of Shire Planning Scheme	Compliant plan that meets development opportunities	Under development to be completed in 2011/12

Strategies: 0300-10 Provide effective disaster and emergency planning and response services in conjunction with the community and emergency service organisations

Activity		
Maintain Disaster Management Plan	Responsive and ready plan to facilitate disasters	Plan updated to reflect the new legislation with plan development an ongoing process
Provide technical, operational and training support to the State Emergency Service Groups	Responsive and skilled SES team	Members trained with operational readiness maintained
Update Disaster Management Plan	Update Disaster Management plan to include 2010 learning	Ongoing development of plan undertaken.

Maintain Emergency Services Facilities (including Hebel Fire Building)	Support services that are still required	Facilities maintained to a level acceptable to the community
Strategies: 0300-11 Implement through relevant government legislation appropriate control of plumbing and drainage works throughout the shire		
Activity		
Undertake appropriate control of plumbing and drainage works	Appropriate standards applied	Compliance with legislation Performance
Digitalisation of Plumbing Records	Plumbing Plans available and achieved digitally	Project deferred
Implementing the new Swimming Pool legislation under the Building and Other Legislation Amendment Bill 2010	Compliance to the new legislation	Pool register developed with inspection and registration service maintained
Strategies: 0300-12 Facilitate the provision of staff housing in accordance with Council's needs		
Activity		
Develop a maintenance programme for staff housing	Quality staff housing	Maintenance provided to houses as required Performance
Development of an accommodation replacement programme	Quality staff housing	Yet to commence
Implementation of Annual Building Works Program (as per attached)	Improved infrastructure	Works completed to the extent of budget allocation
Strategies: 0300-13 Provide a building certification service for building work within the shire		
Activity		
Undertake building certification service	Appropriate building standards applied	Building Certification service provided Performance

Programme: - 0400 Infrastructure Services

Goal: To provide efficient and effective transport and drainage infrastructure
 To provide community infrastructure to meet the needs of current and future generations
 To provide efficient, effective and environmentally sound waste water disposal services and water supplies

Strategies: 0400-1 Develop and implement programs for the design, construction and maintenance of transport related infrastructure including roads, streets, bridges, kerbing and channelling, drainage and footpaths

Activity	Outcomes	Performance
Asset Management - Maintenance for Individual Assets recorded correctly to allow greater asset management	Improved Asset management - improve the financial record of data of maintenance for individual Assets	Council records maintenance costs of individual assets
Investigate and plan the future reseals of all of Council's Aerodromes and source any external funding opportunities	Plan is in place to meet the future requirements of the Aerodromes	A report into options for runway repairs / reseals was commissioned to consider potential funding sources / options in 2011/12
Maintain and update an indicative Five Year Road/ Street/ Footpath/ Bridge Works Programme (including stormwater drainage)	Forward infrastructure planning	Council adopted the annual road / street works program as part of budget deliberations
Repair of Flood Damaged Roads	Improved road infrastructure	Repairs of flood damaged infrastructure continued with \$10 million worth of works completed predominately throughout the road network. An additional \$40m plus is expected to be spent in the coming 2 years
Review of Rural Addressing	Check on current data	Ongoing verification or rural addresses continued
Undertake Net Risk for Data Collection for LRRS Network	Quality data for decision making purposes	Netrisk assessment completed on Local Roads of Regional Significance
Maintain and update the Shire Asset Database with details of road surface, pavement, drainage structures and other details	Quality asset information for decision making purposes	Data collected as resources allow. Ongoing data collection / recording required into the future
Implement efficient, cost effective and innovative practices for undertaking construction and maintenance of roads, streets and drainage works	Improved road standards and network	Works completed to required standards within allocated budgets
Work with Regional Road Groups under Road Alliance to improve the Local Roads of Regional Significance	Improved road standards and network	All Balonne Shire projects completed within required timeframes
Implement a footpath program (as per attached)	Improved pedestrian access	Programmed works completed. New footpath constructed in Albert St between Roe and Murchison Streets. Repairs completed where necessary

Development and implement a stormwater infrastructure replacement program in St George (as per attached)	Enhanced drainage system	Major project completed in Church Street - installation of pipe from Albert St to the river outlet
Implementation of the Annual Roadworks and Drainage Program (as per attached)	Enhanced road and drainage infrastructure	Capital Works Program completed in line with budget. Examples of major projects completed include reconstruction of 6km on Buckinbah Road, Gravel resheeting Hollymount, Littleton, and Pine Park. Clearing widening formation repairs on Middle Road, Powrunna Road, Jakelwar-Goodooga, Seal / Reseals Buckinbah, Waggo Road, Bollon Dirranbandi various sections
Provide a roads and drainage system	Maintenance of community infrastructure	Functional Roads & Drainage system maintained

Strategies: 0400-2 Efficiently manage the operation of associated activities such as works depots, workshops and plant fleets to facilitate the efficient and effective provision and maintenance of shire infrastructure

<i>Activity</i>		<i>Performance</i>
<i>Outcomes</i>		
Maintain and operate all works depots in an efficient manner and tidy condition	Efficient depots to support workforce	Depots maintained at appropriate level to support operations across the Shire
In conjunction with the Plant Purchasing Committee, develop and implement a 5 year plant renewal and replacement programme in line with future works programmes and the availability of private plant for hire	Modern plant fleet to meet needs	A rolling plant replacement program has been developed to guide plant replacement. Additional Plant has also been purchased and hired to undertake excess of works as a result of flood restoration works
Implementation of Annual Plant Replacement Program (as per attached)	Modern plant fleet	Plant replacement undertaken in accordance with approved budget
Implement a preventative maintenance programme for Council owned plant	Reduction in costs and greater plant utilisation	Monthly plant reports provided to Council to monitor usage / plant hire returns
Implement appropriate plant operator training programmes	Skilled staff	Numerous employees provided the opportunity to utilise different pieces of plant with extra crews established to undertake flood damage restoration works Plant operator training provided to staff as required
Maintain a panel of suitable providers for privately owned plant available for hire	Efficient works operations	A Panel of suitable suppliers was established to provide timely efficient access to contractors as required

Strategies: 0400-3 Facilitate the development of flood mitigation plans and the provision and maintenance of necessary flood mitigation works

<i>Activity</i>		<i>Performance</i>
<i>Outcomes</i>		
Investigate St George Levee Bank	Report on the feasibility of constructing a flood levee at St George	An application for external funding was prepared and submitted for approval
Maintain and upgrade existing town levee flood mitigation works	Safe community	Permanent levy sections maintained

Thallon Levee Bank	Thallon levee raised above 2010 flood height	To be completed in 2011/12
Dirranbandi Levee Bank	Dirranbandi Levee consolidated above 2010 flood height	Project completed with Levee extended
Bollon Cemetery Levy Bank	Design and construct a levee at Bollon Cemetery	Funding unavailable project deferred
Investigate Bollon Levee Bank	Report on the feasibility of constructing a flood levee at Bollon	Funding unavailable project deferred

Strategies: 0400-4 Maintain registered aerodromes and authorised aircraft landing areas to the required statutory standards

<i>Activity</i>		<i>Outcomes</i>	<i>Performance</i>
Maintain St George as a Licensed Aerodrome and implement the procedures set out as required in the Aerodrome Manual.	Compliance with legislation	Aerodrome maintained in accordance with applicable legislation	
Maintain Dirranbandi as a registered aerodrome and implement the procedures as set out in the required Aerodrome Operating Procedures	Compliance with legislation	Aerodrome maintained in accordance with applicable legislation	
Carry out regular inspections and maintain status reports for Authorised Aircraft Landing Areas	Well maintained and safe aerodrome	Aerodrome maintained within acceptable standards	
Implement a regular maintenance programme for Registered Aerodrome and Aircraft Landing Areas	Well maintained and safe aerodrome	Aerodrome maintained within acceptable standards	
St George Aerodrome - Operate in accordance with Transport Security Plan.	Compliance with legislation	Compliance with Transport Security Plan maintained	
Undertake ASIC's & Security Training	Qualified and trained personnel	Compliance with ASIC's requirements	
Replacement of Lighting at Dirranbandi and St. George Aerodromes	Aerodrome safety	Operational lighting at both Aerodromes maintained at required standards	

Strategies: 0400-5 In partnership with the electricity supplier to the area, provide an adequate system of urban street lighting

<i>Activity</i>		<i>Outcomes</i>	<i>Performance</i>
Implement a street lighting inspection programme for all towns	Public safety	Satisfactory lighting levels maintained within community	
Upgrade / install additional lighting in areas of high use	Public safety	Improved Lighting Incidents reported in ill-lit areas	

Strategies: 0400-6 Maintain property assets to an acceptable standard

Activity	Outcomes	Performance
Implement a maintenance program for the Shire's Halls, Civic and Cultural Centres plus other Shire public access buildings.	Improved infrastructure for community use	Community facilities maintained at an appropriate standard
Maintain ablution blocks within the Shire	Maintenance of community infrastructure	Public amenities maintained at an appropriate standard
Upgrade works to the Dirranbandi Hall	Enhanced community infrastructure and pride	A major refurbishment to Dirranbandi Hall was completed
SG Showgrounds Grandstand upgrade	dependant on funding - Grandstand refurbished	Funding unavailable project deferred
Webster's Building redevelopment	identify a use for the Webster's site	Building to be utilise as temporary Administration during redevelopment of the Shire Administration building in St George

Strategies: 0400-7 Maintain open space areas for the enjoyment of the community

Activity	Outcomes	Performance
Improve the horticulture capacity of Council's staff	Staff have access to resources to improve their skills	Staff are better able to provide services to the Shire
Christmas Decorations - Street - St George - (Information from Community Consultation)	Increase Community Festivities	Additional decorations were purchased
Provide & maintain parks & gardens within Shire	Aesthetically pleasing environment	Parks and open spaces maintained at an appropriate standard
Provide and maintain Playground Equipment in compliance with Safety Standards	Safe and well maintained playground	Regular inspections conducted to ensure playground safety
Review concept plans for Street scaping and river walk projects	Enhanced environment to promote community wellbeing	Project deferred to future years
Review all townships walking trails by rivers/creeks	Enhanced environment to promote community wellbeing	Project deferred to future years
Implementation of the Parks and Gardens Works Program for 2009/10 (as per attached)	Aesthetically pleasing open spaces	Achievement of works taking into consideration appropriate resources, timeframes and other environmental factors
Bollon Walliam Creek Walking Track	dependant on funding - Track from park to free camp	A new concrete path was constructed along the banks of Walliam Creek in Bollon

Strategies: 0400-8 Maintain sport and recreational facilities

Activity	Outcomes	Performance
Operate and maintain facilities at Showgrounds	Well maintained community infrastructure	Facilities maintained at an appropriate standard
Maintain sport and recreational facilities within the shire	Good sporting and recreational facilities	Routine maintenance and operations undertaken
Operate and maintain swimming pools in Dirranbandi and St George	Maintenance of community facility	Routine maintenance and operations undertaken
Implement 2010/2011 Swimming Pool Works	Maintenance of community facility	Works completed as budgeted
Bollon Showgrounds upgrade	Bollon Showgrounds Project with grandstand insurance money	Water supply and electricity upgrade completed at Bollon Showgrounds
Implementation of showgrounds redevelopment plans	Implement works identified and prioritised by communities	To be completed in future years

Strategies: 0400-9 Maintain radio and television rebroadcast services

Activity	Outcomes	Performance
Maintain council operated radio and television	Radio and television accessibility to communities	Downtime of television and radio retransmission limited
Digital TV	Migrate rebroadcast users to digital TV (Analogue Switch off 2013)	Project for 2011/12 budget identified to subsidise the switch to Digital transmission in Towns currently provided with analogue transmission form Council

Strategies: 0400-10 Maintain economically viable and environmentally sound urban waste water disposal systems through the implementation of Total Management Planning

Activity	Outcomes	Performance
Site Redemption Study of old St George Sewerage Treatment Site	Operational and Financial plan of how Council will deal with the St George Treatment Plan	Project deferred
Maintain a Total Management Plan for water and urban waste water disposal systems and maintain SAMP	Quality waste supply and compliance with legislative requirements	Plan maintained to provide Council the ability to handle future demand efficiently and effectively
Review Sewerage Utility Charge options for the forthcoming financial year	Effective charging scheme	Project deferred to 2011/12
Investigation into the Reuse of water from the St. George Sewerage Treatment Plant	Facility that meets environmental requirements	Report completed for Council's consideration
Implement effluent re-use plan in conjunction with the proposed new Sewerage Treatment Plant in St George	Efficient use of waste water and compliance with legislative requirements	No excess water currently available for reuse
Operate and maintain a waste water system	Facility that meets environmental requirements	Routine maintenance and operations undertaken

Waste water reuse plan	Stronger Basin Communities Project	Project identified
Waste water reuse project	Waste water reuse plan implemented- subject to funding	Project yet to commence
Dump point for Septic Tanks in St George for Commercial Operations at Number 1 Pump Station	Commercial operators of Septic Tank cleaning will have a useable dumping point	Dump point installed
Implementation of Annual Waster Water Works Program	Projects completed in timely manner	Relining of Dirranbandi sewer mains completed

Strategies: 0400-11 Maintain economically viable and environmentally sound urban water supply systems through the implementation of Total Management Planning

Activity		Outcomes	Performance
Maintain an Integrated Environmental Management System in regard to Urban Water supply	Quality water supply and compliance with legislative requirements	Compliance with environmental requirements maintained	
Maintain and implement a Total Management Plan for Urban Water Supplies	Quality water supply and compliance with legislative requirements	Plan maintained to provide Council the ability to handle future demand efficiently and effectively	
Undertake a review of water charging structure	Effective charging scheme	Project deferred to 2011/12	
Operate and maintain a water supply	Provision of water supply within designated town areas	Routine maintenance and operations undertaken	
Commence water infrastructure planning including Investigation into a dual water supply in the town of Bollon	Consideration of community needs	Report submitted to Council	
Implementation of the Annual Water Works Program (as per attached)	Achievement of corporate objectives and upgrade infrastructure	Achievement of works taking into consideration appropriate resources, timeframes and other environmental factors	
Conduct a Network Water Analysis	Knowledge of requirements	Project deferred	
Urban Water Future Demand	Stronger Basin Communities Project	Study completed to scope future urban water demand	
Urban Water Demand Management	Stronger Basin Communities Project	Projects to be considered in future years	
Fluoridation - St George Surface Water Treatment Plant - Deadline 31 December 2012 - Investigation on process	Strategy for Fluoridation	Initial meetings held with DERM - Project deferred to 2011/12	

Strategies: 0400-12 Investigate funding opportunities to provide appropriate and affordable delivery of water supplies

<i>Activity</i>	<i>Outcomes</i>	<i>Performance</i>
Implementation of the Annual Water Works Program (as per attached)	Achievement of corporate objectives and upgrade infrastructure	Main replacement projects completed in St George, Hebel and Dirranbandi. Studies completed on major augmentation works to manage future water/supply/demand in St George

Programme: - 0500 Community Lifestyle

Goal: To encourage and promote a sense of community and belonging, community pride, engagement, well being and grow social capital

Strategies: 0500-1 Develop and implement strategies to effectively communicate with the community and to gather and disseminate information from the community and provide opportunities for the community to be involved in decision making and advocacy on local issues

Activity	Outcomes	Performance
Distribution of a Community Newsletter with other media	Enhanced community knowledge of Council activities	Quarterly Newsletter distributed
Contribute article to other media	Enhanced community knowledge of Council activities	Contributed throughout the year
Press Releases of major Council decisions	Increased awareness of Council activities and programmes	Press releases distributed throughout the year as required
Review Annual Customer Satisfaction Survey	Increased understanding of community's satisfaction of various services	Survey not completed

Strategies: 0500-2 Promote, support and provide opportunities that cater for arts, recreational, sporting, programs and activities and facilitate the preservation of the history of the shire

Activity	Outcomes	Performance
Facilitate and support the collection/preservation of historical Shire photographs and film footage	History of Shire preserved	Support provided where required
Continue financial support for the Regional Arts Development Fund program within the shire	Relevant Arts and Cultural projects funded	Financial and administrative support provided. \$21,440 in funding provided for projects
Support a range of programs to foster an active and health community	Community health and wellbeing	Active participation with relevant organisations as required
St George Skill Centre	Participate in Skill Centre Management Committee- Sound Management - Council is responsible for the re-painting of Skill Centre	Meetings attended -outcomes actioned as required
Development of One Tonne Reserve - Mungindi in consultation with community groups	Community satisfaction	Project deferred

Strategies: 0500-3 Facilitate the update of a Sport and Recreation Strategy/Plan including the identification of passive and active recreational facilities

Activity	Outcomes	Performance
Implement Sport and Recreational Plan	Improved participation and facilities - depended on funded sport and Rec officer	Project deferred
Develop a sport and recreation plan	Identify and prioritise community sport and rec facilities depended on funded Sport and Rec Officer	Project deferred



Strategies: 0500-4 Provide library services as learning, information and community hubs

Activity	Outcomes	Performance
Maintain libraries in the towns of St George, Thallon, Dirranbandi, Hebel and Bollon	Community satisfaction with level of service	Community satisfaction levels maintained
Develop an Library Operating Plan to ensure library services reflect agreed State Government standards outlined in Service Level Agreements	Community satisfaction with level of service	Plan produced & Annual Report provided to State Library

Strategies: 0500-5 Facilitate, review and implement township beautification strategies which include landscape design and township signage

Activity	Outcomes	Performance
Activities to be undertaken in accordance with the Parks and Gardens Annual Plan	Achievement of corporate objectives and enhancement of environment	Parks and Gardens maintained in good condition despite impact of flooding. Concrete path along Wallam Creek in Bollon completed. New play equipment installed in Lions Park St George. Projects employing green army participants to repair flood damage and beautify St George Riverbank will continue in 11/12 with delays due to flooding

Strategies: 0500-6 Develop and implement a Community Plan

Activity	Outcomes	Performance
Develop and implement a Community Plan in accordance with legislation	Tool for Community Planning & direction	Development of a Community Plan commenced with the adoption of the plan scheduled for 2011/12

Strategies: 0500-7 Recognise and support cultural, indigenous and multi-cultural heritage within the shire

Activity	Outcomes	Performance
Development of the One - Tonne Reserve at Mungindi	Development of this historic reserve	Project deferred
Participate in the Aboriginal Employment Strategy as a member on the committee	Enhanced understanding of employment issues facing indigenous people	Referred to St George Negotiation table
Facilitate the approval and implement community projects to overcome indigenous unemployment	Enhanced employment opportunities for indigenous Australians	Participation as determined
Aboriginal Rangers Program	Participate in the Local Advisory Committee QMDC Aboriginal Rangers - Community benefit from the program	Meeting attended -outcomes actioned as required Weed spraying project undertaken
Aboriginal Negotiation Tables	Participate in Dirranbandi and St George Negotiation Tables - Address Local indigenous issues	Meeting attended -outcomes actioned as required

Strategies: 0500-8 Develop and implement a Youth Strategy/Plan

Activity	Outcomes	Performance
Support the Balonne Shire Youth Council	Active and participative youth council	Assistance provided
Assist the Lifeline Youth Worker to co-ordinate activities within role	Active youth council	Assistance provided/participation Youth Week
Review the Balonne Shire Youth Policy in conjunction with Youth Worker	Engagement of youth	Policy adopted
Participate in the development of a Youth Plan/Strategy	Strategy/plan for direction of youth council	Plan/strategy adopted

Strategies: 0500-9 Facilitate the development of a Cultural Plan to lead and support the growth of local arts and culture

Activity	Outcomes	Performance
Develop a Cultural/Mapping Plan	Identification of cultural aspects of community	In conjunction with Community Plan
Pursue funding for a public art project	Improved aesthetics and environment	Funding applications submitted with successful application for a project at Hebel Hall

Strategies: 0500-10 Advocate on behalf of the community to enhance telecommunications and technology

Activity	Outcomes	Performance
Advocate to enhance telecommunications and technology	Enhanced services	As required

Strategies: 0500-11 Provide appropriate support and sponsorship for correctional programmes that benefit the shire

Activity	Outcomes	Performance
Coordinate the Council involvement in the WORK Program	Enhanced community environment, achievement of non-profit organisational objectives	Continued coordination of projects to achieve program goals
Participate in the Community Service program where appropriate	Effectiveness of service provided by Council	Program managed by the department

Strategies: 0500-12 Promote community well-being by working cooperatively with the community and other spheres of government to plan for and provide access to services and facilities

Activity	Outcomes	Performance
Provide a presence to the rural communities, e.g. Thallon, Mungindi, Bollon, Dirranbandi and Hebel to enhance Council/Community connectedness	Enhanced relationships and connectedness with communities	Attendance at meetings / public forums & events throughout the year
In Partnership with horse sports bodies undertake Strategic Planning - Subject to funding and Horse Sports bodies	Better use of resources	No agreement reached project yet to commence

Dentist Surgery	Dentist Surgery at St George Hospital - subject to funding	Funding unsuccessful
CCTV Operations	Operate CCTV network in St George - improved public safety	System maintained and operational
Support the St George State High School and community and sporting groups in the operations of the St George High School Facilities Building	Smooth operations of the facility	Community and Sporting Groups using the facility

Strategies: 0500-13 Provide assistance to community organisations, supporting them in undertaking community activities

Activity		Performance
Represent Council by attending community organisation meetings/gatherings	Enhanced knowledge and understanding of Community Service organisations	Attendance at meetings as required
Provide concessional rental for Shire facilities	Successful community events	Support provided within policy guidelines & budget parameters
Levy landholders in Thallon for a rural fire charge	Financial assistance for operations	Levies collected & remitted for operation of the Thallon Rural Fire Brigade
Provide donations and support to community organisations	Success of community events and activities	Support provided within budget parameters
Support community organisations in seeking funding/subsidy if required to facilitate local and cultural development	Enhanced community facilities/services and social and cultural development	Support provided within policy guidelines & budget parameters
Maintain partnerships including Goondir Health Services	Enhanced indigenous health issues	No formal meetings held. Support provided in investigation of proposed dental clinic
Maintain an electronic community directory	Updated information for utilisation	Community directory updated
Contribute to Seniors Week and Volunteers Week	Community celebrations and pride	Financial assistance and support to events
Consider contribution towards the establishment of a Netball Clubhouse in St George	Improved sporting facilities	Financial assistance dependant on successful external funding application

Programme: - 0600 Rural Services

Goal: To provide effective and efficient management of stock routes, animal and weed pests

Strategies: 0600-1 Provide effective management of rural services including stock routes, council controlled land, pest and rural lands management

<i>Activity</i>	<i>Outcomes</i>	<i>Performance</i>
Maintain and implement a Pest and Stock Routes Management Plan	Effective management of stock routes within the Shire	Goals of plan achieved
Wild Dog Committee Incentive	Assist in the management of wild dogs	Contributions continued to be made
Review of Pest management Plan	Updated Pest Management Plan-effective pest management	Plan yet to be updated
Participation in Regional Pest Management Plan	Regional Co-ordinated approach to Pest Management	QMDC did not proceed with coordinated project

Programme: - 0700 Commercial Services

Goal: To undertake commercial works within the scope of Council's expertise in an efficient and cost effective manner

Strategies: 0700-1 Capitalise on commercial opportunities that may benefit the Balonne Shire including the maintenance and construction of State controlled roads

<i>Activity</i>	<i>Outcomes</i>	<i>Performance</i>
Tender/negotiate contracts for Main Roads works	Favourable contracts awarded/staff and plant resources utilised	Council secured RMPC contract

Strategies: 0700-2 Carry out private works as appropriate and in conformity with the Council's Private Works Policy

<i>Activity</i>	<i>Outcomes</i>	<i>Performance</i>
Undertake works in accordance with policy	Works provided on a commercial basis	Works completed as required providing recovering of appropriate costs

Programme: - 0800 Economic Development

Goal: To foster a vibrant economic environment

Strategies: 0800-1 Develop and implement an Economic Development Strategy/Plan		Outcomes	Performance
Activity			
Development of Economic Development initiatives as identified in the Economic Development Strategy	Completed Economic Development Plan		Shire Economic Development Plan developed
Implementation of Economic Development initiatives as identified in the Economic Development Strategy	Implement Economic Development Plan		Shire Economic Development Plan available to support future initiatives
Support new windows of opportunity	Enquiries provided necessary information in a timely fashion		Ongoing information, advice and support given to new initiatives

Strategies: 0800-2 Encourage and facilitate the development of sustainable opportunities and business development		Outcomes	Performance
Activity			
Develop resources and materials to promote the business and social opportunities available in Balonne Shire	Completed resources available		Established marketing materials for Balonne Shire
Support and liaise with the St George and District Chamber of Commerce, Dirranbandi Progress Assoc, etc.	Increased cooperation between Council and Chamber		Attendance at monthly meetings and reporting to Council
Provide assistance to organisations to access funding for business or tourism initiatives	Completed funding submissions		Ongoing information, advice and support given to businesses
Irrigated Agriculture less water project	Stronger Basin Community Project		Rate modelling project completed. Future projects to be considered

Strategies: 0800-3 Develop and implement a Tourism Strategy/Plan including identifying opportunities to enhance tourism development		Outcomes	Performance
Activity			
Facilitate and promote local tourism initiatives	Increased tourism ventures		Support continues to be given to local tourism operators
Encourage the preservation and maintenance of natural and heritage based attractions	Increased focus on natural environment and heritage based initiatives		Completion of the Wallam Creek walking trail at Bollon is expected to provide benefits locally
Identify opportunities to enhance tourism development	Increased opportunities for tourism ventures		Number of overall attractions and tourism ventures expanded

Strategies: 0800-4 Maintain the Visitor Information Centre as a showcase of the shire's attributes

Activity	Outcomes	Performance
Maintain operations at the Balonne VIC to meet or exceed the Tourism Qld VIC Accreditation Standards	Increase visitation to Balonne Shire	Visitor numbers were down as a result of the flooding / road closures however Council maintained Accreditation and received positive feedback from travellers
Support and facilitate opportunities for volunteers to support the operation of the Balonne VIC and provide appropriate training	Increased volunteer numbers and hours contributing to the VIC operations	Support provided to volunteers throughout the year
Maintain RTO membership, representation and support marketing and other tourism initiatives in cooperation	TGW membership maintained and Balonne Shire represented at meetings, tradeshows and conferences etc	Membership maintained Support provided
Design, produce and implement and analyse Visitor Feedback surveys	Collection and analysis of reliable and valuable visitor statistics and feedback	Evaluation completed and recommendations implemented
Design, produce and circulate a tourism newsletter	Enhanced tourism awareness in the Balonne Shire	Production of professional newsletter
Design and produce a range of quality souvenirs to promote the district	Establishment of effective marketing and branding for St George and Balonne Shire	Sales decreased as a result of lower visitor numbers. Local souvenir range continued
Provide opportunities for locals to retail craft and arts through the Balonne VIC	Increase awareness of local art and providing opportunity for locals to promote arts and crafts	Local art & crafts retailed through the VIC

Strategies: 0800-5 Implement a Shire Marketing Plan to promote the district as an ideal business location and tourist destination including positively promoting the shire through information technology and government agencies

Activity	Outcomes	Performance
Provide opportunities for community to be consulted and have input into Economic Development Plan	Provide opportunities for stakeholders to have input into Shire Marketing Plan	Marketing Plan completed
Design, create and produce with the financial support of operators Window of the West	Establishment of effective marketing for Balonne Shire	Production and distribution of Windows of the West publication
Design, create and produce with the financial support of operators Town maps for Dirranbandi, Bollon and St George	Establishment of effective marketing for Balonne Shire	Production of a town map for Dirranbandi, Bollon and St George
Design, create and produce Agricultural Trail Brochure or Self Drive Map	Establishment of effective marketing for Balonne Shire	Project deferred
Design, create and produce Heritage Trail Map for St George	Establishment of effective marketing for Balonne Shire	Production of Heritage Trail Map for St George
Coordinate and host journalist and media familiarisations to the district	Balonne Shire receives positive media promotion	Hosted two tourism famils

Strategies: 0800-6 Maintain partnerships and links with regional economic bodies

Activity	Outcomes	Performance
Maintain membership and actively participate in TGW/Adventure Way and Great Inland Way	TGW membership maintained and Balonne Shire represented at meetings, tradeshows and conferences etc	Maintain partnerships to increase awareness of Balonne Shire as a tourism destination
Lobby Regional Development Australia and other related state and federal bodies for support and funding	Assistance provided to local businesses for ventures	Referrals provided as requested

Strategies: 0800-7 Promote the introduction of emerging technologies to ensure Balonne Shire is a progressive and effective place to conduct and develop business

Activity	Outcomes	Performance
Support appropriate promotions of emerging technologies to residents	Increased awareness of technologies as they become available	Increased take up of new technologies by locals
Lobby appropriate government departments and agencies for the provision of new technologies to be accessible within the Shire	Represent Balonne as an important district for investment to improve access to technologies	Access to technologies increased

Strategies: 0800-8 Support appropriate events, festivals and promotions throughout the shire

Activity	Outcomes	Performance
Support and provide necessary resources to operators and events organisers throughout the shire	Support and assistance with coordination of successful local events	Assistance provided as requested
Coordinate Australia Day celebrations in accordance to Council's policy in regards to rotating the event	Organise celebrations for Australia Day	Successful events despite interruptions as a result of flooding
Support the organisation of International Women's Day in cooperation with other community organisations	Organise celebrations for International Women's Day	Successful event held
Coordinate the Annual Eye on Balonne Photographic Competition	Expand Balonne Shire's Digital Photographic Database	Annual competition organised
Support and assist with the coordination of one off events as designated by Council i.e. Qld Music Festival, Q150 Celebrations, Governor's Visit	Building community spirit and providing opportunities to host events locally	Events organised as requested

Community Financial Report

Annual Financial Statements are prepared in accordance with professional and legislative requirements and hence are technical documents. The purpose of the Community Financial Report is to present Financial Statements in a form more easily understood by the community.

More detailed information is contained in the Audited Annual Financial Statements which can be found at the end of this Annual Report.

The next few pages provide a simple explanation on what the financial reports actually mean and what the major financial implications are for Council. For ease of reading figures quoted are approximate.

Each report in the financial statements provides information on a specific aspect of Council's finances. Together they give an overall big picture of the finances of Council.

Statement of Cash Flows

The cash flow statement is just like your bank statement. If you did a summary of your personal bank statements for 12 months it would be called a cash flow statement.

This statement only reports on cash and shows:

- how much money we started the year with,
- where any incoming money came from,
- where any money was spent, and
- how much money we have left at the end of the year.

You can also see that the report looks at three specific activities: Financing, Investing and Operating. Financing activities is cash received if Council takes out new loans or cash paid as repayments against loans. Investing activities include money Council receives and spends when we buy or sell property, plant and equipment (Capital Purchases). Operating activities include all other areas such as rates, user charges, interest, grants, employee costs, materials and services, interest and administration.

	2010 / 2011 \$,000	2009 / 2010 \$,000	2008 / 2009 \$,000	2007 / 2008 \$,000
Opening Cash Balance	11,319	11,925	10,382	8,568
Net Cash Flow from Operating Activities	18,841	5,330	7,602	5,337
Net Cash Flow from Investing Activities (Capital Purchases)	(6,869)	(5,512)	(5,625)	(3,116)
Net Cash Flow from Financing Activities (Loans)	(274)	(423)	(434)	(406)
Closing Cash Balance	23,017	11,319	11,925	10,382

As can be seen by the summary above, we started the year with \$11,319,000 and ended the year with \$23,017,000 meaning that for the entire year we received \$11,698,000 more in cash than we spent.

This large increase in cash held is predominately related to advance natural disaster relief funding for flood damage repairs relating to the March 2010 flood event and the December 2010 / January 2011 flooding. As these funds are spent in future year's cash balances will reduce.

To reach a strong financial position, Council must not only have enough cash for its day-to-day operations and to fund purchases of property, plant and equipment; repay interest and principal payments on loans, it must manage its cash to have the capacity to meet its financial commitments in the long term.

Statement of Comprehensive Income

This statement shows if we have made a profit or a loss. Whilst the cash flow statements show how much money goes in and out of your bank account, the Income Statement takes into account things like bills that really relate to this year, but won't actually be paid until next year.

It shows both cash transactions and non-cash transactions such as depreciation. These figures are based on accrual accounting principles. For example, all rates issued are included as income even though some ratepayers have not paid. The amount not paid would show in the Balance Sheet as an amount owed to Council.

	2010 / 2011 \$,000	2009 / 2010 \$,000	2008 / 2009 \$,000	2007 / 2008 \$,000
Revenue (R)	50,945	18,645	16,963	15,421
Expenditure (E)	(22,872)	(15,207)	(11,803)	(12,331)
Operating Result Profit – Loss (R-E)	28,073	3,437	5,212	3,071
Asset Revaluation	4,071	6,729	5,736	14,581
Total Comprehensive Income	32,144	10,167	10,948	17,652

Revenue includes external grant funding received for capital works.

The large increase in revenue this year relates to flood damage funding received in advance and payments for works completed. Over \$15 million dollars has been provided to Council in advance for completion of restoration works.

The Asset Revaluation surplus records the movement increase / decrease in the value of all Council's assets, including roads, buildings, water infrastructure etc. The increasing value reflects the increased cost to replace such assets.

A large part of the expenditure shown in the income statement is made up of depreciation. As an asset is consumed (loses value) we record this expense as depreciation. As well as representing their rate of consumption, it is also an indicator of the amount of money required on an annual basis for the future replacement of assets.

If Council does not raise sufficient revenue on an annual basis to fund depreciation, in the long term Council may not be able fund future asset replacement, leading to a deterioration of its asset base and the services that they provide.

Statement of Financial Position (Balance Sheet)

The previous two statements showed the activity that has happened for a 12 month period. The Balance Sheet shows what Council's financial position is at the end of the 12 month period.

The Balance Sheet is broken down into three areas - what Council owns (Assets), what Council owes (Liabilities) and what Council is worth in dollar terms (Equity). Equity is worked out by taking the total of our liabilities away from our assets.

	2010 / 2011 \$,000	2009 / 2010 \$,000	2008 / 2009 \$,000	2007 / 2008 \$,000
Assets (A)	201,296	168,254	159,494	147,342
Liabilities (L)	5,303	4,405	5,812	4,607
Equity (A-L)	195,993	163,849	153,682	142,735

This year Council obtained a desktop revaluation which was completed by Australia Pacific Valuers taking into account the condition of our road infrastructure following the floods. Assets are reported at fair value. In the case of roads that is current replacement cost adjusted to a value that reflects the condition of the road.

Statement of Changes in Equity

The Statement in Changes of Equity shows what transactions make up the change of value from one Statement of Financial Position to the next.

Equity is represented by Council's net worth; what we own minus what we owe.

Community Equity as at 30 June 2011 was \$195,933,210, which is \$32 million more than for the previous year.

This increase is attributable mainly to the large surplus created by advance funding of flood damage works and the resulting increase in reserves held for future expenditure.

Reserves are the funds Council puts aside for future projects e.g. water main upgrades. In this case, unspent advances, such as flood damage funding is put into reserve until works can be completed.

The Statement in Changes in Equity records the movements in values and reserve funds.

Other Financial Information

Working Capital Ratio

The working capital ratio illustrates Council's ability to pay its bills. The figure measures current assets to current liabilities.

The current ratio for Council is 2.8:1 *excluding advance flood damage funds*

The current ratio for Council is 5.6:1 *including advance flood damage funds*

A generally accepted minimum benchmark across all industries is 2:1 and a review of performance over the past four years demonstrates that Council has consistently been above 2:1 demonstrating good cash management practices and a sound liquidity position.

Debt Servicing Ratio

This ratio measures interest and redemption costs as a percentage of total revenue. It demonstrates the amount of revenue required to meet Council's annual loan repayments.

In 2010/2011 Council used 1.1% of its recurrent revenue* to pay loan interest and principal repayments.

**Ratio excludes advance flood damage funds*

Rates Revenue Ratio

This ratio measures the percentage of Council's recurrent revenue (does not include revenue for capital purposes or gain/loss on sale of plant & equipment) made up of rates income.

2010 / 2011 rates revenue ratio: - 30% *(excludes advance flood damage funds)*

Council's rates revenue ratio has ranged between 30% – 40% over the past few years.

Overall Financial Summary

- Cash balance as of 30 June 2011 - \$23,016,804
- Council has Reserves set aside for future expenditure of \$20,082,152
- Total community equity as of 30 June 2011 - \$195,993,210

The Future

Over the coming years a decrease in Council's cash balances will be noticeable as the funding which has been provided in advance is utilised to repair flood damaged assets.

This does not reflect on Council's financial performance merely recording the ups and downs of cash flow related to funding of flood damage repairs offsetting the massive increase in cash balances in 2010/2011.

The future overall financial position is healthy with reserves being maintained to complete capital infrastructure replacement as required.

By utilising a mix of borrowings with reserve funds Council will be able to manage the cost of infrastructure replacement by spreading the costs across the different generations of user who utilise the assets. An example of this is the proposed borrowings of \$2.1 million for the major extension and renovation of the Council Administration building in 2012.

Council's financial position will continue to strengthen as strategies to build reserves and manage infrastructure assets are maintained.

Key Contacts

Postal Address

Balonne Shire Council
PO Box 201
ST GEORGE QLD 4487

Administration Centres

Administration Office
118 Victoria Street, St George
Telephone 07 4620 8888
Fax 07 4620 8889

Balonne Shire Council Store/Depot
193 Grey Street, St George
Telephone 07 4620 8855
Fax 07 4620 8856

After Hours Emergencies

Telephone 0407 253 858

Website

www.balonne.qld.gov.au

Email Address

council@balonne.qld.gov.au



Financial Statements

BALONNE SHIRE COUNCIL

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2011



Balonne Shire Council
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Balonne Shire Council Statement of Comprehensive Income

For the year ended 30 June 2011

	Notes	2011 Actual (\$'000)	2010 Actual (\$'000)
Income			
Revenue			
Recurrent revenue			
Rates, levies and charges	3 (a)	7,630	7,255
Fees and charges	3 (b)	193	208
Rental income	3 (c)	153	160
Interest received	3 (d)	751	504
Sales revenue	3 (e)	3,396	1,931
Other income	3 (f)	183	(8)
Grants, subsidies, contributions and donations	4	<u>28,039</u>	<u>6,865</u>
Total recurrent revenue		<u>40,345</u>	
16,915			
Capital revenue			
Grants, subsidies, contributions and donations	4	<u>4,475</u>	<u>1,752</u>
Total capital revenue		<u>4,475</u>	
1,752			
Total revenue		<u>44,820</u>	
18,666			
Capital income	5	<u>6,125</u>	<u>(22)</u>
Total income		<u>50,945</u>	
18,645			
Expenses			
Recurrent expenses			
Employee benefits	6	(6,836)	(5,978)
Materials and services	7	(10,536)	(4,190)
Finance costs	8	(120)	(153)
Depreciation and amortisation	9	<u>(5,380)</u>	<u>(4,886)</u>
Total recurrent expenses		<u>(22,872)</u>	<u>(15,207)</u>
Capital Expenses		<u>0</u>	<u>0</u>
		<u>0</u>	<u>0</u>
Total expenses		<u>(22,872)</u>	<u>(15,207)</u>
Net operating surplus		<u>28,073</u>	<u>3,437</u>
Other comprehensive income			
Increase / (decrease) in asset revaluation surplus		4,071	6,729
Total other comprehensive income for the year		<u>4,071</u>	<u>6,729</u>
Total comprehensive income for the year		<u>32,144</u>	<u>10,167</u>

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



Balonne Shire Council Statement of Financial Position

For the year ended 30 June 2011

	Notes	2011 Actual (\$'000)	2010 Actual (\$'000)
Current Assets			
Cash and cash equivalents	10	23,018	11,319
Trade and other receivables	11	6,419	1,185
Inventories	12	434	419
		<u>29,871</u>	<u>12,923</u>
Total current assets		<u>29,871</u>	<u>12,923</u>
Non-current Assets			
Trade and other receivables	11	0	0
Software Work In Progress		135	0
Property, plant and equipment	13	171,211	155,278
Intangible assets		80	53
Total non-current assets		<u>171,425</u>	
<u>155,331</u>			
 TOTAL ASSETS		 <u>201,296</u>	 <u>168,254</u>
 Current Liabilities			
Trade and other payables	15	2,024	952
Borrowings	17	170	274
Provisions	16	655	675
Other		19	20
Total current liabilities		<u>2,868</u>	
<u>1,921</u>			
 Non-current Liabilities			
Borrowings	17	1,349	1,519
Provisions	16	1,086	965
Total non-current liabilities		<u>2,435</u>	
<u>2,484</u>			
 TOTAL LIABILITIES		 <u>5,303</u>	 <u>4,405</u>
 NET COMMUNITY ASSETS		 <u>195,993</u>	 <u>163,849</u>
 Community Equity			
Asset revaluation reserve	19	132,549	128,478
Retained surplus/(deficiency)		43,361	29,202
Other reserves	20	20,083	6,169
TOTAL COMMUNITY EQUITY		<u>195,993</u>	<u>163,849</u>

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

Balonne Shire Council Statement of Changes in Equity

For the year ended 30 June 2011

Notes	Asset revaluation reserve		Retained surplus		Other reserves		Total
	2011 Actual (\$'000)	2010 Actual (\$'000)	2011 Actual (\$'000)	2010 Actual (\$'000)	2011 Actual (\$'000)	2010 Actual (\$'000)	
	128,478	121,749	29,202	24,543	6,169	7,390	163,849
19 / 20	0	0	28,073	3,437	0	0	28,073
Opening balance							163,849
Net operating surplus							3,437
Other comprehensive income for the year:							
Increase / (decrease) in asset revaluation surplus	4,071	6,729	0	0	0	0	4,071
Available-for-sale financial assets:							
Current year gains / (losses)	0	0	0	0	0	0	0
Reclassification to profit and loss	0	0	0	0	0	0	0
Total comprehensive income for the year	0	0	0	0	0	0	0
Transfers to and from reserves							
Transfers to other reserves	0	0	(15,870)	(1,040)	15,870	1,040	0
Transfers from other reserves	0	0	1,956	2,262	(1,956)	(2,262)	0
Total transfers to and from reserves	0	0	(13,914)	1,222	13,914	(1,222)	0
Closing Balance	132,549	128,478	43,361	29,202	20,063	6,169	195,833
							163,849

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

Balonne Shire Council Statement of Cash Flows

For the year ended 30 June 2011

	<u>Notes</u>	<u>2011 Actual</u> (\$'000)	<u>2010 Actual</u> (\$'000)
Cash flows from operating activities:			
Receipts from customers		7,305	8,189
Payments to suppliers and employees		<u>(15,988)</u>	<u>(10,227)</u>
		(8,683)	(2,037)
Interest received		721	485
Rental income		153	160
Non-capital grants and contributions		26,758	6,860
Borrowing costs		<u>(108)</u>	<u>(137)</u>
Net cash inflow (outflow) from operating activities	27	<u>18,841</u>	<u>5,330</u>
Cash flows from investing activities:			
Payments for property, plant and equipment		(11,284)	(7,491)
Payments for intangible assets		(175)	(18)
Net movement on loans and advances		0	0
Proceeds from sale of property, plant and equipment	5	163	246
Grants, subsidies, contributions and donations		4,427	1,752
Net cash inflow (outflow) from investing activities		<u>(6,869)</u>	<u>(5,512)</u>
Cash flows from financing activities			
Proceeds from borrowings		0	0
Repayment of borrowings		(274)	(423)
Repayments made on finance leases		0	0
Net cash inflow (outflow) from financing activities		<u>(274)</u>	<u>(423)</u>
Net increase (decrease) in cash held			
Cash at beginning of reporting period		<u>11,319</u>	<u>11,925</u>
Cash at end of reporting period	10	<u>23,017</u>	<u>11,319</u>

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

Balonne Shire Council

Note 1: Summary of significant accounting policies

For the year ended 30 June 2011

1.A Basis of Preparation

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

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

1.B Statement of Compliance

These general purpose financial statements comply with all accounting standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to 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 Balonne Shire Council is constituted under the Queensland Local Government Act 2009 and is domiciled in Australia.

1.E Date of Authorisation

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

1.F Currency

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

1.G 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.

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

	Effective for annual report periods beginning on or after:
AASB 9 <i>Financial Instruments</i> (December 2009)	1 January 2013
AASB 124 <i>Related Party Disclosures</i> (December 2009)	1 January 2011
AASB 1053 <i>Application of Tiers of Australian Accounting Standards</i>	1 July 2013
2009-11 <i>Amendments to Australian Accounting Standards arising from AASB 9</i> (December 2009)	1 January 2013
2009-12 <i>Amendments to Australian Accounting Standards in relation to AASB 8 Operating Segments</i> (December 2009)	1 January 2011
2009-14 <i>Amendments to Australian Interpretation - Prepayments of a Minimum Funding Requirement (Interpretation 14)</i> (December 2009)	1 January 2011
AASB 2010-2 <i>Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements</i>	1 July 2013
AASB 2010-4 <i>Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project</i>	1 January 2011
AASB 2010-5 <i>Amendments to Australian Accounting Standards</i>	1 January 2011

Balonne Shire Council



Note 1: Summary of significant accounting policies (cont)

For the year ended 30 June 2011

1.G Adoption of new and revised Accounting Standards (cont)

AASB 2010-6 <i>Amendments to Australian Accounting Standards - Disclosures on Transfers of Financial Assets</i>	1 July 2011
AASB 2010-7 <i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)</i>	1 January 2013
AASB 2010-8 <i>Amendments to Australian Accounting Standards - Deferred Tax: Recovery of Underlying Assets</i>	1 January 2012
AASB 2010-9 <i>Amendments to Australian Accounting Standards - Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters</i>	1 July 2011
AASB 2010-10 <i>Further Amendments to Australian Accounting Standards - Removal of Fixed Dates for First-time Adopters</i>	1 January 2013

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

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

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

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

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

Valuation of property, plant and equipment - Note 1.R and Note 13
Impairment of property, plant and equipment - Note 1.T
Provisions - Note 1.W and Note 16
Contingencies - Note 22

1.I Rates, levies grants and other revenue

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

Rates

Where rate monies are received prior to the commencement of the rating/levying period, the amount is recognised as revenue in the period in which they are received, 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. An equivalent amount is transferred from retained earnings to the relevant reserve until the funds are expended. Unspent non-reciprocal capital grants are placed in the Unspent capital grants reserve. As a general rule, Council spends all recurrent grants in the year received and therefore Council has not established a reserve for this purpose. However, given the large prepayments of the Natural Disaster Relief and Recovery Arrangements (NDRRA) and the Queensland Reconstruction Authority (QRA), Council has established reserves for these funds.

Balonne Shire Council

Note 1: Summary of significant accounting policies (cont)

For the year ended 30 June 2011

1.I Rates, levies grants and other revenue (cont)

Where grants are received that are reciprocal in nature, revenue is recognised over the term of the funding arrangements. Council does not currently have any reciprocal grants.

Non-cash contributions

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

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 local government 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 may also make cash contributions towards the cost of constructing existing and proposed water supply and sewerage headworks in accordance with Council's planning scheme policies. (Headworks include pumping stations, treatment works, mains, sewers and water pollution control works). Cash contributions in relation to water supply and sewerage headworks are not within the scope of AASB Interpretation 18 because there is no performance obligation associated with these contributions. Consequently, these cash contributions are recognised as income when received.

AASB Interpretation 18 has been applied prospectively from 1 July 2009. All cash contributions were recognised as revenue on receipt prior to 1 July 2009.

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.

1.J 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.

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

Financial Liabilities

Payables - measured at amortised cost (Note 1.V)
Borrowings - measured at amortised cost (Note 1.X)

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

Balonne Shire Council

Note 1: Summary of significant accounting policies (cont)

For the year ended 30 June 2011

1.J Financial assets and financial liabilities (cont)

The fair value of financial instruments is determined as follows:

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

The fair value of borrowings, as disclosed in Note 18 to the accounts, is determined by reference to published price quotations in an active market and/or by reference to pricing models and valuation techniques. It reflects the value of the debt if the Council repaid it in full at balance date. As it is the intention of the Council to hold its borrowings for their full term, no adjustment provision is made in these accounts.

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

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

All other disclosures relating to the measurement and financial risk management of financial instruments are included in Note 28.

1.K Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, all cash and cheques received but not banked at the year end, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

1.L Receivables

Trade receivables are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase price / contract price. Settlement of these amounts is required within 30 days from invoice date.

The collectability of receivables is assessed periodically and if there is objective evidence that 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.

Even though Council has the power to sell an owner's property to recover outstanding rate debts, Council still does impair rate receivables.

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

1.M Inventories

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



Balonne Shire Council

Note 1: Summary of significant accounting policies (cont)

For the year ended 30 June 2011

1.M Inventories (Cont)

Inventories held for distribution are:

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

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

1.N Other Financial Assets

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

1.O Land Held for Resale

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

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

1.P Investments

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

1.Q Investment Property

Investment property is property held for the primary purpose of earning rentals and/or capital appreciation. This includes land held by Council for a currently undetermined future use.

Investment property is measured using the fair value model. This means all investment property is initially recognised at cost (including transaction costs) and then subsequently revalued annually at the balance sheet date. Where investment property is acquired at no or nominal cost it is recognised at fair value.

Pursuant to revised accounting standard AASB 140 *Investment Property*, from 1 July 2009 property that is being constructed or developed for future use as investment property is now classified as investment property rather than as property, plant and equipment. Investment property under construction is measured at fair value, unless fair value cannot be reliably determined for an individual property (in which case the property concerned is measured at cost until fair value can be reliably determined).

Gains or losses arising from changes in the fair value of investment property are included in the Statement of Comprehensive Income for the period in which they arise. Investment property is not depreciated and is not tested for impairment.

1.R 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, plus items of office equipment and furniture with a total value of less than \$1,000 are treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised.

Balonne Shire Council

Note 1: Summary of significant accounting policies (cont)

For the year ended 30 June 2011

1.R Property, Plant and Equipment (cont)

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

- Land and improvements
- Buildings
- Plant and equipment
- Transport Infrastructure
- Furniture and Fittings
- Water
- Sewerage
- Other infrastructure assets
- Works 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 means the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

On the 24th December 2010, Council swapped with the Queensland Government, the Noondoo-Thallon Road with the St George-Noondoo Road, these assets were swapped at Fair Value.

Capital and operating expenditure

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

Valuation

Land and improvements, buildings and all infrastructure assets are measured on the revaluation basis, at fair value, in accordance with AASB116 *Property, Plant and Equipment*. Other plant and equipment is measured at cost.

Land and improvements, buildings, major plant and all infrastructure assets are measured on the revaluation basis, at fair value, in accordance with AASB116 *Property, Plant and Equipment* and the *Local Government Finance Standard 2005*. Other plant and equipment is measured at cost.

Non-current physical assets measured at fair value are revalued, where required, so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This is achieved by comprehensively revaluing these assets at least once every five years, with interim (desktop) valuations using a suitable index being otherwise performed on an annual basis where there has been a material variation in the index.

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

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

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

Details of valuers and methods of valuations are disclosed in Note 13.



Balonne Shire Council

Note 1: Summary of significant accounting policies (cont)

For the year ended 30 June 2011

1.R Property, Plant and Equipment (cont)

Major plant

The Council has determined that plant which has an individual cost in excess of \$500,000 is of high value to the Council. Plant which meets this criterion is major plant if it is prone to a high degree of price fluctuations or in danger of becoming obsolete. The asset class primarily includes specialized earthmoving equipment.

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.

Investment property under construction is classified as investment property.

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.

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

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

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

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

The estimated useful lives of property, plant and equipment are reviewed annually.

Following the 2011 flood events, a full asset condition assessment was undertaken by Council for purposes of determining the condition of the Council's assets and the extent of work required to restore these assets to their pre-flood condition. The damage resulted in a reduction in useful lives of some road assets. An impairment adjustment of \$6.6m by way of accelerated depreciation has been taken up through accumulated revaluation depreciation.

Details of the range of useful lives for each class of asset are shown in note 13.

Unfunded depreciation

Balonne Shire Council has elected not to fund depreciation expenses for assets that will not be replaced or external funding sources other than loans will be obtained to fund their replacement. Depreciation is funded to the extent necessary to meet future replacement capital works.

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 Balonne Shire Council currently does not have any such land holdings.

Land under the road network within the Council area that has been dedicated and opened for public use under the *Land Act 1994* or the *Land Title Act 1994* is not controlled by council but is controlled by the state pursuant to the relevant legislation. Therefore this land is not recognised in these financial statements.

1.S Intangible Assets

Intangible assets with a cost or other value exceeding \$10,000 are recognised as intangible assets in the financial statements, items with a lesser value being expensed. Except for Computer Software which has a recognition threshold of \$1,000.



Balonne Shire Council

Note 1: Summary of significant accounting policies (cont)

For the year ended 30 June 2011

1.S Intangible Assets (cont)

Expenditure on research activities relating to internally-generated intangible assets is recognised as an expense in the period in which it is incurred.

Costs associated with the development of computer software are capitalised and are amortised on a straight-line basis over the period of expected benefit to Council.

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

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

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

1.U Leases

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

Finance leases

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

Operating leases

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

1.V 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.W Liabilities - Employee Benefits

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

Balonne Shire Council

Note 1: Summary of significant accounting policies (cont)

For the year ended 30 June 2011

1.W Liabilities - Employee Benefits (cont)

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 6 as a payable.

Annual leave

A liability for annual leave is recognised. The current portion (based on the expected payment date) is calculated on current wage and salary levels and includes related employee on-costs. The non-current portion is calculated on projected future wage and salary levels and related employee on-costs, discounted to present values. This liability represents an accrued expense and is reported in Note 6 and Note 16 as a provision.

Sick leave

Balonne Shire Council does not have an obligation to pay sick leave on termination to employees and therefore no liability has been recognised for this obligation.

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 24.

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 16 as a provision.

1.X Borrowings

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

1.Y Asset revaluation surplus

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

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

1.Z Retained surplus

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

Balonne Shire Council

Note 1: Summary of significant accounting policies (cont)

For the year ended 30 June 2011

1.AA Reserves

Future capital works reserve

This reserve represents amounts set aside for the future capital projects.

Asset replacement reserve

Funding that Council receives from Road Infrastructure, Urban Water, Urban Waste Water and Cleansing Programs are to be spent on those programs any surplus funds are to be put to the relevant reserve.

Unspent capital grants reserve

This reserve represents the unspent portion of non-reciprocal grants received for capital purposes.

Constrained works reserve

This reserve represents contributions received for capital works where the required works have not yet been carried out.

Future recurrent expenditure reserve

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

1.AB National Competition Policy

The Council has reviewed its activities to identify its business activities. Details of these activities are disclosed in Note 29.

1.AC Rounding and Comparatives

Amounts included in the financial statements have been rounded to the nearest \$1,000.

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

1.AD Trust funds held for outside parties

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

The monies are disclosed in the notes to the financial statements for information purposes only in Note 26.

1.AE 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.

Balonne Shire Council

Note 2a: Components of Council Functions

For the year ended 30 June 2011

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

Corporate Governance

To provide effective organisational leadership through strategic planning, accountability and ethical standards of practice.

Corporate Services

To enhance the capability and performance of Balonne Shire and ensure resources are directed to achieve organisational objectives

Planning, Development and Environmental Health Services

To implement appropriate planning and building construction controls to ensure and encourage the balanced quality development of the shire and the protection of the environment

To implement policies and operational programs that will contribute to the environmental health and wellbeing of the community

Rural Services

To provide effective and efficient management of stock routes, animal and weed pests

Infrastructure Services

To provide efficient and effective transport and drainage infrastructure

To provide community infrastructure to meet the needs of current and future generations

To provide efficient, effective and environmentally sound waste water disposal services and water supplies

Community Lifestyle

To encourage and promote a sense of community and belonging, community pride, engagement, well being and grow social capital

Economic Development

To foster a vibrant economic environment

Commercial Services

To undertake commercial works within the scope of Council's expertise in an efficient and cost effective manner

Balonne Shire Council Note 2b: Analysis of Results by Function

For the year ended 30 June 2011

	Gross recurring income	Gross capital income	Eliminate inter-fn trans.	Total income	Gross recurring expenses	Gross capital expenses	Eliminate inter-fn trans.	Total expenses	Net result from recurring	Net operating surplus	Assets
	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Corporate Governance	0	0	0	0	232	0	0	232	(232)	(232)	0
Corporate Services	9,204	0	0	9,204	(631)	0	0	(631)	10,035	10,035	32,582
Planning, Development and Environmental Health Services	1,646	56	0	1,702	2,227	0	0	2,227	(581)	(525)	4,270
Rural Services	58	0	0	58	459	0	0	459	(401)	(401)	73
Infrastructure Services	25,809	10,532	0	36,341	16,196	0	0	16,196	9,613	20,145	163,460
Community Lifestyle	219	11	0	230	496	0	0	496	(278)	(267)	595
Economic Development	55	0	0	55	343	0	0	343	(288)	(288)	317
Commercial Services	3,355	0	0	3,355	3,749	0	0	3,749	(394)	(394)	0
Total Council	40,346	10,599	0	50,945	22,872	0	0	22,872	17,474	28,073	201,297
Total consolidated	40,346	10,599	0	50,945	22,872	0	0	22,872	17,474	28,073	201,297

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



Balonne Shire Council
Note 2b: Analysis of Results by Function (cont)

For the year ended 30 June 2010

	Gross recurring income	Gross capital income	Eliminate inter-fn trans.	Total income	Gross recurring expenses	Gross capital expenses	Eliminate inter-fn trans.	Total expenses	Net result from recurring	Net operating surplus	Assets
	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Corporate Governance	0	0	0	0	238	0	0	238	(238)	(238)	0
Corporate Services	9,029	3	0	9,032	336	0	0	336	8,693	8,696	15,367
Planning, Development and Environmental Health Services	683	2	0	685	1,624	0	0	1,624	(941)	(939)	4,381
Rural Services	101	0	0	101	450	0	0	450	(350)	(350)	71
Infrastructure Services	4,815	1,677	0	6,492	9,811	0	0	9,811	(4,996)	(3,319)	147,560
Community Lifestyle	184	156	0	340	645	0	0	645	(461)	(304)	571
Economic Development	115	0	0	115	292	0	0	292	(177)	(177)	304
Commercial Services	1,875	0	0	1,875	1,807	0	0	1,807	69	69	0
Total Council	18,802	1,837	0	18,640	15,202	0	0	15,202	1,600	3,437	168,254
Total consolidated	18,802	1,837	0	18,640	15,202	0	0	15,202	1,600	3,437	168,254

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



Balonne Shire Council
Note 3: Revenue analysis

For the year ended 30 June 2011

	Notes	2011 Actual	2010 Actual
		(\$'000)	(\$'000)
(a) Rates and charges			
General rates		5,469	5,197
Separate rates		7	7
Water		1,447	1,385
Water consumption, rental and sundries		31	37
Sewerage		903	865
Garbage charges		548	509
Total rates and utility charge revenue		<u>8,406</u>	<u>8,000</u>
Less: Discounts		(746)	(718)
Less: Pensioner remissions		(29)	(27)
Net rates and utility charges		<u>7,630</u>	<u>7,255</u>
(b) Fees and charges			
Building and development fees		29	30
Infringements		3	7
Swimming Pool Fees - Council Owned Facilities		32	36
Licences and registrations		43	29
Cemetery Fees		32	24
Internet Charges		6	8
Searches and other Council Document Fees		11	15
Water Connection Fees		4	11
Council Facilities Hire		26	42
Other fees and charges		7	5
Total Fees & Charges		<u>193</u>	<u>208</u>
(c) Rental income			
118 Victoria Street, St George		0	23
Staff Housing		120	105
Airport Lease Charges		19	19
St George Water Tower Rental		13	13
		<u>153</u>	<u>160</u>
(d) Interest received			
Interest received from cash and investments		723	485
Other sources		0	0
Interest from overdue rates and utility charges		29	20
		<u>751</u>	<u>504</u>
(e) Sales revenue			
Sales of services			
Contract and recoverable works		3,355	1,875
Miscellaneous Water		1	0
		<u>3,356</u>	<u>1,876</u>
Sale of goods			
Visitor Information Centre		39	52
History Books		2	2
Scrap Metal Sales		0	2
		<u>40</u>	<u>55</u>
Total sales revenue		<u>3,396</u>	<u>1,931</u>
The amount recognised as revenue for contract revenue during the period 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.			
(f) Other recurrent income			
Other income		183	(8)
		<u>183</u>	<u>(8)</u>

Balonne Shire Council

Note 4: Grants, Subsidies, Contributions and Donations

For the year ended 30 June 2011

	Notes	2011 Actual	2010 Actual
		(\$'000)	(\$'000)
(a) Recurrent			
General purpose grants		3,414	3,783
State Government subsidies and grants		235	1,472
Commonwealth government subsidies and grants		1,245	1,570
Donations - Flood Event		0	9
Contributions		51	30
March 2010 Flood Event Funding		7,489	0
January 2011 Flood Event Funding		502	0
March 2010 Prepaid Flood Event Funding		11,316	0
January 2011 Prepaid Flood Event Funding		<u>3,787</u>	<u>0</u>
Total recurrent revenue		<u>28,039</u>	<u>6,865</u>
(b) Capital			
State Government subsidies and grants		1,011	1,008
Commonwealth government subsidies and grants		752	742
March 2010 Flood Event Restoration		2,695	0
Contributions		<u>17</u>	<u>1</u>
Total capital revenue		<u>4,475</u>	<u>1,752</u>
(c) Conditions over contributions			
Contributions recognised as income during the reporting period and which were obtained on the condition that they be expended in a manner specified by the contributor but not had been expended at the reporting date:			
Non-reciprocal grants for expenditure on services		15,183	97
Non-reciprocal grants for expenditure on infrastructure		23	50
Developer contributions for infrastructure		0	1
Contributions recognised as income during a previous reporting period that were obtained in respect of the current reporting period			
Non-reciprocal grants for expenditure on services		98	11
Non-reciprocal grants for expenditure on infrastructure		22	779
Developer contributions expended on infrastructure		<u>0</u>	<u>0</u>
		<u>15,326</u>	<u>938</u>

Balonne Shire Council Note 5: Capital income

For the year ended 30 June 2011

	Notes	2011 Actual	2010 Actual
		(\$'000)	(\$'000)
Gain (loss) on the disposal of non-current assets			
Proceeds from the sale of property, plant and equipment		163	241
Fair Value of Exchange of St George Noondoo Road with Noondoo Thallon Road		9,274	0
Less: Book value of property, plant and equipment disposed of		(193)	(265)
Less: Book value of Noondoo-Thallon Road		<u>(3,119)</u>	<u>0</u>
		<u>6,125</u>	<u>(24)</u>
Proceeds from the sale of land and improvements		0	5
Less: Book value of land sold		<u>0</u>	<u>(2)</u>
		<u>0</u>	<u>3</u>
Total capital income		<u>6,125</u>	<u>(22)</u>

Note 6: Employee benefits

For the year ended 30 June 2011

	Notes	2011 Actual	2010 Actual
		(\$'000)	(\$'000)
Total staff wages and salaries		5,419	4,426
Councillors' remuneration		213	218
Annual, sick and long service leave entitlements		605	561
Superannuation	24	518	428
		<u>6,755</u>	<u>5,633</u>
Other employee related expenses		1,278	1,076
		<u>8,032</u>	<u>6,709</u>
Less: Capitalised employee expenses		(1,197)	(731)
		<u>6,836</u>	<u>5,978</u>

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

Total Council employees at period end

Elected members	5	5
Administrative staff	37	30
Depot and outdoors staff	<u>75</u>	<u>60</u>
Total full time equivalent employees	<u>117</u>	<u>95</u>

Balonne Shire Council Note 7: Materials and services

For the year ended 30 June 2011

	<u>Notes</u>	<u>2011 Actual</u>	<u>2010 Actual</u>
		(\$'000)	(\$'000)
Advertising and marketing		36	38
Audit Services		61	38
Cleansing Services		493	421
Urban Water Services		641	691
Urban Waste Water		233	240
Community Donations/Assistance		13	19
Legal Fees		14	13
March 2010 Flood Event		7,073	499
January 2011 Flood Event		770	0
Land Protection Fund Precept		202	195
Rentals - Operating Leases		5	5
Aerodrome Maintenance		116	73
Swimming Pools - Council Owned		148	129
Other Materials and Services		<u>732</u>	<u>1,829</u>
		<u>10,536</u>	<u>4,190</u>

Note 8: Finance costs

For the year ended 30 June 2011

	<u>Notes</u>	<u>2011 Actual</u>	<u>2010 Actual</u>
		(\$'000)	(\$'000)
Finance costs charged by Queensland Treasury Corporation		108	137
Bank charges		11	12
Impairment of debts		1	3
Other Finance Costs		<u>0</u>	<u>0</u>
		<u>120</u>	<u>153</u>

Balonne Shire Council

Note 9: Depreciation and amortisation

For the year ended 30 June 2011

	Notes	2011 Actual	2010 Actual
		(\$'000)	(\$'000)
Depreciation of non-current assets			
Land improvements		0	0
Buildings		267	291
Plant and equipment		772	768
Furniture and Fittings		20	18
Transport Infrastructure		3,496	3,049
Water		398	380
Waste Water		331	297
Other assets		82	69
Total depreciation of non-current assets		<u>5,365</u>	<u>4,874</u>
Amortisation of intangible assets			
Software		15	13
Total depreciation and amortisation		<u>5,380</u>	<u>4,886</u>
Unfunded depreciation			
The gross unfunded depreciation across all assets for the period is \$nil (2010 - \$nil)			
Road, drainage and bridge network			
Balance at beginning of period		13,182	13,182
Net adjusted unfunded depreciation in the period		0	0
Accumulated unfunded depreciation at period end		<u>13,182</u>	<u>13,182</u>

Accumulated unfunded depreciation represents the accumulated shortfall in funding being provided from operating revenue to replace the assets at some future time. It is anticipated that external borrowings will be required as the assets are replaced resulting in higher future operating costs. Recognition of unfunded depreciation represents a decline in the capital value of the shire.

Net adjusted unfunded depreciation is calculated by taking the gross unfunded depreciation and deducting the amount of depreciation that will not require future funding due to either:

- non-replacement of the asset;
- contributions becoming available for funding the replacement;
- the replacement asset will cost less than the existing asset; or
- the engineer's assessment of depreciation funding is less than the depreciation expense in the period.

Balonne Shire Council

Note 10: Cash and cash equivalents

For the year ended 30 June 2011

	Notes	2011 Actual	2010 Actual
		(\$'000)	(\$'000)
Cash at bank and on hand		730	206
QTC Cash Fund		22,288	11,113
Balance per Statement of Cash Flows		<u>23,018</u>	<u>11,319</u>
Externally imposed expenditure restrictions at the reporting date relate to the following cash assets:			
Unspent government grants and subsidies		(15,264)	(180)
Unspent Community Contributions		(57)	(65)
Unspent loan monies		<u>0</u>	<u>0</u>
Total unspent restricted cash for capital projects		<u>(15,322)</u>	<u>(244)</u>

Cash is held in the Westpac Banking Corporation in business cheque account and Westpac Business Cash Reserve. The bank currently has a credit rating of AA. A small amount of Cash is also held with Heritage Building Society which has a credit rating of A3.

Surplus Cash requirements are deposited into Council's Queensland Treasury Corporation which has an AAA rating.

Balonne Shire Council

Note 11: Trade and other receivables

For the year ended 30 June 2011

	Notes	2011 Actual (\$'000)	2010 Actual (\$'000)
(a) Current			
Rateable revenue and utility charges		519	391
Other debtors		5,913	739
Less: impairment		(31)	(31)
Business Activity Statement Recoverable (Payable)		(25)	54
Prepayments		44	32
		<u>6,419</u>	<u>1,185</u>
(b) Non-current			
Loans and advances to community organisations		<u>0</u>	<u>0</u>
		<u>0</u>	<u>0</u>

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

Loans relate to advances made to various sporting bodies. These loans arise from time to time and are subject to negotiated interest rates. The credit risk on these loans is considered low. Council has no community loans as at 30 June 2011.

Note 12: Inventories

For the year ended 30 June 2011

	Notes	2011 Actual (\$'000)	2010 Actual (\$'000)
Current			
Inventories held for sale			
Visitor Information Centre saleable items		<u>23</u>	<u>19</u>
Total inventories held for sale		<u>23</u>	<u>19</u>
Inventories held for distribution:			
Quarry and road materials		0	17
Plant and equipment stores		<u>175</u>	<u>152</u>
Total inventories held for distribution		<u>176</u>	<u>170</u>
Total Other Inventory			
Land held for development and sale		233	230
Water		2	0
Total Other Inventory		<u>235</u>	<u>230</u>
Total inventories		<u>434</u>	<u>419</u>

Balonne Shire Council

Note 13a: Council Property, Plant and Equipment

For the year ended 30 June 2011

	LAND AND IMPROVEMENT	BUILDINGS	PLANT AND EQUIPMENT	FURNITURE AND FITTINGS	TRANSPORT INFRASTRUCTURE	WATER SUPPLY NETWORK	URBAN WASTE WATER NETWORK	OTHER INFRASTRUCTURE ASSETS	WORK IN PROGRESS	TOTAL
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	
Asset Values										
Basis of measurement	4,400	22,470	10,507	687	114,347	22,460	14,967	5,574	1,446	196,858
Opening gross value as at 1 July 2010	270	1,106	2,489	37	14,265	299	21	498	0	18,986
Additions at cost	0	0	(688)	0	(3,631)	0	0	0	0	(4,319)
Disposals	3	(627)	0	0	9,592	174	616	63	0	9,822
Revaluation adjustment to the ARR	0	0	0	0	0	0	0	0	0	0
Revaluation adjustment to income	0	0	0	0	0	0	0	0	0	0
Expenditure on Work In Progress	0	0	0	0	0	0	0	0	20,542	20,542
Work in Progress Capitalised	0	0	0	0	0	0	0	0	(18,986)	(18,986)
Transfers between classes	0	0	0	0	0	0	0	0	0	0
Closing gross value as at 30 June 2011	4,673	22,948	12,308	724	134,574	22,933	15,605	6,135	3,002	222,902
Accumulated Depreciation										
Opening balance as at 1 July 2010	0	3,480	4,760	423	19,450	7,459	5,381	627	0	41,580
Depreciation provided in period	0	267	772	20	3,496	398	331	82	0	5,365
Depreciation on disposals	0	0	(495)	0	(513)	0	0	0	0	(1,007)
Revaluation adjustment to the ARR	0	(556)	0	0	6,645	(239)	(11)	(86)	0	5,754
Revaluation adjustment to income	0	0	0	0	0	0	0	0	0	0
Impairment adjustment to the ARR	0	0	0	0	0	0	0	0	0	0
Impairment adjustment to income	0	0	0	0	0	0	0	0	0	0
Assets transferred to investment property	0	0	0	0	0	0	0	0	0	0
Transfers between classes	0	0	0	0	0	0	0	0	0	0
Accumulated depreciation as at 30 June 2011	0	3,191	5,037	444	29,078	7,618	5,700	624	0	51,692
Total written down value as at 30 June 2011	4,673	19,757	7,271	280	105,496	15,315	9,904	5,512	3,002	171,211
Residual value	0	10,849	3,685	27	45,158	1,888	4,059	1,834	0	4,548
Estimated useful life (years)		15-100	1-50	5-60	10-100	2-100	1-100	1-100		

Balonne Shire Council

Note 13a: Council Property, Plant and Equipment

For the year ended 30 June 2010

	LAND AND IMPROVEMENT	BUILDINGS	PLANT AND EQUIPMENT	FURNITURE AND FITTINGS	TRANSPORT INFRASTRUCTURE	WATER SUPPLY NETWORK	URBAN WASTE WATER NETWORK	OTHER INFRASTRUCTURE ASSETS	WORK IN PROGRESS	TOTAL
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	
Asset Values										
Basis of measurement	4,030	20,880	10,118	662	109,761	21,891	14,259	5,021	1,212	187,833
Opening gross value as at 1 July 2009	0	45	1,386	25	4,865	364	386	175	0	7,246
Additions at cost	0	(190)	(996)	0	0	0	(410)	(15)	0	(1,611)
Disposals	370	1,734	0	0	(279)	205	733	393	0	3,156
Revaluation adjustment to the ARR	0	0	0	0	0	0	0	0	0	0
Revaluation adjustment to income	0	0	0	0	0	0	0	0	0	0
Expenditure on Work In Progress	0	0	0	0	0	0	0	0	7,491	7,491
Work in Progress Capitalised	0	0	0	0	0	0	0	0	(7,257)	(7,257)
Transfers between classes	0	0	0	0	0	0	0	0	0	0
Closing gross value as at 30 June 2010	4,400	22,470	10,507	687	114,347	22,460	14,967	5,574	1,446	196,858
Accumulated Depreciation										
Opening balance as at 1 July 2009	0	3,522	4,759	405	15,363	9,590	7,314	661	0	41,613
Depreciation provided in period	0	291	768	18	3,049	380	297	69	0	4,874
Depreciation on disposals	0	(153)	(768)	0	0	0	(410)	(15)	0	(1,346)
Revaluation adjustment to the ARR	0	(180)	0	0	1,038	(2,511)	(1,821)	(88)	0	(3,561)
Revaluation adjustment to income	0	0	0	0	0	0	0	0	0	0
Impairment adjustment to the ARR	0	0	0	0	0	0	0	0	0	0
Impairment adjustment to income	0	0	0	0	0	0	0	0	0	0
Assets transferred to investment property	0	0	0	0	0	0	0	0	0	0
Transfers between classes	0	0	0	0	0	0	0	0	0	0
Accumulated depreciation as at 30 June 2010	0	3,480	4,760	423	19,450	7,459	5,381	627	0	41,550
Total written down value as at 30 June 2010	4,400	18,990	5,747	264	94,897	15,001	9,587	5,512	1,446	155,278
Residual value	0	10,762	3,106	27	38,830	3,108	2,630	1,834	0	59,960
Estimated useful life (years)		15-100	1-50	5-60	10-100	2-100	1-100	1-100		

Balonne Shire Council

Note 13b: Property, Plant and Equipment Valuations

For the year ended 30 June 2011

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

Land

Land has been included at current market value as at 30th June 2011 as determined by Australia Pacific Valuers Pty Ltd.

Land under infrastructure and reserve land does not have a value for the purpose of the Balonne Shire Council's financial statements.

Buildings and Other Structures

Buildings and Other Structures have been included at their written down current replacement cost as at 30 June 2011 by Australia Pacific Valuers Pty Ltd.

Plant and Equipment

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

Furniture and Fittings

Furniture and fittings is measure at original cost less accumulated depreciation.

Infrastructure

Transport, Water and Sewerage Infrastructure have been included at their written down current replacement cost as at 30 June 2011 by Australia Pacific Valuers Pty Ltd

In January 2011 a sizeable flood event occurred within Council's boundaries. This flood event caused considerable damage to Council's road, bridges and drainage assets. The assets were assessed by Council and independent engineers following the flood to determine the condition of the assets and the extent of work required to restore these assets to their pre-flood condition.

As a result of these inspections Council was able to assess the condition of the roads assets with this condition assessment provided to Australian Pacific Valuers to provide a revaluation of Council's Transport Infrastructure to determine the fair value of the assets at reporting date.

Balonne Shire Council Note 14: Intangible Assets

For the year ended 30 June 2011

	Notes	2011 Actual (\$'000)	2010 Actual (\$'000)
Software			
Opening gross carrying value		173	144
Movement during the period		<u>42</u>	<u>29</u>
Closing carrying value		<u>214</u>	
<u>173</u>			
Accumulated amortisation			
Opening balance		(120)	(107)
Amortisation in the period		<u>(15)</u>	<u>(13)</u>
Closing balance		<u>(135)</u>	
<u>(120)</u>			
Net carrying value at end of financial year		79	
53			
The software has a finite life estimated at 10 years. Straight line amortisation has been used with no residual value.			
Total intangible assets		<u>79</u>	<u>53</u>

Note 15: Trade and other payables

For the year ended 30 June 2011

Current			
Creditors and accruals		1,967	914
Other entitlements		<u>57</u>	<u>38</u>
		<u>2,024</u>	<u>952</u>
Non-current			
Creditors and accruals		<u>0</u>	<u>0</u>
		<u>0</u>	<u>0</u>

Note 16: Provisions

For the year ended 30 June 2011

	Notes	2011 Actual (\$'000)	2010 Actual (\$'000)
Current			
Long service leave		185	225
Annual Leave		<u>470</u>	<u>450</u>
		<u>655</u>	<u>675</u>
Non-current			
Long service leave		847	774
Annual Leave		<u>239</u>	<u>191</u>
		<u>1,086</u>	<u>965</u>
Details of movements in provisions:			
(c) Long service leave			
Balance at beginning of financial year		999	878
Long service leave entitlement arising		123	154
Long service leave entitlement paid		<u>(90)</u>	<u>(34)</u>
Balance at beginning of financial year		<u>1,032</u>	<u>999</u>

Balonne Shire Council Note 17: Borrowings

For the year ended 30 June 2011

	Notes	2011 Actual (\$'000)	2010 Actual (\$'000)
Current			
Loans - Queensland Treasury Corporation		170	274
		<u>170</u>	<u>274</u>
Non-current			
Loans - Queensland Treasury Corporation		1,349	1,519
		<u>1,349</u>	<u>1,519</u>

Note 18: Borrowings - Loans

For the year ended 30 June 2011

Queensland Treasury Corporation			
Opening balance at beginning of financial year		1,793	2,217
Loans raised		0	0
Principal repayments		(274)	(423)
Book value at end of financial year		<u>1,519</u>	
<u>1,793</u>			

The QTC loan market value at the reporting date was \$1,595,735.29. 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 to 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 24 August 2012 to 22 June 2022. There have been no defaults or breaches of the loan agreement during the period. Principal and interest repayments are made quarterly in arrears. Council does not have an overdraft facility.

Balonne Shire Council

Note 19: Asset revaluation surplus

For the year ended 30 June 2011

	<u>Notes</u>	<u>2011 Actual</u>	<u>2010 Actual</u>
		(\$'000)	(\$'000)
(i) Asset revaluation reserve			
Movements in the asset revaluation reserve were as follows:			
Balance at beginning of financial year		128,478	121,749
Net adjustment to non-current assets at end of period to reflect a change in current fair value:			
Land and improvements		3	370
Land Held for Resale		3	12
Buildings		(72)	1,913
Plant and Equipment		0	0
Furniture and Fittings		0	0
Other Structures		149	481
Transport Infrastructure		2,948	(1,317)
Water		413	2,716
Waste Water		<u>627</u>	<u>2,553</u>
Balance at end of financial year		<u>132,549</u>	<u>128,478</u>
 (ii) Asset revaluation surplus analysis			
The closing balance of the asset revaluation reserve is comprised of the following asset categories:			
Land and improvements		2,639	2,636
Land Held for Resale		85	82
Buildings		13,895	13,967
Plant and Equipment		1,498	1,498
Furniture and Fittings		307	307
Other Structures		4,071	3,922
Transport Infrastructure		79,867	76,920
Water		18,605	18,192
Waste Water		<u>11,582</u>	<u>10,955</u>
		<u>132,549</u>	<u>128,478</u>

Balonne Shire Council Note 20: Other reserves

For the year ended 30 June 2011

Notes	2011 Actual (\$'000)	2010 Actual (\$'000)
(a) Reserves held for future capital expenditure:		
(i) Future capital works reserve	2,559	4,375
(ii) Asset replacement reserve	2,154	1,493
(iii) Unspent capital grants reserve	97	109
(iv) Constrained works reserve	<u>80</u>	<u>84</u>
	<u>4,890</u>	<u>6,061</u>
(b) Reserves held for funding future recurrent expenditure:		
(i) Future recurrent expenditure reserve	<u>15,192</u>	<u>108</u>
	<u>15,192</u>	<u>108</u>
Total reserves	<u>20,082</u>	<u>6,169</u>
(c) Movements in capital reserves:		
(i) Future capital works reserve		
Balance at beginning of financial year	4,375	4,954
Transfer from retained surplus for future expenditure	0	500
Transfer to the retained surplus/capital funds expended in the period	<u>(1,816)</u>	<u>(1,078)</u>
Balance at end of financial year	<u>2,559</u>	
<u>4,375</u>		
(ii) Asset replacement reserve		
Balance at beginning of financial year	1,493	1,433
Transfer from retained surplus for future expenditure	406	333
Transfer to the retained surplus/capital funds expended in the period	<u>255</u>	<u>(273)</u>
Balance at end of financial year	<u>2,154</u>	
<u>1,493</u>		
(iii) Unspent capital grants reserve		
Balance at beginning of financial year	109	901
Transfer from retained surplus for future expenditure	23	95
Transfer to the retained surplus/capital funds expended in the period	<u>(35)</u>	<u>(888)</u>
Balance at end of financial year	<u>97</u>	
<u>109</u>		
(iv) Constrained works reserve		
Balance at beginning of financial year	84	91
Transfer from retained surplus for future expenditure	4	5
Transfer to the retained surplus/capital funds expended in the period	<u>(7)</u>	<u>(12)</u>
Balance at end of financial year	<u>80</u>	
<u>84</u>		
(d) Movements in recurrent reserves:		
(i) Future recurrent expenditure reserve		
Balance at beginning of financial year	108	12
Transfer from retained surplus for future expenditure	15,183	
106		
Transfer to retained surplus	<u>(98)</u>	<u>(11)</u>
Balance at end of financial year	<u>15,192</u>	
<u>108</u>		

Balonne Shire Council

Note 21: Commitments for expenditure

For the year ended 30 June 2011

	Notes	2011 Actual (\$'000)	2010 Actual (\$'000)
Operating leases			
Minimum lease payments in relation to non-cancellable operating leases are as follows:			
Within one year		6	5
One to five years		<u>31</u>	<u>30</u>
		<u>37</u>	<u>35</u>
Contractual commitments			
Contractual commitments at balance date but not recognised in the financial statements are as follows:			
Major Vehicles on Order		161	354
Cleaning contractors		<u>310</u>	<u>315</u>
		<u>471</u>	<u>669</u>

Note 22: Contingent liabilities

For the year ended 30 June 2011

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 2011 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 \$117,642.

Note 23: Events after balance date

For the year ended 30 June 2011

Flood Reconstruction

In the period from November 2010 to January 2011, the area under the Balonne Shire Council was the subject to major flooding. After this event, the Queensland Government activated the National Disaster Relief and Recovery Arrangements (NDRRA) funding. The dates applicable to Balonne Shire Council for the funding are 10 December 2010 for Counter Disaster Operations and 10 December 2010 for Restoration of Essential Public Assets.

According to the NDRRA Guidelines for Queensland (2009-2010 v1.0), the Counter Disaster Operations funding is for activities undertaken by Local and State Government agencies to provide direct assistance to and in the protection of the general public before and during the disaster event. This includes costs such as evacuation centre costs, emergent public health and disaster debris removal originating from private property. The Restoration of Essential Public Assets funding financially assists eligible State and Local Governments in the restoration of essential public assets, following an eligible disaster event, to pre-disaster standard/level of service. The types of work included for funding are emergent works and the reconstruction of assets. The entity administering the NDRRA funding is the Queensland Reconstruction Authority (QldRA).

(i) Total Spent and Committed as at the 30 June 2011

For Balonne Shire Council the total spent and committed on these categories as at 30 June 2011 was:

	Actuals	Commitments
Counter Disaster	\$ 875,859	\$ 0
Restoration of Essential Public Assets	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	\$ 875,859	\$ 0

(ii) Value of claims lodged

Of these costs, as at 30 June 2011 the council lodged claims to the QldRA worth:

Counter Disaster and Emergent works	\$ 501,930
Reinstatement Claims:	\$ 0
Roads, Bridges and Drainage	<u>\$ 0</u>
TOTAL	\$ 526,391

Claims lodged after 30 June 2011 to the QldRA totalled \$113,969 (Counter Disaster Operations).

Submissions are still being prepared for NDRRA funding to cover restoration costs.

Note 24: Superannuation

For the year ended 30 June 2011

<u>Notes</u>	<u>2011 Actual</u>	<u>2010 Actual</u>
	(\$'000)	(\$'000)
Contributions	<u>518</u>	<u>428</u>

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 two elements referred to as the Defined Benefits Fund (DBF) and the Accumulation Benefits Fund (ABF). The ABF is a defined contribution scheme as defined in AASB 119. Council has no liability to or interest in the ABF other than the payment of the statutory contributions as required by the Local Government Act 2009.

The DBF is a defined benefit plan as defined in AASB119. The Council is not able to account for the DBF as a defined benefit plan in accordance with AASB119 because the scheme is unable to account to the Council for its proportionate share of the defined benefit obligation, plan assets and costs.

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

The audited general purpose financial report of the scheme as at 30 June 2010 (the most recent available) which was not subject to any audit qualification, indicates that the assets of the scheme are sufficient to meet the vested benefits.

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

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

Council has been advised by the trustee of the scheme, following advice from the scheme's actuary, that additional contributions may be imposed in the future at a level necessary to protect the entitlements of DBF members. Under the Local Government Act 2009 the trustee of the scheme has the power to levy additional contributions on councils which have employees in the DBF when the actuary advises such additional contributions are payable - normally when the assets of the DBF are insufficient to meet members' benefits. The next actuarial investigation will be made as at 1 July 2012.

Balonne Shire Council

Note 25: Operating leases (Council is lessor)

For the year ended 30 June 2011

	<u>Notes</u>	<u>2011 Actual</u>	<u>2010 Actual</u>
		(\$'000)	(\$'000)
<p>The Council has various leases on the St George Water Tower and the St George Airport. The minimum lease receipts are as follows:</p> <p>The minimum lease payments are payable as follows:</p>			
Not later than one year		34	33
One to five years		<u>149</u>	<u>144</u>
		<u>183</u>	<u>177</u>

Note 26: Trust funds

For the year ended 30 June 2011

	<u>Notes</u>	<u>2011 Actual</u>	<u>2010 Actual</u>
		(\$'000)	(\$'000)
Trust funds held for outside parties			
<p>Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities</p>			
9		9	
Security deposits		<u>65</u>	<u>56</u>
		<u>74</u>	<u>65</u>

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.

Balonne Shire Council

Note 27: Reconciliation of result from ordinary activities to net cash inflow (outflow) from operating activities

For the year ended 30 June 2011

	Notes	2011 Actual	2010 Actual
		(\$'000)	(\$'000)
Net operating result		28,073	
3,437			
Non-cash operating items:			
Depreciation and amortisation		5,380	4,886
Revaluation adjustments		0	0
Impairment of property, plant and equipment		0	0
Change in future rehabilitation and restoration costs		<u>0</u>	<u>0</u>
		<u>5,380</u>	<u>4,886</u>
Investing and development activities:			
Net (profit) / loss on disposal of non-current assets		(6,125)	21
Capital grants and contributions		(4,427)	(1,874)
Non-Cash Contributions		<u>(48)</u>	<u>0</u>
		<u>(10,599)</u>	<u>(1,852)</u>
Financing activities:			
Financing activities		<u>0</u>	<u>0</u>
		<u>0</u>	<u>0</u>
Changes in operating assets and liabilities:			
(Increase) decrease in receivables		(5,192)	(1,220)
(Increase) decrease in inventory		(12)	(55)
Increase (decrease) in payables		1,091	(129)
Increase (decrease) in other provisions		<u>101</u>	<u>140</u>
		<u>(4,013)</u>	<u>(1,264)</u>
Net cash inflow from operating activities		<u>18,841</u>	<u>5,207</u>

Balonne Shire Council

Note 28: Financial instruments

For the year ended 30 June 2011

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

Exposure to financial risks is managed in accordance with Council approved policies on financial risk management. These policies focus on managing the volatility of financial markets and seek to minimise potential adverse effects on the financial performance of the Council. The Council minimises its exposure to financial risk in the following ways:

Investments in financial assets are only made where those assets are with a bank or other financial institution in Australia. The Council does not invest in derivatives or other high risk investments.

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

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

RISK EXPOSURE	MEASUREMENT METHOD
Interest rate risk	Sensitivity analysis
Liquidity risk	Maturity
Credit risk	Ageing analysis

(i) Credit risk exposure

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

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

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

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

By the nature of the Council's operations, there is a geographical concentration of risk in the Council's area. Because the area is largely agricultural (primarily cotton, beef and wheat), there is also a concentration in the agricultural sector.

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

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

Council's maximum exposure to credit risk is as follows:

	<u>2011 Actual</u>	<u>2010 Actual</u>
	(\$'000)	(\$'000)
Financial assets		
Cash and cash equivalents	23,018	11,319
Receivables - rates	489	361
Receivables - other	<u>5,931</u>	<u>824</u>
	<u>29,437</u>	<u>12,504</u>

Balonne Shire Council Note 28: Financial instruments (cont)

For the year ended 30 June 2011

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

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

	<u>2011 Actual</u> (\$'000)	<u>2010 Actual</u> (\$'000)
Receivables – Fully Performing	1,456	976
Receivables - < 30 days	3,915	2
Receivables – 30-60 days	916	1
Receivables – 61-90 days	162	175
Receivables – Impaired	<u>(31)</u>	<u>(31)</u>
Receivables - Total	<u>6,419</u>	<u>1,123</u>

(ii) Liquidity risk

Liquidity risk refers to the situation where the Council may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Council is exposed to liquidity risk through its trading in the normal course of business and borrowings from Queensland Treasury Corporation for capital works. Council manages its exposure to liquidity risk by maintaining sufficient undrawn facilities, both short and long term, to cater for unexpected volatility in cash flows. These facilities are disclosed in the note 10.

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:

	<u>2011 Actual</u> (\$'000)	<u>2010 Actual</u> (\$'000)
Trade and other payables – 0 to 1 year	2,024	952
Trade and other payables – 1 to 5 years	0	0
Trade and other payables – over 5 years	<u>0</u>	<u>0</u>
Trade and other payables – Total	<u>2,024</u>	<u>952</u>
Loans –QTC – 0 to 1 year	268	383
Loans –QTC – 1 to 5 years	834	918
Loans –QTC – over 5 years	<u>964</u>	<u>1,143</u>
Loans –QTC – Total	<u>2,067</u>	<u>2,444</u>

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. Council does not have an overdraft facility.

Balonne Shire Council **Note 28: Financial instruments (cont)**

For the year ended 30 June 2011

(iii) Interest rate risk

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

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

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

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. 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.

	<u>2011</u>	<u>2010</u>
Financial assets (Net carrying amount)	9	5
Financial assets (Profit)	9	5
Financial assets (Equity)	9	5
Financial liabilities (Net Carrying amount)	(1)	(2)
Financial liabilities (Profit)	(1)	(2)
Financial liabilities (Equity)	(1)	(2)

Balonne Shire Council **Note 29: National Competition Policy**

For the year ended 30 June 2011

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

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

- (a) Roads business activity:
 - (i) the construction or maintenance of State controlled roads for which the local government submits an offer to carry out work in response to a tender invitation other than through a sole supplier arrangement which Council has with Department of Main Roads for its "Road Maintenance Performance Contract" and for other works it has a "Construction Tender Invitation".
 - (ii) submission of a competitive tender for construction or road maintenance on the local government's roads which the local government has put out to tender. Balonne Shire Council has a combination of tender process and day labour.

- (b) Other business activity, referred to as type three activities, means the following:
 - (i) trading in goods and services to clients in competition with the private sector; or
 - (ii) the submission of a competitive tender in the local government's own tendering process in competition with others for the provision of goods and services to itself. Excluded activities are (a) library services, (b) an activity or part thereof prescribed by legislation.

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

The CSO value is determined by Council and represents an activity's cost(s) which would not be incurred if the activity's primary objective were 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.

The Council has resolved not to apply the CCC to any activities.

Balonne Shire Council
Management Certificate

For the year ended 30 June 2011

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

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

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

In addition we certify that, in our opinion:

- (i) the prescribed requirements of the Local Government Act 2009 and associated Regulations for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the general purpose financial statements, as set out on pages 1 to 40 have been prepared in accordance with Australian accounting standards (including Australian Accounting Interpretations and other authoritative pronouncements issued by the Australia
- (iii) the general purpose financial statements present a true and fair view of the Council's and the consolidated entity's financial position as at 30 June 2011 and of their financial performance and cash flows for the financial year ended on that date.


Donna Stewart
Mayor

Date: 20 / 12 / 2011


Scott Norman
Chief Executive Officer

Date: 20 / 12 / 2011

Balonne Shire Council

INDEPENDENT AUDITOR'S REPORT

For the year ended 30 June 2011

To the Mayor of Balonne Shire Council

Report on the Financial Report

I have audited the accompanying financial report of Balonne Shire Council, which comprises the Statement of Financial Position as at 30 June 2011, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, Notes comprising a Summary of Significant Accounting Policies and other explanatory information, and certificates given by the Chief Executive Officer and Mayor.

The Council's Responsibility for the Financial Report

The Council is responsible for the preparation of the financial report that gives a true and fair view in accordance with prescribed accounting requirements identified in the *Local Government Act 2009* and *Local Government (Finance, Plans and Reporting) Regulation 2010*, including compliance with Australian Accounting Standards. The Council's responsibility also includes such internal control as the Council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

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

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can only be removed by Parliament.

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

Opinion

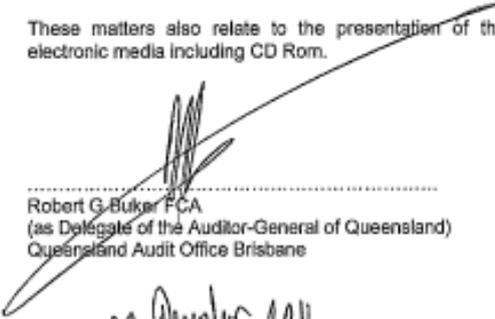
In accordance with s.40 of the *Auditor-General Act 2009* –

- (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 Balonne Shire Council for the financial year 1 July 2010 to 30 June 2011 and of the financial position as at the end of that year.

Matters Relating to Electronic Presentation of the Audited Financial Report

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

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


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Robert G. Baker FCA
(as Delegate of the Auditor-General of Queensland)
Queensland Audit Office Brisbane

Dated: 20 December 2011