

2011/2012 ANNUAL REPORT

vibrant

progressive

connected

sustainable



**BUNDABERG**  
REGIONAL COUNCIL



“Welcome to the Bundaberg Regional Council’s fourth Annual Report. The annual report updates our community on Council’s financial and operational performance over the past twelve months.”

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## MAYOR'S REPORT



As the Mayor of a newly elected Council, I am pleased to bring you a summary of Council's achievements during the past twelve months.

This Annual Report provides a concise summary of the many achievements and successes of the Bundaberg Regional Council during 2011/12, and provides some insight into the challenges we as a regional community face in the future. In this regard, we have provided our first Community Report, outlining our collective achievements in satisfying the community's desired outcomes so as to achieve our long-term vision for the Bundaberg region – being vibrant, progressive, connected and sustainable. Our elected members and staff have performed a great role and will continue to do so to enable an efficient and effective regional council serving the people.

I would like to thank Chief Executive Officer Peter Byrne for his commitment to the organisation in his role during the year, as well as our management and staff for their continued professionalism and cooperation during this last financial year.

I also acknowledge my fellow Councillors on this Bundaberg Regional Council.

On behalf of the Bundaberg Regional Council, I assure you of our eager anticipation to develop and deliver the facilities, services, functions and leadership necessary to support and grow our great region into the future.

**Cr. Mal Forman**

Mayor



## CEO'S REPORT

The 2011/12 financial year proved to be the successful culmination of an extremely challenging yet very productive first term of the Bundaberg Regional Council.

A major milestone for the year was the commencement of construction of two significant community projects. The \$6 Million Bundaberg Regional Recreation Precinct will become the central location for a diverse range of community events including the Bundaberg Show and Agro Trend; while the \$3.5 Million Regional Athletics Facility will greatly enhance opportunities for both our local and visiting athletes, being the only venue with a tartan track between Townsville and the Sunshine Coast.

As well a number of key infrastructure projects were completed including realignment and development of the Airport Drive link road; stage 1 of the revitalisation of the Gin Gin Streetscape; and an additional 8 Seniors' Units at Margaret Olsen Place. Construction of a new 6 mega litre water reservoir at the Hummock is nearing completion and will provide the necessary capacity to meet the expected development in the coastal precinct over the next 15 years.

The focus on strategic planning continued with significant progress being made towards the development of the amalgamated Council's new planning scheme with a number of planning studies being completed, including an Industrial Land Use Study; Parks and Open Space Strategy; Housing Needs Study; and an Assessment of Urban Growth Areas.



Council also commenced the preparation of a structure plan for the Kalkie/Ashfield precinct to facilitate its development over the next 20 years.

Disaster Management remains a high priority for Council, and this year a comprehensive review of its Disaster Management Plans was undertaken to reflect the outcomes of the Queensland Flood Commission Report.

Flood damage rehabilitation works continued across the Region, with Council contractors completing works totalling \$7 Million. Persistent periods of wet weather delayed the completion of vital repairs to the road network, however with 16 of the 23 packages now approved by the Queensland Reconstruction Authority, it is anticipated a further \$20 Million will be expended on road rehabilitation in the 2012/13 year.

With the impending introduction of a Carbon Tax, an extensive analysis of the impact of both the direct and indirect costs of carbon pricing across Council's operations was completed. Potentially significant rises in electricity costs and emissions from the Region's landfill facilities were identified as key issues to be addressed. Council responded pro-actively by commencing a review of electricity costs and by letting a Contract for the installation of gas extraction and flaring systems at the major waste facilities located at Cedars Road and University Drive.

Following completion of the independent organisational review, Council commenced implementation of the recommendations received, changing its organisational structure from a 5 Directorate model to a structure comprising 3 Departments with General Managers of each reporting directly to the Chief Executive Officer. In this regard, I recognise the dedication and commitment given over many years by former Directors, Greg Savage, John Clerke and Allan Shorter.

A dedicated project team was established to facilitate an integrated approach to project management across all sectors of Council.

The next phase of the implementation process is underway with General Managers reviewing staff structures within their Departments to drive further organisational efficiencies. The partnership between Council and the Staff was also further strengthened with the successful negotiation of a new 3 year Enterprise Bargaining Agreement, which contains several initiatives that will continue to foster innovation and continuous improvement in the workforce.

One of the major challenges in the year ahead will be the finalisation of a financially sustainable business model for the delivery of \$120 million of sewerage infrastructure at various locations across the region over the next four years to facilitate growth and meet environmental compliance standards.

The many significant achievements outlined in this report would not have been possible without the co-operative efforts of the community, councillors, senior management and staff and I thank everyone for their assistance and support.

With this financial year being the last for this term of Council I wish to acknowledge the dedication and commitment of the former Mayor, Cr Lorraine Pyefinch, and her fellow Councillors, for their visionary leadership and support over the past 4 years in establishing sound foundations for Council into the future.

I also welcome the newly elected Mayor Cr Mal Forman and Councillors and thank them for their enthusiasm and professional approach to the business of Council since the election.

The future for the region is exciting and I look forward to working together with the team to foster the growth and development of the region.

**Peter Byrne**  
Chief Executive Officer

# HIGHLIGHTS

The information provided below displays statistical evidence and trends on the volume of work undertaken by Council in specific service delivery areas that contribute to our vision of a Vibrant, Progressive, Connected and Sustainable region.

| Indicators  | 2006/07       | 2007/08   | 2008/09  |
|---|---------------|---|--|
| Library Membership  | 45,892        | 34,203  | 39,227   |
| Library items borrowed  | 1,102,696     | 1,040,124   | 1,074,002  |
| Art Centre visits   | 15,962        | 18,360  | 26,206   |
| Development applications received   | Not available | Planning - 618<br>Operational Works - 175<br>Building - 3085<br>Plumbing - 1032 | Planning - 512<br>Operational Works - 124<br>Building - 2725<br>Plumbing - 945 |
| Employment rate of total Region population  | N/A           | N/A   | 92.2%  |
| Total kerb side waste placed into landfill  | N/A           | 19,194  | 21,753   |
| Total kerb side waste recycled  | 3,585         | 4,164   | 4,682  |
| Client Requests recorded in Council's Customer Request Management System            | N/A           | N/A   | 79,477   |
| Internal Call Centre - Calls Offered  | N/A           | N/A   | 127,853  |
| Registering of records into Council's Electronic Document Records Management System | N/A           | N/A   | 52,865   |
| Staff turn over   | N/A           | N/A   | 6.6%   |



| 2009/10   | 2010/11  | 2011/12   | Analysis   |
|---|--|---|--|
| 43,349  | 29,908   | 34,291  | Total visitors to Libraries was 127,315 in 2011/12   |
| 1,091,716   | 952,460  | 957,701   |  |
| 22,487  | 22,697   | 43,535, comprising:<br>BRAG - 27,128 (Figure includes outreach of 10,177)<br>ChArts - 16,407  | Visitation to the Bundaberg Regional Art Gallery continues to grow as the community enjoy a varied exhibition and public programming schedule.   |
| Planning – 519<br>Operational Works – 161<br>Building – 2728<br>Plumbing - 1022 | Planning<br>• 459 received<br>• 378 approved<br>Op Works<br>• 143 received<br>• 127 approved<br>Building<br>• 1715 received<br>• 2089 approved<br>Plumbing<br>• 783 received<br>• 793 approved | Planning<br>• 401 received<br>• 591 approved<br>Op Works<br>• 108 received<br>• 107 approved<br>Building<br>• 364 approved<br>(Building Services Bundaberg ceased to operate in the City & Coastal areas in March 2011)<br>Plumbing<br>• 851 received<br>• 804 approved | Development Application figures reflect the current depressed development industry resulting from global economic uncertainty.   |
| 92.9%   | 92.7%  | 91.9%   | Labour Market<br>The estimated number of employed persons in the Bundaberg Region increased slightly by 0.3% to 39,189 in the December Quarter 2011.<br>The unemployment rate in the Bundaberg Region decreased by 0.3 percentage points to 8.1% in the December Quarter 2011, although this represented an annual rise of 0.8 percentage points from the level recorded in the December Quarter 2010. |
| 22,500  | 23,000   | 28,666  |  |
| 4,918   | 4,751  | 7,382   |  |
| 52,288  | 42,015   | 35,063  | Enhanced information support systems for Customer Service Officers has reduced the need to assign requests with more calls being dealt with at first point of contact  |
| 95,493  | 104,995  | 98,458  | Calls offered 2011/2012 reduced compared to effect of flooding disaster in 2010/2011   |
| 35,606  | 41,927   | 56,783  | Inhouse Training & Record keeping awareness programs have contributed to greater use of Council's EDRMS  |
| 9.01%   | 10.47%   | 10.8%   |  |



# PERFORMANCE SNAPSHOT

Here are just a few of Bundaberg Regional Council’s achievements during 2011/12:

346 NEW APPLICATIONS FOR LICENSED PREMISES

VARIOUS BE ACTIVE BE ALIVE FREE PHYSICAL ACTIVITIES HELD ACROSS THE REGION

957,701 ITEMS WERE BORROWED ACROSS OUR LIBRARY NETWORK

95% OF SCHOOL STUDENTS VACCINATED IN SCHOOL-BASED CLINICS

22,474 PEOPLE VISITED OUR GALLERIES AND CULTURAL FACILITIES

3,723 NEW LIBRARY ITEMS WERE CATALOGUED FOR BORROWING

1,999 ANIMAL COMPLAINTS/ REQUESTS RECEIVED

7 COMMUNITY ENVIRONMENTAL EVENTS WERE HELD ACROSS THE REGION





714 COMMERCIAL REGULAR  
PUBLIC TRANSPORT (RPT) AIR  
SERVICES

140 PUBLIC CULTURAL  
PROGRAMS HELD

174 COMPLAINTS AND  
ENQUIRIES REGARDING  
NATURAL RESOURCE  
MANAGEMENT MATTERS  
HANDLED

SENIORS SERVICES GUIDE  
UPDATED, PRINTED AND  
DISTRIBUTED

225 CULTURE CLINICS HELD  
ACROSS THE REGION

162 PROPERTIES INSPECTED  
FOR DECLARED PEST PLANTS

637 PUBLIC ENQUIRIES  
REGARDING PARK/GARDEN,  
BEACH/FORESHORE  
MAINTENANCE HANDLED

401 PLANNING APPLICATIONS  
RECEIVED

46 EMPLOYEES PARTICIPATED  
IN LEADERSHIP TRAINING

686 WASTE BIN REPAIR AND  
REPLACEMENT REQUESTS  
HANDLED

115 BUSINESSES ASSISTED  
WITH ECONOMIC  
DEVELOPMENT SUPPORT

5 RIGHT TO INFORMATION  
REQUESTS RECEIVED



# COMMUNITY SNAPSHOT

The Bundaberg Region, strategically situated at the southern end of the Great Barrier Reef and stretching from the Burrum River to Baffle Creek, is comprised of 6,435.60 sq km and is home to almost 100,000 people, with our population expected to grow to over 150,000 people within twenty years.

Collectively, we are renowned for the friendliness of our residents, superb sub-tropical climate, affordable cost of living, quality facilities and relaxed lifestyle.

Abundant potential exists for a new wave of investment opportunities, given our close proximity to South East Queensland, and the excellent water, transport and other infrastructure, including a progressive sea port and regional airport and aerospace precinct, to facilitate the attraction of jet services to link the Bundaberg region direct to southern capitals.

The Bundaberg region is rapidly progressing to be a destination of choice – for residents, visitors and investors.

## Vision for the future

### “Bundaberg Region – Vibrant, Progressive, Connected and Sustainable”

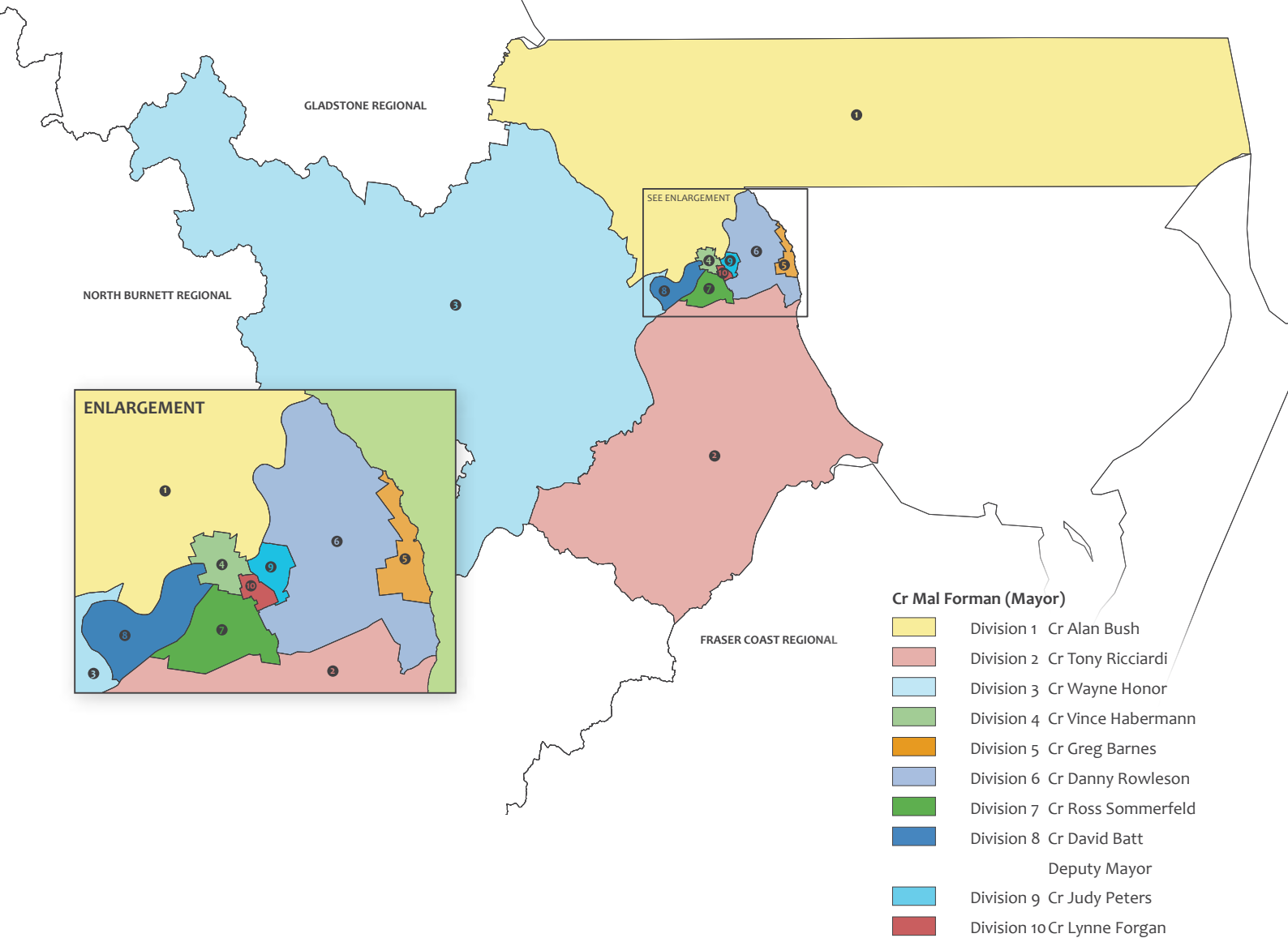
During this reporting period Bundaberg Regional Council has referenced its long-term Community Plan ‘Bundaberg Region 2031’ to understand the desired vision for the Bundaberg region.

Council’s clear goal is to have a vibrant, inclusive and caring community that has a sustainable, managed and healthy environment. With this there is a need to have a strong and sustainable regional economy and a responsive, cohesive, sustainable, ethical and accountable Council.





## Electoral Divisions



## Vital Region Statistics of the Local Government Area

Estimated resident population by age, by local government area Bundaberg Regional Council (at 30 June 2010, released 4 August 2011)

| Age Groups        | Bundaberg Region | % of total persons in Region |
|-------------------|------------------|------------------------------|
| 0-14 years        | 19,175           | 20                           |
| 15-24 years       | 11,724           | 12                           |
| 25-44 years       | 21,903           | 23                           |
| 45-64 years       | 26,589           | 27                           |
| 65 years and over | 17,545           | 18                           |

Source: Australian Bureau of Statistics, Population Estimates by Age and Sex, Australia and States (Cat no. 3235.0)



Estimated resident population of Bundaberg Regional Council (at 30 June 2011, released 30 March 2012)

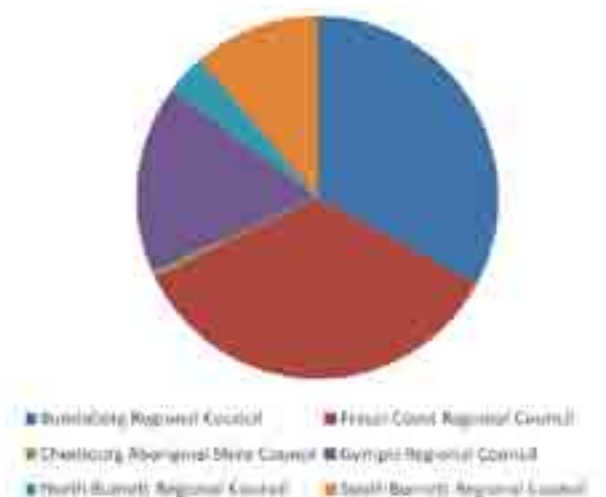
| Statistical Area           | Estimated resident population | Growth (2006-11) | Area (km <sup>2</sup> ) | Population density persons/km <sup>2</sup> |
|----------------------------|-------------------------------|------------------|-------------------------|--|
| Bundaberg Regional Council | 97,762                        | 2.10%            | 6,435.60                | 15.2                                       |
| Wide Bay Burnett           | 296,672                       | 2.40%            | 48,502.80               | 6.1  |
| Queensland                 | 4,580,282                     | 2.30%            | 1,729,958.10            | 2.6  |

Source: Australian Bureau of Statistics, Regional Population Growth (Cat no. 3218.0)

Estimated resident population of Wide Bay Burnett Regional Councils (at 30 June 2011, released 30 March 2012)

| Statistical Area                   | Estimated resident population | Area (km <sup>2</sup> ) |
|------------------------------------|-------------------------------|-------------------------|
| Bundaberg Regional Council         | 97,762                        | 6,435.60                |
| Fraser Coast Regional Council      | 103,358                       | 7,102.40                |
| Cherbourg Aboriginal Shire Council | 1,303                         | 31.60                   |
| Gympie Regional Council            | 50,011                        | 6,884.50                |
| North Burnett Regional Council     | 10,832                        | 19,666.90               |
| South Burnett Regional Council     | 33,406                        | 8,381.70                |
| <b>Total - Wide Bay Burnett</b>    | <b>296,672</b>                | <b>48,502.70</b>        |

Source: Australian Bureau of Statistics, Regional Population Growth (Cat no. 3218.0)





# COMMUNITY UPDATE



towards  
**2031**

vibrant  
progressive  
connected  
sustainable

During 2010/11, Bundaberg Regional Council adopted its first ever Community Plan, Bundaberg Region 2031, which identified that in 2031 the spirit of the Bundaberg region will be measured by its

- Community – which is vibrant, inclusive and caring
- Environment – which is sustainable, managed and healthy
- Economy – which is strong and sustainable
- Governance – which is responsive, cohesive, sustainable, ethical and accountable

Expanding on this long term overarching vision, Bundaberg Region 2031 details seven community outcome areas that are considered vital for the future of the region. For each of these outcome areas, Bundaberg Region 2031 outlines various priorities, goals and catalysts from Council and the community, designed to achieve the community's preferred vision for our future – Bundaberg region: vibrant, progressive, connected and sustainable.



In accordance with the Local Government Act 2009, Bundaberg Regional Council committed as part of its Community Plan to report back it's collective progress on achieving these desired community outcomes on an annual basis.

The following pages of this Community Update provide a snapshot of our performance for the year 2011/12.



# A CONNECTED COMMUNITY, FULL OF LIFE

Our community described their desired future for the Bundaberg region as:

In 2031 the diverse group of people who call the Bundaberg region home will be appreciated as our greatest asset, not just by Council but also by governments and various agencies. Our community members will be encouraged to actively participate in positive and fulfilled community life, and are assured that they enjoy health care, safety, connectivity and social development services at least equitable to similar regions in Queensland.

Bundaberg Region 2031 articulated Council’s response to this vision by outlining our future priorities and goals as:

| Community Outcome   | Community Priorities  | Goals   |
|---|---|---|
| <p>In 2031, the Bundaberg region will be a connected community, full of life.</p> | <p>It’s important to our community that we are:</p>   | <p>In working to these priorities, we strive to achieve:</p>  |
|   | <p><b>Safeguarding our wellbeing.</b></p>   | <p><b>A safe, active and healthy community.</b><br/>We will link and promote the benefits of leisure and physical activity, and together we’ll explore better preventative health and community safety initiatives.</p>                                 |
|   | <p><b>Connecting our community.</b></p>   | <p><b>Equitable access to adequate services and well maintained facilities.</b><br/>We will provide services and facilities to ensure equitable access, and advocate for continuous improvement in services to people with individual requirements.</p> |
| <p><b>Enhancing our quality lifestyle.</b></p>                                    | <p><b>An affordable, quality lifestyle.</b><br/>We will build on our local strengths, including the planning and provision of community services and facilities, and collectively integrate community, environmental, economy and governance considerations in every decision we make together.</p> |   |

| OUR PERFORMANCE              |   | Our work undertaken during 2011/12 towards achieving: A connected community, full of life                            |  |
|------------------------------|---|--|--|
| Council Branch               | Outcome Area  | Performance Indicator  | Performance achieved during 2011/12  |
| Towards 2031                 | <i>Strategy: Provide a range of leisure, physical activity and recreation programs to help meet basic community needs</i> |  |  |
| Environmental Services       | Play systems as listed in budget installed or upgraded.   | Install or upgrade play systems as listed in budget  | Most play systems were installed with a few remaining on order   |
|                              | Register of play equipment  | Complete an up to date asset and embellishment register of play equipment and park embellishments to component level | A register of play equipment system locations has been completed, and the formal inspection program implemented. Asset component level is not yet achieved.  |
| Towards 2031                 | <i>Strategy: Support preventative public health programs to minimise the exposure of the community to health risks</i>    |  |  |
|                              | Attend to complaints regarding health licenced premises within service delivery standards                                 | Completion rate of complaints and enquiries received   | An average of 83% of requests were completed   |
|                              | Conduct inspection programs of all health licenced premises   | Percentage of premises that have received an annual inspection   | 468 premises were inspected during the reporting period  |
| Health & Regulatory Services | Conduct public education programs on the safe handling, preparation and storage of food                                   | Number of free Food Handler training sessions held   | A free Community Food Handler training session was conducted during the reporting period. A Business Food Handler training session was also scheduled, but was cancelled due to lack of registrations. |
|                              | Timely process applications for licences for new and existing premises  | Number of applications processed   | 346 new applications for licences were processed for the reporting period  |
| Towards 2031                 | <i>Strategy: Support a safe living environment for the community through public safety initiatives and measures</i>       |  |  |
| Health & Regulatory Services | Attend to dog attack reports as a matter of priority  | Number of dog attacks received   | 272 dog attacks/incidents were received during the reporting period  |
|                              | Conduct public education programs on keeping of animals   | Number of PetPEP or similar education programs provided  | PetPEP education programs were provided to 5 local schools   |
|                              | Deliver Immunisation Programs as directed by Queensland Health  | Number of immunisations provided to children and adults outside of school based programs (excluding flu program)     | This program was discontinued in 2011  |
|                              | Deliver Immunisation Programs as directed by Queensland Health  | Number of eligible persons vaccinated for influenza and swine flu  | 383 staff opted to take up influenza vaccination as part of Council's Certified Agreement  |
|                              | Deliver Immunisation Programs as directed by Queensland Health  | Percentage of expected cohort of school students vaccinated  | 95% of the expected cohort of school students has been vaccinated in the second round of school-based clinics for 2012   |
|                              | Ensure that all consenting Council staff are fully vaccinated   | Percentage of staff with up to date immunisation schedules   | 82% of staff who are eligible for vaccinations have been fully immunised   |
|                              | Manage biting midges through treatment or public education  | Number of complaints received  | A total of 75 complaints/requests were received for the reporting period   |
|                              | Number of animal complaints received  | Number of animal complaints received   | A total of 1,999 complaints/requests were received regarding a number of issues including dogs, cats, birds and livestock  |



Six projects are underway, including - formation of a working party with Lifeline Community Recovery Counsellors; developed Community Evacuation Kits by way of educating the community; Bus Wrap project warning against driving through flooded roads; USB uploaded with disaster and emergency preparation information and interactive children's activities to be distributed to children and young people; Cert II in Public Safety being offered to Rural Fire Service volunteers; and Rainfall Chart distribution within the community

Community & Environment  
Directorate Administration

Community Resilience Plan over a 2 year period

Local Disaster Management Meetings Hold a minimum of 4 Local Disaster Management Meetings per year

Third LDMG meeting for the 2011/2012 year was held on 22 March 2012

**Strategy : Engage the Community and develop key partnerships that support social planning, community programs and information to enable active participation in all aspects of community life and activity**

Health & Regulatory Services

Ensure compliance with Local Laws and State Legislation

Number of penalty infringement notices issued

A total of 28 Penalty Infringement notices were issued for the reporting period

Improve turnover of available parking assets to maximise availability

Number of parking infringement notices forwarded to SPER

No unpaid parking offences have been sent to SPER during the most recent reporting quarter, due to the transition to the new Local Laws

Improve turnover of available parking assets to maximise availability

Percentage of parking infringement notices paid in full

Of 1663 tickets issued for the period, 1082 have been paid in full

Improve turnover of available parking assets to maximise availability

Number of parking infringement notices sent to Citec for registration search & registered post notice

A total of 882 tickets have been sent to Citec in the reporting period

Improve turnover of available parking assets to maximise availability by issuing infringements where necessary

Number of parking infringement notices issued

A total of 6,839 tickets were issued during the reporting period

**Strategy : Plan, provide and maintain or facilitate a range of leisure, physical activity and recreation services and facilities to help meet basic community needs**

Moncrieff Entertainment Centre

"CRUSH" Community Arts Festival

Organise and conduct the Sydney Travelling Film Festival as part of CRUSH

The Sydney Travelling Film Festival was held from 14-16 October 2011

Community Care

Aged Care Facility Statutory reporting

Completion of all Annual Statutory Reporting to Federal Government

Quarterly High Care Progress report submitted. All statutory reporting for 2011/12 completed including Prudential Acquittal, Aged Care Survey and Quarterly Reports

Community Care Budget Performance

Ensure expenditure is within budget parameters

Overall expenditure for year at 103%, showing full use of Council approved funding and active roll out of services and activities for Community Care Branch

Community Health Programs through District Neighbourhood Centres

Conduct periodic health and awareness initiatives and activities

Community Expo was conducted at Childers, and the Walk it Off Program is underway in Gin Gin. Ongoing involvement from both centres in Healthy Lifestyles Group and activities.

Community Housing Statutory Reporting

Quarterly Housing Reports and Annual Financial Report Submitted

Quarterly vacancy reports submitted to the Department of Communities. Financial acquittals have been submitted for capital projects. Annual Financial Report is submitted in October, as was the case for the 2010/11 Yearly Report submitted last October.

DSQ Service- Disability Service Standards achieved

Certification against the Queensland Governments Disability Service Standards achieved

Periodic assessment through DSQ was conducted during the most recent reporting quarter. Service has achieved compliance against DSQ Standards for the disability services and governance procedures required under the Funding Agreement.

|   |   |   |
|---|---|---|
| Home and Community Care - National Standards              | Programs compliant with HACC National Service Standards                                     | "All HACC Services continue to meet Care Standards. Performance Improvement Plans were actioned. Monitoring by Regional Support officers shows all services are meeting outputs and prescribed standards for clients and governance. Services currently reviewing Policies and Procedures to align with new Federal Standards under National Health Reforms and changes in HACC funding arrangements."  |
| Home and Community Care - Performance Reporting           | Statutory Service Performance reporting against Funding Targets                             | Each of the 4 HACC Services has submitted Quarterly Performance Reports to the Department of Communities and has met funded targets   |
| Home and Community Care Service - Client Hours            | Client Hours meet funding targets   | All HACC Services have met client hours targets under Service Agreements. Gracie Dixon Respite Centre has been funded for additional clients and is meeting this demand through waiting lists.  |
| Maintain Aged Care Residential Facility                   | Essential maintenance requests completed each quarter                                       | "All maintenance requests submitted by the Facility Manager have been attended to within the Quarter and in 2011/12. Maintenance requests have high importance due to accreditation needs of the Aged Care Facility. The Facilities Coordinator has been ensuring prompt attention to requests. Requests are received through CRMs and during regular Facility Committee meetings. Maintenance includes plumbing; pest management; kitchen and laundry equipment; fire safety equipment and painting."  |
| Maintain Community Housing Facilities                     | Essential maintenance requests completed each quarter                                       | "The majority of planned maintenance and tenant requests for maintenance and improvements have been completed, subject to budget constraints. Tenants have a variety of means to submit requests through CRM; Maintenance Request forms and direct to Community Care Facilities Coordinator, during regular visits and scheduled Condition Report inspections. Staff also conduct tenant support meetings during the year to help plan maintenance program, as required under the State Tenancy legislation. Maintenance includes electrical, plumbing, door locks, hot water services, Unit refurbishment during vacancies, painting, fencing, window blinds, smoke alarms, white good repairs and replacement where applicable to Council." |
| Neighbourhood Centre Multicultural Activities             | Conduct Multicultural events and activities through District Neighbourhood Centres          | A range of multicultural activities were conducted through both Neighbourhood Centres including multi-cultural group meetings; assistance with Harmony Day, Multicultural Club Governance discussions and Grant application assistance  |
| Neighbourhood Centres Client Survey                       | Conduct Client Survey for each District Neighbourhood Centre                                | Various Client and Service Provider Survey and Community Surveys were conducted at Gin Gin and Childers Neighbourhood Centres during the year   |
| Bundaberg Airport - Air Services                          | Number of commercial RPT air services   | The Regular Passenger Transport (RPT) services into the Bundaberg Regional Airport equated to 34 per week for the months of April and May and then in June this was increased by an additional 3 services per week equating to 37 per week. Therefore in total for the quarter there were 210 air services into Bundaberg, and 714 for the entire reporting period.   |
| Bundaberg Airport - Number of reported major incidents    | Number of reported major incidents including damage to property and personal injury         | There were no major incidents that had to be reported to CASA or the Office of Transport Security (OTS) during the reporting period   |
| Bundaberg Airport - Response time to reported incidents   | Response time taken to attend to reported incidents   | Of the one incident during the June quarter that a staff member had to respond to an out of hours incident the response time was recorded as 30 minutes. This being the target time and well within our expected tolerances.  |
| Bundaberg Region Social Plan Implementation of Strategies | Number of strategies implemented  | Social Development work continues to be ongoing for staff in the branch. Using the developed Action Plan, various strategies and actions have been prioritised and implemented.   |
| Community Development - Community Directory               | Maintain Bundaberg Region Community Directory & keep Community Group information up to date | Online updates and various occasions that information, advice and referral services were provided to the community continued for the year.  |

Bundaberg Regional Airport

Community Services

|   |   |  |
|---|---|--|
| Community Development - Community Service Provider Networks   | Support and/or facilitate Community Service Provider Networks   | Various planning and network meetings were held with the community sector  |
| Community Development - Implementation of Access Audit Recommendations  | Number of Access Audit recommendations implemented  | The Access Reference Committee continues to meet to improve community access through establishing and/or advocating for changes regarding the groups highlighted access concerns   |
| Community Development - Seniors & Ageing Plan Implementation  | Maintain Bundaberg Region Seniors Directory   | The Seniors Services Guide has been updated, printed and distributed   |
| Community Training Calendar   | Bundaberg Region Training Initiatives added to Resource Calendar  | Training/Learning opportunities were promoted through Council's online Community Directory   |
| Implementation of Strategies within the Bundaberg Region Sport and Recreation Strategy  | Number of strategies implemented  | The Healthy Communities initiative is ongoing  |
| Sport and Recreation - Community Grant Rounds   | Coordinate assessment of Community Funding Applications   | There were 2 rounds of funding available under the Community Grants Program for 2011/12. Of 33 applications, 25 were successful. The total amount granted for the reporting period was \$77,488, with an average of \$3,228 per application. The total project value (including applicants' budgets) in the community was \$576,184. |
| Sport and Recreation - Healthy & Active Sport Initiatives   | Facilitate and support community Sport and Recreation initiatives and information   | There were various Be Active Be Alive free physical activities held across the region  |
| Sport and Recreation - Newsletters  | Number of newsletter editions issued  | Various editions of the Recreate Now newsletter were distributed   |
| Youth skill development and capacity building   | Facilitate youth participation and learning activities  | Activities included the Skatedeck ART Workshop, YouthFest planning meetings, Youth Summit planning meetings and the Holy Green Cow Workshop in Childers  |
| Child and Family Support and Outside School Hours Care  | Community and Planning Surveys and Program Evaluation conducted   | A Family Survey was conducted, with the information collected assisting the Coordinator to plan meaningful and relevant support sessions and availability of information   |
| Emergency Relief Program  | Statutory Service Performance reporting against Funding Targets   | All service targets have been met. Additional funding was received during year to help provide assistance to families during the GFC and recent flood recovery. Performance reporting has satisfied all statutory requirements.  |
| Community needs as identified by the Regional Access Advisory Committee are addressed   | Community needs as identified by the Regional Access Advisory Committee are addressed                                       | Community needs have been identified and addressed during the reporting period   |
| Develop a public toilet strategy  | Develop a public toilet strategy or other specific strategic planning document dealing with the provision of public toilets | The strategy has commenced, with completion on 30 June 2012  |
| Playground maintenance and safety inspections undertaken in accordance with relevant standards  | Conduct inspections of all playground equipment twice per year  | Various inspections of playgrounds were conducted for the reporting period   |
| Maintain Venues & Facilities  | Completion of corrective maintenance requests in a timely manner  | Upper tolerance was achieved as all routine defect maintenance within the ability of the Venues & Facilities Maintenance Officer to complete was dealt with in a timely manner   |
| <b>Strategy: Plan, provide and advocate for a better quality of life for the community through relevant, affordable services, programs and facilities</b> |   |  |
| Meals On Wheels Service   | Statutory Service Performance reporting against Funding Targets   | Meals on Wheels funding targets have been met. Quarterly Performance Reports were submitted for each quarter during the year.  |
| Occupancy Rates at Bundaberg Holiday Parks  | Occupancy rates at Bundaberg Holiday Parks  | An average 62% occupancy rate was achieved for the reporting period  |

Towards 2031

Childers Neighbourhood Centre

Bundaberg Holiday Parks



## AN EMPOWERED AND CREATIVE PLACE

Our community described their desired future for the Bundaberg region as:

In 2031, the Bundaberg region will recognise, cultivate and celebrate people with talent, knowledge and creativity, and our landscape, through its broad history and rich heritage, provides inspiration for people to enjoy living and visiting here, and enriching others.

Bundaberg Region 2031 articulated Council’s response to this vision by outlining our future priorities and goals as:

| Community Outcome   | Community Priorities   | Goals   |
|---|--|---|
| <p>In 2031, the Bundaberg region will be an empowered and creative place.</p> | <p>It’s important to our community that we are:</p> <p><b>Empowering creativity.</b></p> | <p>In working to these priorities, we strive to achieve:</p> <p><b>A community that values the arts and culture.</b></p> <p>We will encourage our community to enjoy engagement and proactive partnerships to celebrate our creativity, and showcase our talent through local events.</p>   |
|   | <p><b>Celebrating our diversity.</b></p>   | <p><b>Our culture, identity and heritage being valued, documented and preserved.</b></p> <p>We promote cultural development, recognise the significance of unique local built and natural landmarks, and advocate for more of our unique local history to be recorded and retold.</p>   |
|   | <p><b>Encouraging lifelong learning.</b></p>   | <p><b>A culture of learning.</b></p> <p>We recognise the importance of continual learning, and provide and promote learning opportunities and a support structure for lifelong learning. We enjoy our libraries, museums and cultural facilities, and see them as a central component of an educated and connected community.</p> |

| OUR PERFORMANCE |                     | Our work undertaken during 2011/12 towards achieving: An empowered and creative place  |  |
|-----------------|---------------------|--|--|
| Council Branch  | Outcome Area        | Performance Indicator  |  |
| Towards 2031    | Cultural Activities | <p><i>Strategy: Support and facilitate opportunities for community engagement and connectedness through partnerships and networking</i></p> <p>Visitation<br/>Visitors to the Bundaberg Regional Art Gallery and Childers Art Space</p> <p>A total of 22,474 people visited the galleries during the reporting period, with consistent growth as a result of the quality of the exhibitions and the quality of marketing of these exhibitions</p>  |  |
| Towards 2031    | Cultural Activities | <p><i>Strategy: Work with key stakeholders towards improving knowledge and understanding of the arts and culture and create opportunities for greater involvement with and exposure to them</i></p> <p>Public Programs<br/>Number of public programs held on and off site for children and adults across the region</p> <p>"A total of 140 programs were held during the reporting period, though due to flooring upgrades to the facility, three groups had to cancel their visits and the Gallery could not take on any groups over a one week period.</p> <p>The Public Programs Officer (sole Officer responsible for groups) undertook a 2 week mentorship program at the Art Gallery of New South Wales during this time.</p> <p>With the departure of the Manager Cultural Activities and the Public Programs Officer assuming Acting duties, additional group bookings were not able to be conducted during the reporting period."</p> |  |
| Towards 2031    | Community Services  | <p><i>Strategy: Support arts and cultural agencies and festival organisers in developing and improving arts and cultural events that have the capacity to enrich lives</i></p> <p>CRUSH Festival<br/>Number of people attending the CRUSH Festival</p> <p>The 2011 Crush Festival was a success with 17,800 participants and 51 events, compared to 17,000 participants and 30 events in the previous reporting period</p>   |  |
|                 | Cultural Activities | <p>Culture Clinics<br/>Number of Culture Clinics held during the year</p> <p>A total of 225 Culture Clinics were held during the reporting period</p>  |  |
|                 | Cultural Activities | <p>Exhibition Programs<br/>Number of exhibitions hosted</p> <p>A total of 30 exhibitions were hosted during the reporting period, exceeding the target number</p>  |  |
| Towards 2031    | Cultural Activities | <p><i>Strategy: Promote cultural development through understanding, recognising, recording and preserving the region's heritage, diversity, arts and culture</i></p> <p>BRAG Website<br/>Number of visitors to BRAG website</p> <p>A total of 43,736 online hits were recorded on the BRAG website, with higher visitation levels due to possible increasing use of social media by the community and increased brand awareness</p>  |  |
|                 | Cultural Activities | <p>Collection Management<br/>Ensure the Regions permanent collection is displayed and rotated throughout the region in Council's facilities</p> <p>The target was exceeded for the reporting period, with 48% of materials on display and rotated</p>  |  |
| Towards 2031    | Library Services    | <p><i>Strategy: Advocate for and support activities, programs, services and projects that demonstrate our heritage and culture and which help create a positive identity for our region</i></p> <p>Picture Bundaberg<br/>Number of images processed and catalogued</p> <p>"This KPI measures the number of new images scanned and added to the Picture Bundaberg Heritage Project, as well as the number of images catalogued in the Library Catalogue, and the number of requests from community groups to use images.</p> <p>The Picture Bundaberg Collection currently has over 2,900 images of our region, all donated by individuals and organisations."</p>  |  |
|                 | Community Services  | <p>Community Events - Community &amp; Strategic Events Held<br/>Number of community and strategic events held</p> <p>Various Community &amp; Strategic events held during the reporting period include the Clean Up Australia Day activities, Bundaberg ANZAC Day Citizens Service, Events Management Workshops &amp; Council promotion at various Regional Shows</p>  |  |

|                               |   |  |  |
|-------------------------------|---|--|--|
|                               | Community Events - Financial and In-kind Assistance   | Complete assessment of Quarterly Financial and In-Kind Assistance applications   | Assessment of requests for Community Financial Assistance-Donations & In Kind Assistance are complete at the end of each calendar month  |
|                               | Development of Events Calendar  | Maintain Events website and calendar   | There are a number of events promoted via the Council Events Calendar, with a new Events Calendar webpage to be released in the new reporting period   |
| Towards 2031                  | <b>Strategy : Plan and advocate for a better quality of life for the community through facilitating learning opportunities for the community</b>  |  |  |
| Childers Neighbourhood Centre | Child and Family Support - Development Activities   | Training and Development Initiatives developed and implemented   | The Child and Family Support Hub undertakes regular activities to support child development and support for young families. This includes parenting; health and hygiene workshops; guest speakers; resource library and support groups; playgroups and counselling services in a discrete environment.   |
|                               | Child and Family Support and Outside School Hours Care  | Facilitate and attend Public Awareness and Educational Activities  | The Coordinator has assisted with the Childers Community Expo; attendance at Regional Community Centres Forums and within the Centre. Assistance is also provided through the Childers Neighbourhood Centre with community members attending that site.  |
| Towards 2031                  | <b>Strategy : Facilitate innovative support structures and programs for learning providers to help develop our region as a learning community</b> |  |  |
| Library Services              | Children & Youth Programs   | To encourage the younger members of the community to utilise the Library for life by providing interesting and relevant activities | "These numbers include attendance at children's programs run weekly in our branches, as well as attendance for school holiday activities.<br>In addition, Youth staff run Library tours and crafts for schools, Kindergartens and Childcare facilities, and have participated in the Family Expo at the PCYC, and Under Eights week activities in the community."  |
| Childers Neighbourhood Centre | Outside School Hours Care   | Provide a structured learning Programme  | Service continues to provide structured learning under the funding targets. OSHC recently underwent Accreditation assessment with full compliance and is also compliant under the newly introduced care standards.   |
| Community Services            | Youth Development, Social Media & Communication Initiatives   | Number of updates that link Council with the youth sector (Forums, Ynet, Facebook and web page)                                    | Activities undertaken include regular YNET newsletters, website and Facebook updates (15), attending meetings (22), girls' program, Home tattooing, Childers Interagency, Homelessness network, MHW and Aerografix arts training   |
| Towards 2031                  | <b>Strategy : Use our libraries as key resource centres and agents for promoting the value of life-long learning for our community</b>            |  |  |
| Library Services              | Branch Usage  | Number of items loaned   | A total of 957,701 items were borrowed across the library services during the reporting period, including people visiting the Bundaberg branch, and loans of the digital eAudio books accessed from our website  |
|                               | Collection Development  | Number of new resources added to the branch collection each quarter (books, CDs, magazines, e-books etc)                           | A total of 3,723 new items were processed and catalogued for the public to borrow during the reporting period, including CDs, DVDs, magazines, books, and digital resources  |
|                               | Lib News  | Produce Online Library Magazine - Measured by number of readers online   | "A total of 36,691 online reads were recorded during the reporting period. More accurate website recording from IT has enabled us to count these daily hits for our online magazine LibNews and also archived magazines which are still being read on the Library website.<br>LibNews is the quarterly online magazine written and produced by Bundaberg Regional Libraries, covering history articles, Picture Bundaberg images, and literature articles, as well as Library news and website tips. It is a very popular feature of our Library website." |
| Library Website               | Library Website   | Maintain and update the Library Website to increase number of hits   | A total of 1,662,383 online hits were recorded on the library website for the reporting period   |



## A HEALTHY NATURAL ENVIRONMENT

Our community described their desired future for the Bundaberg region as:

In 2031, our local environment remains unique and valued by Council and our community. Council encourages local environmental leadership, and participates in a number of partnerships to ensure that proactive environmental management is undertaken in a holistic mode, shared between all levels of government, industry and the community.

Bundaberg Region 2031 articulated Council’s response to this vision by outlining our future priorities and goals as:

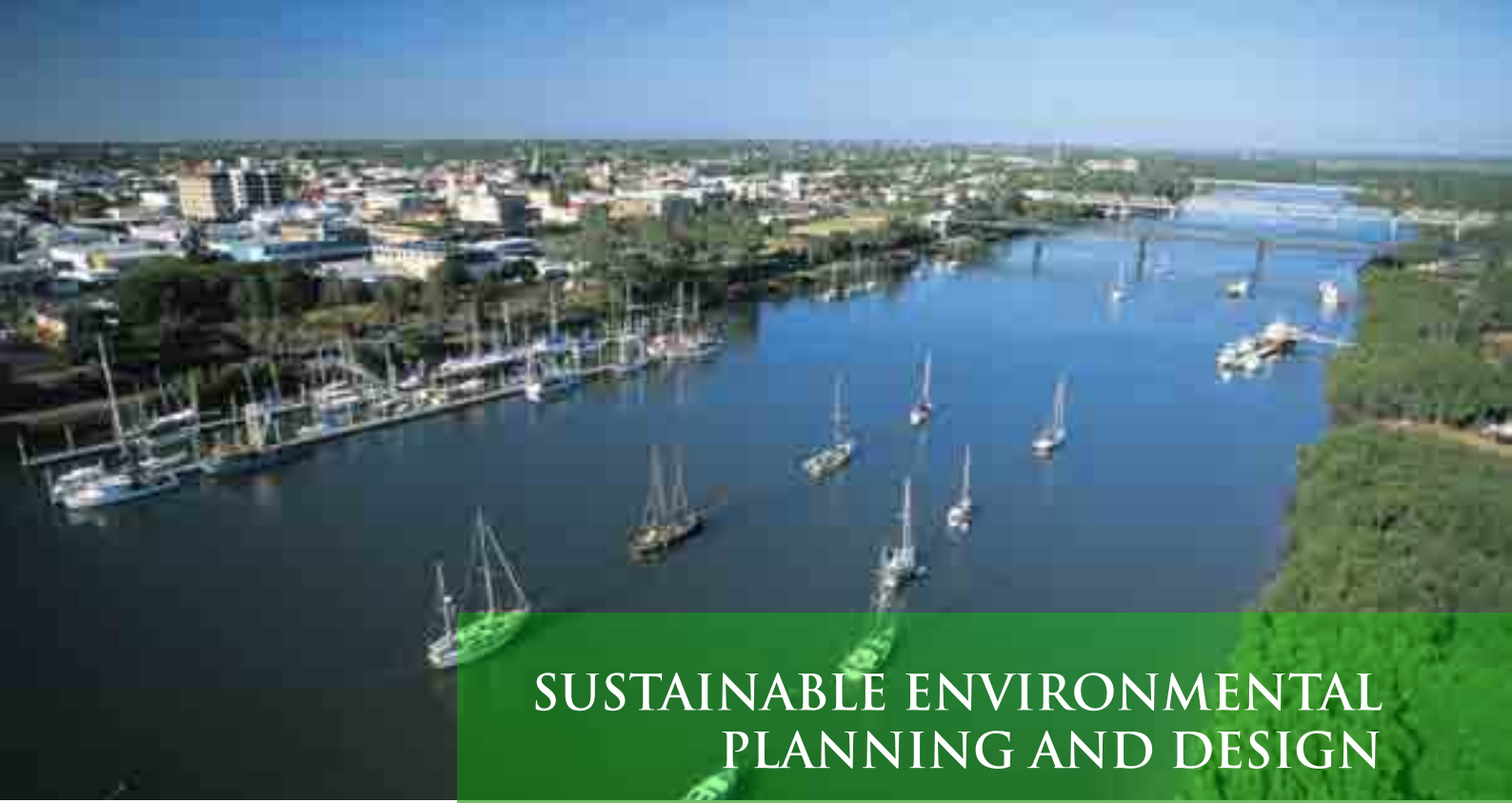
| Community Outcome   | Community Priorities   | Goals  |
|---|--|--|
| <p>In 2031, the Bundaberg region will have a healthy natural environment.</p> | <p>It’s important to our community that we are:</p> <p><b>Caring for our surroundings.</b></p> | <p>In working to these priorities, we strive to achieve:</p> <p><b>A natural environment that is valued and sustainable.</b></p> <p>We will ensure a thriving local natural habitat, and we welcome the rehabilitation and preservation of our unique local environment. Our community is aware and educated about our local environment, and actively involved in its care and protection.</p>      |
|   | <p><b>People sustaining the environment.</b></p>   | <p><b>An environmentally educated and empowered community.</b></p> <p>We are aware of best practice environmental management and pollution control and our role in preserving our environment through ongoing education and awareness. Our community accepts responsibility for what they can do, and are proactive and empowered and seek out opportunities to reduce our ecological footprint.</p> |

| OUR PERFORMANCE   |  | Our work undertaken during 2011/12 towards achieving: A healthy natural environment                                  |   |
|-------------------|--|--|---|
| Council Branch    | Outcome Area   | Performance Indicator  |   |
| Natural Resources | Participate in and support for community environmental Programs  | Number of events participated in by Council  | A total of 7 events were undertaken during the reporting period, exceeding targets  |
| Natural Resources | Promote community awareness and education programs that support the preservation of the region's natural environment | Promote community awareness and education programs that support the preservation of the region's natural environment | "Natural Resource Management public awareness and education is an important aspect of Council's commitment to empowering the community in environmental matters. The target for this objective has been exceeded for the reporting period, with 5 programs undertaken, including:<br>North High Geography Lesson - BRC and Biodiversity - 16 May 2012<br>Bargara State School Reef Guardian Schools LMAC Project Finalised - 22 May 2012<br>Junior Landcare Day Baldwin Swamp - 23 May 2012<br>Growing Landcare Leaders (Bundaberg) - 30 May 2012<br>BMRG Erosion Tour (Bundaberg) - 7 June 2012" |
| Natural Resources | Attend to complaints and enquiries regarding Natural Resource Management matters                                     | Number of complaints and enquiries attended to   | A total of 174 CRMs were responded to and closed during the reporting period, exceeding the target for the purpose of customer request responses in the area of Natural Resource Management ensuring focus on customer service is maintained  |
| Natural Resources | Conduct annual review of Mangrove Management Strategy  | New River Bank Units included in Mangrove Management Plan  | As an annual target, a review is held in the second quarter of each reporting period  |
| Natural Resources | Conduct Land Protection inspection programs on properties  | Number of inspections carried out  | "A total of 162 properties were inspected and notified for declared pest plants during the reporting period, exceeding the target for the purpose of inspection and notification of declared weeds enabling an overall reduction of infestations across the region.<br>The breakdown of inspections and notifications include 57 warning letters, 80 30-Day Notices, and 25 Enter & Clear"  |
| Natural Resources | Conduct Land Protection public awareness and education programs  | Number of awareness events conducted per year  | "A total of 4 events were conducted for the reporting period, exceeding the target for Land Protection public awareness and education programs further facilitating Council's commitment to supporting landholders in the area of weed and pest animal management.<br>The events conducted included Agrotrend (BRC Land Protection Exhibition), the BMRG Invasive Pest Workshops (Miriam Vale), the BMRG Invasive Pest Workshop (Childers), and the GRT Field Day (Gaeta)"  |
| Natural Resources | Conduct vegetation rehabilitation projects   | Number of hectares of land revegetated   | "A total of 0.8 ha have been re-vegetated during the reporting period, with vegetation rehabilitation projects undertaken, though somewhat effected by unfavourable weather conditions. Remaining target will be met in the first quarter of the next reporting period.<br>Projects undertaken include 0.6 ha of tree planting at Saltwater Creek and 0.2 ha of tree planting at Baldwin Swamp"   |



|  |  |  |  |
|--|--|--|--|
|  | Develop management plans for natural areas   | Develop management plans for natural areas   | Progress has been made in identifying the main operational requirements for all natural areas. These operational requirements will be captured in formal natural area operational plans in the first or second quarter of the 2012/13 reporting period.  |
|  | Develop operational plans for Mangrove Management Strategy   | Number of operational plans developed  | Marine Plant Operational Plans have been developed for 3 priority areas in this reporting period, further strengthening Council's commitment to sustainable resource use   |
|  | Rehabilitate waterways (riparian re-vegetation or erosion control)   | Length of waterways rehabilitated (kilometres)   | This target has not been met completely due to unfavourable weather conditions, however remainder of target (20%) will be met in the first quarter of the next reporting period. Projects rehabilitated include 0.6 km at Saltwater Creek TQCC, and 0.2 km at Saltwater Creek East Bundaberg   |
| Environmental Services   | Coordinate programmed and routine maintenance of parks, gardens, beaches and foreshores  | Percentage of CRM complaints/requests attended to within service delivery standards  | 637 requests were received for the reporting period, of which 77% were attended to within service delivery standards   |
| Waste & Recycling  | Develop waste strategy   | Develop waste strategy   | QTC have been engaged to develop the Strategy, while preliminary data has been collated and processing has begun. Site inspections have been booked within this reporting period.  |
|  | Identify closed landfills - Compile detailed information on each closed landfill and perform thorough risk assessment on each  | Percentage of known closed landfill identified and assessed  | Technical Officer Landfill Operations has been engaged, and the identification of closed landfills will be a significant responsibility of this position. A desktop study of known sites has begun.  |
|  | Implement new Resource Recovery Options as they become Available   | Number of new options available/ investigated e.g. Fluoro Bulb, paint, battery   | Significant process has been made on an E-Waste Recycling. Shed is now constructed and preliminary contacts made with National E-Waste Stewardship partners.   |
|  | Manage a well maintained wheelie bin asset and provide a quick and efficient bin repair and replacement system   | Percentage of CRM complaints/requests attended to within 7 days  | 686 customer requests were attended to for the reporting period, with 100% attended to within 7 days   |
|  | Manage an effective and well maintained street tidy asset and provide a regular and dependable street tidy collection system   | Percentage of CRM complaints/requests attended to within 7 days  | 8 Requests were attended to within service delivery standards, with 100% attended to within 7 days   |
|  | Provide a regular and dependable dead animal collection system from Veterinary surgeries and other collection points and provide a quick and effective road kill collection system | Percentage of CRM complaints/requests attended to within 7 days  | 57 customer requests were attended to for the reporting period, with 100% attended to within 7 days  |
|  | Provide an efficient, thorough and well regarded waste and recycling collection service  | Number of CRM complaints/requests received   | 483 customer requests were attended to within the reporting period   |
| <b>Strategy : Provide a range of community awareness activities and programs that enable the community to support the preservation of the region's natural environment</b> |  |  |  |
| Health & Regulatory Services   | Develop information package for environmentally relevant activities  | Develop an information package for environmentally relevant activities to encourage adoption of "Eco-Biz" operational business model | "Staffing resources were redirected to develop an education program targeting stormwater pollution with presentations being delivered to Council construction and maintenance staff and local builders.<br>A compliance program was undertaken involving site visits to 167 construction sites, while compliance levels were good with local builders and 4 non-compliances were detected by out of town builders" |
| Waste & Recycling  | Develop waste/resource awareness education program   | Develop a school based program   | Preliminary work was carried out during the reporting period. Introduction of Waste Levy and subsequent removal have absorbed resource allocation that would have been spent on this issue. No significant progress able to be made.   |

Towards 2031



# SUSTAINABLE ENVIRONMENTAL PLANNING AND DESIGN

Our community described their desired future for the Bundaberg region as:

In 2031, the Bundaberg region will feature a broad range of community facilities, shared spaces and attractive streetscapes, supporting a safe, active and engaged lifestyle for the people who live here. Our residents will be proud of and extensively use their local spaces and facilities, as well as functional open space in the city, coast and hinterland.

Bundaberg Region 2031 articulated Council’s response to this vision by outlining our future priorities and goals as:

| Community Outcome  | Community Priorities                                | Goals   |
|--|---|---|
| <p>In 2031, the Bundaberg region will feature sustainable environmental planning and design.</p> | <p>It’s important to our community that we are:</p> | <p>In working to these priorities, we strive to achieve:</p>  |
|  | <p><b>Recognising local character.</b></p>          | <p><b>A quality, aesthetically pleasing built environment that meets basic community needs.</b><br/>A sensible, meaningful and practical regional land use plan is critical to enhance our unique local identity and livability.</p>  |
|  | <p><b>Prioritising regional infrastructure.</b></p> | <p><b>The provision of infrastructure fit for purpose that meets the region’s current and future needs.</b><br/>We plan for tomorrow’s infrastructure requirements today, and we ensure best practice infrastructure management through good asset management and financial sustainability.</p> |

| OUR PERFORMANCE                 |  | Our work undertaken during 2011/12 towards achieving: Sustainable environmental planning and design |   |
|---------------------------------|--|---|---|
| Council Branch                  | Outcome Area   | Performance Indicator   | Performance achieved during 2011/12   |
| Towards 2031                    | <i>Strategy: Develop principles and guidelines within the regional land use plan and building and development guidelines that support built environments that our community members feel proud to live in</i>    |   |   |
| Planning Development Assessment | Applications Received - Planning   | The number of applications received for the reporting period  | A total of 401 applications were received during the reporting period. This is generally within the assumed target amount.  |
|                                 | Compliance - Planning  | Investigation into, and reporting of, issues relating to Planning Compliance, where required        | A total of 124 investigations were undertaken during the reporting period, with Backpackers and unlawful hostels being the predominant compliance issues noted  |
| Sustainable Development         | Applications Received - Sustainable Development  | The number of applications received for the reporting period  | A total of 78 applications were received for the reporting period   |
| Building & Plumbing Services    | Applications Received - Building   | The number of applications received for the reporting period  | A total of 364 applications were received during the reporting period. It should be noted that the Building Certification Unit for City & Coastal areas ceased to operate from March 2011.                          |
| Towards 2031                    | <i>Strategy: To enable, support and manage our built environment so that it enhances the identity and liveability of individual communities and reflects the special character of our coastal and hinterland</i> |   |   |
| Environmental Services          | Implement the street tree program  | Implement the street tree program   | Internal staffing structure changes have enabled resources to develop and implement new planting programs and maintenance   |
| Towards 2031                    | <i>Strategy: Ensure a coordinated and integrated approach to regional infrastructure planning, implementation and maintenance</i>  |   |   |
| Bundaberg Regional Airport      | Aerodrome Inspection - Economic Development  | Undertake regular inspection of Aerodrome   | 100% of mandatory inspections as required under Federal legislation were carried out over the reporting period  |
| Roads & Drainage Operations     | Annual Roads and Drainage Maintenance Programme  | Maintain Roads and Drainage Assets within current Budget Allocation                                 | The road maintenance budget has been over spent this reporting period, due to the increased maintenance needed to keep up with higher rainfall events and areas that had deteriorated through previous flood events |
| Water & Wastewater              | Major Capital Works Programme Projects Delivered   | Number of Projects Completed or Underway  | 36 of the budgeted 42 projects have either been completed, or are underway  |
|                                 | Capital Expenditure measured against Revised Sewerage Capital Budget   | Capital expenditure for Sewerage shown as a percentage against Revised Capital Sewerage Budget      | 93.5% of budgeted capital expenditure was expended during the reporting period  |
|                                 | Capital Expenditure measured against Revised Water Capital Budget  | Capital expenditure for Water shown as a percentage against Revised Capital Water Budget            | 87.5% of budgeted capital expenditure was expended during the reporting period  |
|                                 | Recurrent Expenditure measured against Revised Sewerage Budget   | Operating expenditure for Sewerage shown as a percentage against Revised Recurrent Sewerage Budget  | 101.3% of budgeted operational expenditure for Sewerage was expended during the reporting period  |
|                                 | Recurrent Expenditure measured against Revised Water Budget  | Operating expenditure for Water shown as a percentage against Revised Recurrent Water Budget        | 98.9% of budgeted operational expenditure for Water was expended during the reporting period  |
| Roads & Drainage Planning       | Capital Works Prioritisation   | Review new capital works projects and prioritise  | A shortfall of appropriate engineering staff has limited scoping and prioritisation of drainage projects  |

|                                       |  |   |  |
|---------------------------------------|--|---|--|
| Environmental Services                | Road Hierarchy Planning  | Review road hierarchy and update GIS system   | A review of Road Hierarchy was completed during the reporting period   |
| Roads & Drainage Services             | Parks Asset Management Plan  | Implement a parks asset management plan to component level and link renewal programs  | A Management Plan has been developed and staff are awaiting a new version of asset software database prior to linking with maintenance plans   |
| Water & Wastewater Process Operations | Service Standards  | Develop Service Standards for Pavement, Bridges and Road Environment  | Development of draft standards for higher order roads has been completed during the reporting period. Purchase of suitable software has been carried out, and the implementation process will commence in the 2012/13 reporting year   |
|                                       | Water Usage per Population Ratio for Bundaberg City  | Total Water Usage for Bore and Surface Water divided by Population divided by number of days in a month for Bundaberg City  | An average of 301L was used per person during the reporting period   |
|                                       | Water Usage vs Allocation for Bundaberg and Coastal Areas  | Water Usage vs Allocation for Bundaberg and Coastal Areas   | Water production is at a monthly average of 48% of the combined surface and groundwater allocation   |
|                                       | <b>Strategy: Support the rehabilitation and/or the preservation of the environmental amenity of the region</b>   |   |  |
| Towards 2031                          | "A total of 5 projects were supported during the reporting period, as Council aims to provide assistance and support for other organisations' environmental projects and awareness programs.<br>The projects supported included the Bundaberg North High School Senior Geography Lesson (Biodiversity and Council), the Bargara State School Reef Guardian Schools LMAC Project Finalisation (Tree planting and signage), the Junior Landcare Day at Baldwin Swamp (Tree planting exercise and education), the Growing Landcare Leaders Training (Support for Presentations), and the Landcare Dune Restoration Project at Archies Beach (Supply of Trees)." |   |  |
| Natural Resources                     | Support for non-Council environmental programs   | Number of Non-Council rehabilitation projects supported   | The projects supported included the Bundaberg North High School Senior Geography Lesson (Biodiversity and Council), the Bargara State School Reef Guardian Schools LMAC Project Finalisation (Tree planting and signage), the Junior Landcare Day at Baldwin Swamp (Tree planting exercise and education), the Growing Landcare Leaders Training (Support for Presentations), and the Landcare Dune Restoration Project at Archies Beach (Supply of Trees)." |
| Towards 2031                          | <b>Strategy: Establish and maintain integrated asset management systems that enable adequate recording, maintenance and replacement of community assets</b>  |   |  |
| Assets                                | Asset Renewal Program Generation   | Number of Asset Renewal programs generated or revised   | A total of 7 programs were generated or revised during the reporting period  |
|                                       | Development of Asset Management Plans  | Continued development of Asset Management Plans including the incorporation of more detailed and accurate service levels, renewal programs & maintenance planning | Council has continued to make significant advances in the reliability of the base data (quantity, location, condition and value) since the amalgamation  |
|                                       | End of year financial reconciliation process   | End of year financial reconciliation for asset values to be completed by due date in August to the satisfaction of the auditors with minimal comment              | The end of financial year reconciliation process was completed by the due date   |
| Financial Accounting & Reporting      | Assets with RUL < 2 years  | To have minimal assets with a remaining useful life of less than 2 years  | The majority of these assets are contained in the Roads asset class where the condition has been impacted by the recent flood and weather events. Council is currently reassessing the condition of assets as part of the comprehensive revaluation project.   |
|                                       | Assets with zero WDV   | To have minimal assets with zero WDV, resulting from amalgamation where prior Councils had zero WDV on items which are valued at cost                             | The majority of these assets are contained in the Roads asset class. Council is currently reassessing the condition of assets as part of the comprehensive revaluation project.  |

|   |  |  |
|---|--|--|
| Measure assets in an unsatisfactory condition   | To have minimal assets with a overall condition index of 5   | Council's assets have undergone a comprehensive revaluation as at 30 June 2012 which will see changes to condition data in the next reporting period               |
| <i>Strategy : Use financial sustainability principles in planning, funding, creating and maintaining infrastructure</i> |  |  |
| Capital Expenditure measured against Revised Capital Budget for all of Infrastructure - shown as a %                    | Capital Expense shown as a percentage against Revised Capital Budget for whole of Infrastructure     | 82% of budgeted capital expenditure was expended during the reporting period across the whole of Infrastructure  |
| Capital Revenue measured against Revised Capital Revenue Budget for all of Infrastructure - shown as a %                | Capital Revenue shown as a percentage against Revised Budget for whole of Infrastructure             | 83% of budgeted capital revenues were received in the reporting period across the whole of Infrastructure  |
| Quarterly Reviews of Infrastructure Budget  | Aim to contain actual expenses within 10% of adopted Budget  | The 2010/11 flood events and continued wet weather severely impacted on the operations of the Roads & Drainage area, with Operational Expenses at 17% above target |
| Recurrent Expenditure measured against Revised Recurrent Budget for total of Infrastructure - shown as a %              | Recurrent expense shown as a percentage against Revised Recurrent Budget for whole of Infrastructure | Results for the reporting period were within expected targets  |
| Recurrent Revenue measured against Revised Recurrent Budget for all of Infrastructure - shown as a %                    | Recurrent revenue shown as a percentage against Revised Recurrent Budget for whole of Infrastructure | Results for the reporting period were within expected targets  |

Towards 2031

Community & Environment  
Directorate Administration



## A VIBRANT ECONOMY

Our community described their desired future for the Bundaberg region as:

In 2031, our region will boast a smart economy, characterised by a diverse, contemporary and adaptable range of industries that are advanced and compatible with our lifestyle. The private and public sector, seeing thriving best-practice amongst successful local business, will choose to locate in the Bundaberg region for our location, ease of access, connectivity, skilled workforce, resources and reputation as a place to do business.

Bundaberg Region 2031 articulated Council’s response to this vision by outlining our future priorities and goals as:

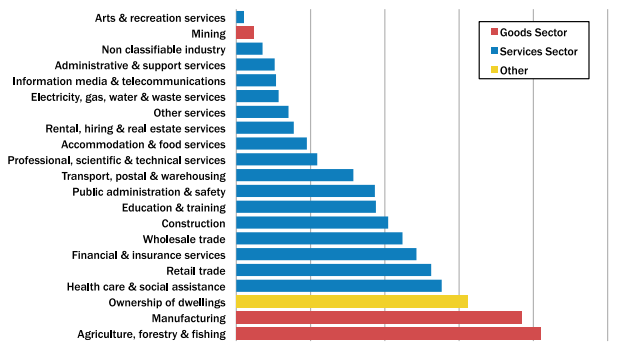
| Community Outcome  | Community Priorities                               | Goals   |
|--|--|---|
|  | It’s important to our community that we are:       | In working to these priorities, we strive to achieve:   |
| <p><b>In 2031, the Bundaberg region will have a vibrant economy.</b></p> | <p><b>Creating self-sufficient industry.</b></p>   | <p><b>Diversified, prosperous and innovative industry sectors.</b></p> <p>Our approach to regional economic development in partnership with industry and the community means we promote a successful region, with thriving and continually expanding industry sectors, and encourage ethical entrepreneurs.</p> |
|  | <p><b>Developing diversity in our economy.</b></p> | <p><b>Foster a flexible, supportive and inclusive business environment.</b></p> <p>We welcome new businesses, advocate for enhanced business infrastructure and economic investment, and provide a real lifestyle incentive for people to relocate here.</p>  |
|  | <p><b>Growing local jobs.</b></p>                  | <p><b>Support and facilitate employment opportunities for the community</b></p> <p>Our economy is enhanced through increased employment and training, and the benefits derived from bringing new businesses to the region and encouraging local business to expand.</p>   |

# BUSINESS ACTIVITY

## Gross Regional Product

The estimated Gross Regional Product (GRP) for the Bundaberg Region was \$3.7 billion in 2010/11, whilst real GRP increased annually by 2.4%. The Bundaberg Region contributed 1.4% to the gross state product of Queensland (\$266.6 billion) in 2010/11. The annual growth in real GRP in the Bundaberg Region was significantly higher than the small rise of 0.2% in GSP for Queensland in 2010/11.

**Gross Regional Product**  
Bundaberg Region, 2010/11 (\$ million)

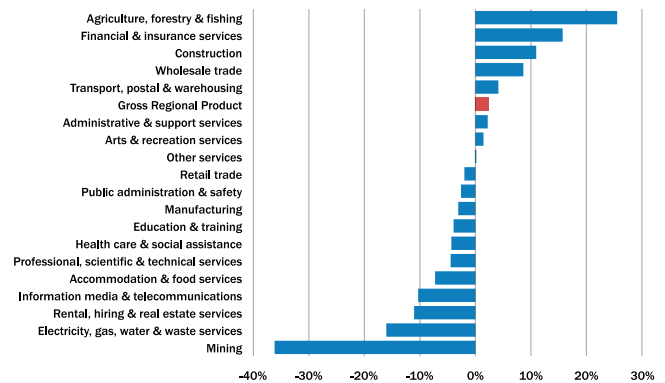


Source: Lawrence Consulting

With regard to industry, the largest contribution was made by the Agriculture, Forestry & Fishing industry, with approximately \$409.8 million, or 11.1% of the total GRP for the Bundaberg Region. Other significant contributors to GRP were the Manufacturing (10.4%); Health Care & Social Assistance (7.5%); and Retail Trade (7.1%) sectors.

The Agriculture, Forestry & Fishing industry experienced the highest annual increase in GRP in 2010/11, rising by 25.5% from the level recorded in 2009/10. Other sectors that experienced high levels of annual growth included Financial & Insurance Services (up 15.7%); Construction (up 11.0%); and Wholesale Trade (up 8.6%).

**Industry Value Added, Annual Growth**  
Bundaberg Region, 2010/11



Source: Lawrence Consulting

The Bundaberg Region received a relatively higher industry contribution to total GRP from the Agriculture, Forestry & Fishing; Manufacturing; Wholesale Trade; Retail Trade; Accommodation & Food Services; Financial & Insurance Services; Education & Training; Health Care & Social Assistance; and Other Services sectors than Queensland in 2010/11.

**Gross Regional Product**

| Industry                                       | Bundaberg Region             |               |              | Queensland                   |               |              |
|--|------------------------------|---------------|--------------|------------------------------|---------------|--------------|
|  | Level, 2010/11<br>\$ million | % of<br>total | Ann<br>% chg | Level, 2010/11<br>\$ million | % of<br>total | Ann<br>% chg |
| Agriculture, forestry & fishing                | 409.8                        | 11.1          | 25.5         | 7,993                        | 3.0           | 9.8          |
| Mining   | 23.3                         | 0.6           | -36.2        | 24,009                       | 9.0           | -17.7        |
| Manufacturing                                  | 383.8                        | 10.4          | -3.1         | 20,710                       | 7.8           | -3.1         |
| Electricity, gas, water & waste services       | 57.0                         | 1.5           | -16.1        | 5,985                        | 2.2           | 0.2          |
| Construction                                   | 204.5                        | 5.6           | 11.0         | 22,272                       | 8.4           | 12.0         |
| Wholesale trade                                | 223.8                        | 6.1           | 8.6          | 12,866                       | 4.8           | -0.3         |
| Retail trade                                   | 262.4                        | 7.1           | -2.0         | 13,534                       | 5.1           | 1.5          |
| Accommodation & food services                  | 95.0                         | 2.6           | -7.3         | 6,325                        | 2.4           | -2.6         |
| Transport, postal & warehousing                | 157.6                        | 4.3           | 4.1          | 16,691                       | 6.3           | 3.8          |
| Information media & telecommunications         | 53.5                         | 1.5           | -10.3        | 5,160                        | 1.9           | 4.0          |
| Financial & insurance services                 | 242.6                        | 6.6           | 15.7         | 17,208                       | 6.5           | 2.9          |
| Rental, hiring & real estate services          | 77.4                         | 2.1           | -11.0        | 6,417                        | 2.4           | -2.1         |
| Professional, scientific & technical services  | 109.0                        | 3.0           | -4.5         | 14,616                       | 5.5           | -2.8         |
| Administrative & support services              | 51.7                         | 1.4           | 2.2          | 5,063                        | 1.9           | 8.3          |
| Public administration & safety                 | 186.6                        | 5.1           | -2.6         | 14,094                       | 5.3           | 2.6          |
| Education & training                           | 188.0                        | 5.1           | -3.9         | 10,651                       | 4.0           | 3.0          |
| Health care & social assistance                | 276.6                        | 7.5           | -4.3         | 16,153                       | 6.1           | 2.2          |
| Arts & recreation services                     | 10.4                         | 0.3           | 1.5          | 1,544                        | 0.6           | 3.3          |
| Other services                                 | 70.3                         | 1.9           | -0.1         | 4,453                        | 1.7           | -8.4         |
| Non classifiable industry                      | 35.4                         | 1.0           | -2.4         |                              |               |              |
| <b>Total Industry (\$m)</b>                    | <b>3,118.5</b>               | <b>84.7</b>   | <b>2.3</b>   | <b>225,744</b>               | <b>84.7</b>   | <b>0.1</b>   |
| Ownership of Dwellings                         | 311.4                        | 8.5           | 5.0          | 22,540                       | 8.5           | 2.8          |
| GRP at Factor Cost / Total Factor Income       | 3,429.9                      | 93.1          | 2.6          | 248,284                      | 93.1          | 0.4          |
| Taxes less subsidies on production and imports | 243.2                        | 6.6           | 3.5          | 17,605                       | 6.6           | 1.3          |
| Statistical discrepancy                        | 9.6                          | 0.3           |              | 698                          | 0.3           |              |
| <b>Gross Regional Product</b>                  | <b>3,682.7</b>               | <b>100.0</b>  | <b>2.4</b>   | <b>266,585</b>               | <b>100.0</b>  | <b>0.2</b>   |

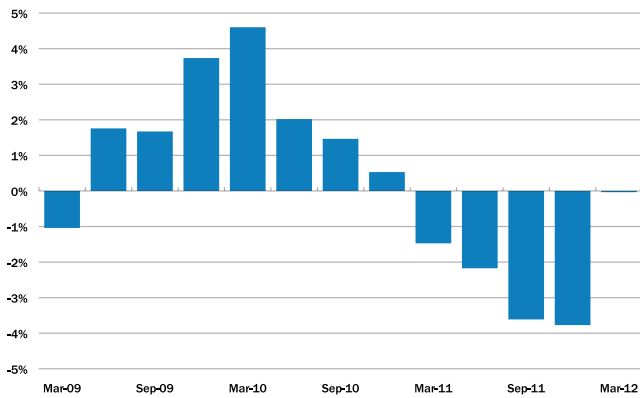
Note: All values are in current prices, whilst annual changes reflect growth in chain volume measures.  
Source: Lawrence Consulting

# EMPLOYMENT

## Labour Market

The estimated number of employed persons in the Bundaberg Region increased by 2.4% to 40,118 in the March Quarter 2012, although this remained relatively unchanged from the level recorded in the March Quarter 2011.

**Annual Employment Growth**  
Bundaberg Region



Source: DEEWR, Lawrence Consulting

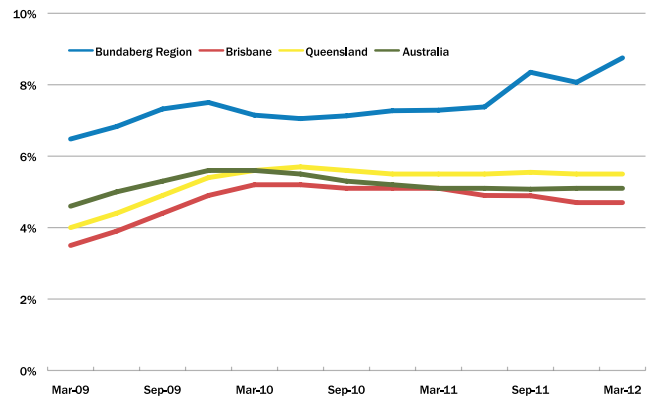
The unemployment rate in the Bundaberg Region increased by 0.7 percentage points to 8.8% in the March Quarter 2012, which also represented an annual rise of 1.5 percentage points from the level recorded in the March Quarter 2011.

| Labour Market                        |              |       |       |  |
|--------------------------------------|--------------|-------|-------|--|
|                                      | Level        | Qtrly | Ann   |  |
|                                      | Mar Qtr 2012 | % chg | % chg |  |
| Employed persons                     | 40,118       | 2.4   | 0.0   |  |
| Unemployed                           | 3,848        | 11.9  | 22.0  |  |
| Unemployment rate (%) <sup>(a)</sup> | 8.8          | 0.7   | 1.5   |  |
| Labour force                         | 43,966       | 3.1   | 1.6   |  |

Note: (a) Unemployment rate changes are percentage point changes.  
Source: DEEWR, Lawrence Consulting

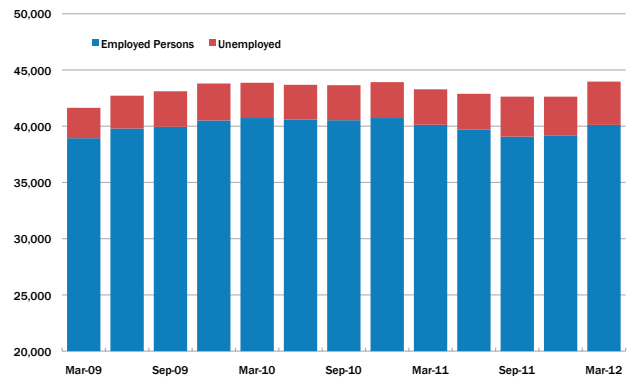
The unemployment rate in the Bundaberg Region is higher than the averages for Brisbane (4.7%), Queensland (5.5%) and Australia (5.1%).

**Unemployment Rate**



Source: DEEWR

**Labour Force**  
Bundaberg Region



Source: DEEWR, Lawrence Consulting

The size of the labour force in the Bundaberg Region increased annually by 1.6% to a level of 43,996 persons in the March Quarter 2012. The number of unemployed persons increased annually by 22.0%.

# HOUSING & CONSTRUCTION

## Median Weekly Rents

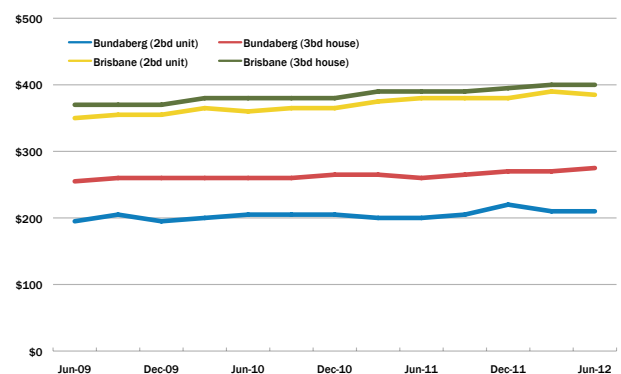
Rental prices for two bedroom units and three bedroom houses increased by 5.0% and 5.8%, respectively, over the year to the June Quarter 2012.

**Median Weekly Rents**

|                      | Bundaberg                     |              | Brisbane                      |              |
|----------------------|-------------------------------|--------------|-------------------------------|--------------|
|                      | Level (\$)<br>Jun Qtr<br>2012 | Ann<br>% chg | Level (\$)<br>Jun Qtr<br>2012 | Ann<br>% chg |
| One bedroom flats    | 180                           | -25.0        | 300                           | 5.3          |
| Two bedroom flats    | 210                           | 5.0          | 385                           | 1.3          |
| Three bedroom flats  | 280                           | 3.7          | 480                           | 6.7          |
| Two bedroom houses   | 240                           | 2.1          | 360                           | 2.9          |
| Three bedroom houses | 275                           | 5.8          | 400                           | 2.6          |
| Four bedroom houses  | 330                           | 4.8          | 480                           | 2.1          |

Source: Residential Tenancies Authority

**Median Weekly Rents**  
Separate Houses & Flats/Units



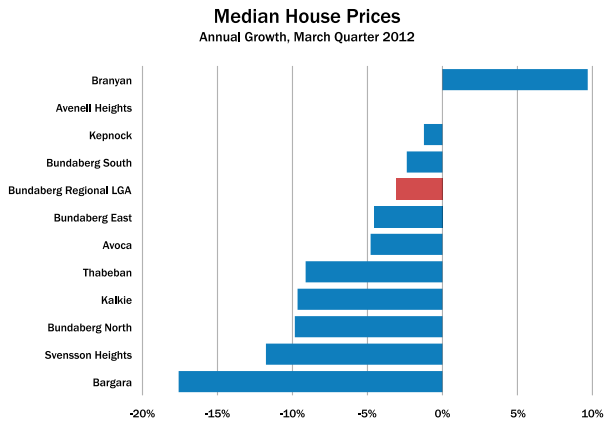
Source: Residential Tenancies Authority



# PROPERTY MARKET

## House Sales

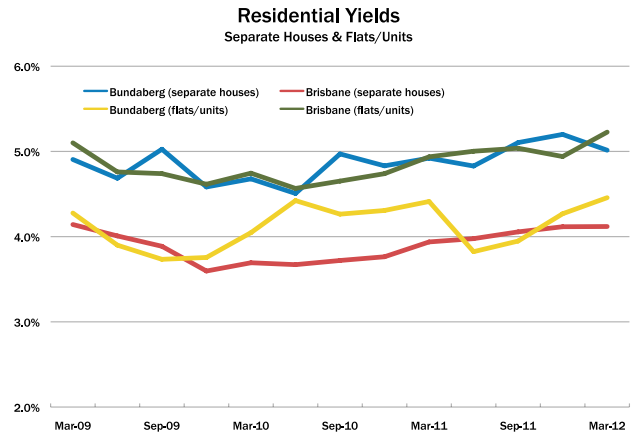
The median house price in the Bundaberg Region was \$280,000 in the March Quarter 2012, which represented an annual decrease of 3.1% from the level recorded in the March Quarter 2011 (\$289,000).



## Rental Yields

The average gross housing rental yield in the Bundaberg Region was 5.0% in the March Quarter 2012, whilst the average yield for flats / units was 4.5%. By comparison,

the average yields for separate houses and flats / units in Brisbane were 4.1% and 5.2%, respectively, in the March Quarter 2012.



Source: Residential Tenancies Authority, REIQ, Lawrence Consulting

|                          | Residential Yields (%) |       |          |       |
|--------------------------|------------------------|-------|----------|-------|
|                          | Bundaberg              |       | Brisbane |       |
|                          | Houses                 | Units | Houses   | Units |
| Level, Mar Qtr 2012      | 5.0                    | 4.5   | 4.1      | 5.2   |
| Ann % chg <sup>(a)</sup> | 0.1                    | 0.0   | 0.2      | 0.3   |

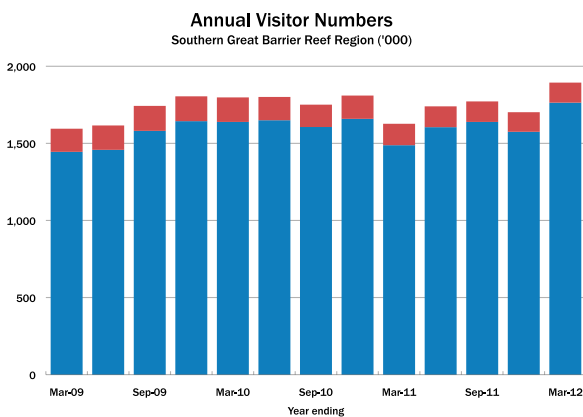
Note: (a) Changes are percentage point changes.

Source: Residential Tenancies Authority, REIQ, Lawrence Consulting

# TOURISM

## Visitor Numbers

There were approximately 1,764,000 domestic overnight visitors to the Southern Great Barrier Reef (SGBR) Tourism Region – in which the Bundaberg Region is included – in the year to March 2012, which represented a significant annual increase of 18.5% from the level recorded in the year to March 2011 (1,488,000).



Source: Tourism Research Australia

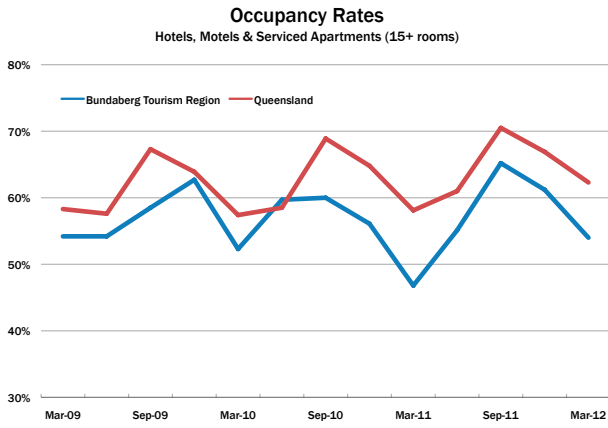
**Visitor Numbers**

|                                | Level<br>Yr to Mar 2012 | Annual<br>% change |
|--------------------------------|-------------------------|--------------------|
| <b>Domestic visitors:</b>      |                         |                    |
| Number ('000s)                 | 1,764                   | 18.5               |
| Visitor nights ('000s)         | 6,535                   | 23.1               |
| Average length of stay (days)  | 3.7                     | 2.8                |
| <b>International visitors:</b> |                         |                    |
| Number ('000s)                 | 130                     | -6.5               |
| Visitor nights ('000s)         | 1,937                   | 25.1               |
| Average length of stay (days)  | 14.9                    | 34.2               |

Source: Tourism Research Australia

## Tourist Accommodation

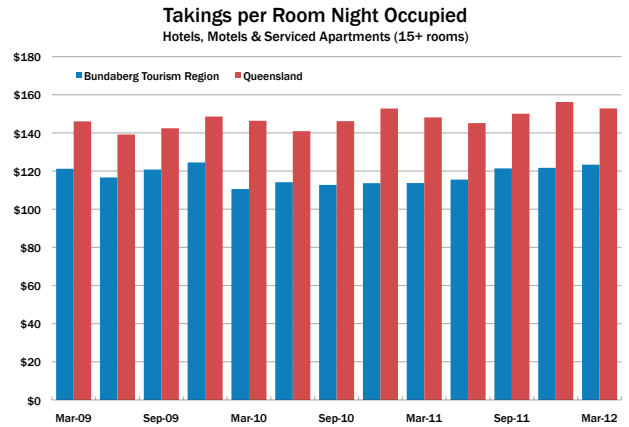
The room occupancy rate for all establishments with 15 or more rooms in the Bundaberg Region was 54.0% in the March Quarter 2012, which represented a strong annual increase of 7.2 percentage points. Source: ABS Survey of Tourist Accommodation



Source: ABS Survey of Tourist Accommodation

The average length of stay in accommodation establishments in the Bundaberg Region was 1.9 days in the March Quarter 2012, whilst total takings from hotels, motels

& serviced apartments with 15 or more rooms were \$5.2 million, which represented a substantial annual increase of 23.0%.

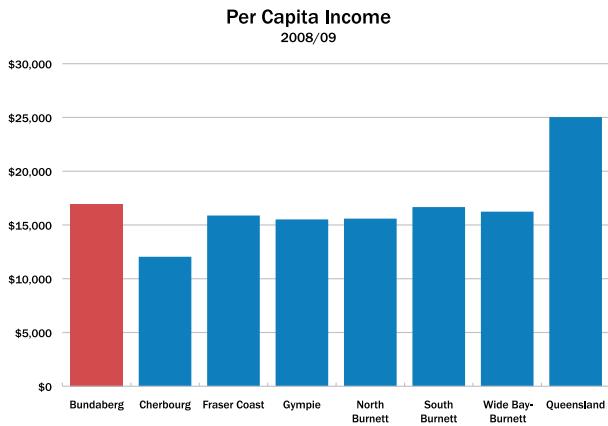


Source: ABS Survey of Tourist Accommodation

## INCOME & LIFESTYLE

### Personal Income

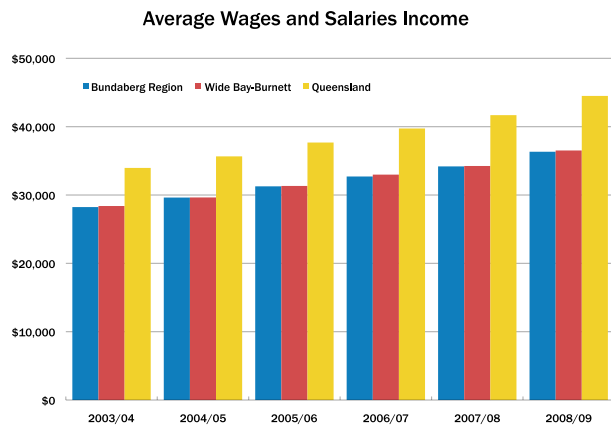
Per capita income for the Bundaberg Region was estimated at \$16,959 in 2008/09, representing a marginal decrease of 0.6% from the level recorded in 2007/08 (\$17,066). The average wage and salary income for the Bundaberg Region increased annually by 6.3% to \$36,332 in 2008/09.



Source: ABS 6524.0

| Personal Income                              |               |                 |                                      |
|--|---------------|-----------------|--------------------------------------|
|  | Level 2008/09 | Annual % change | Average annual % change Last 5 years |
| <b>Total income (\$ million)</b>             |               |                 |                                      |
| Bundaberg Region                             | 1,566.0       | 1.6             | 7.9                                  |
| Wide Bay-Burnett SD                          | 4,513.7       | 2.0             | 7.6                                  |
| Queensland                                   | 107,850.8     | 2.6             | 9.1                                  |
| <b>Per capita income (\$)</b>                |               |                 |                                      |
| Bundaberg Region                             | 16,959        | -0.6            | n.a.                                 |
| Wide Bay-Burnett SD                          | 16,238        | -0.4            | n.a.                                 |
| Queensland                                   | 25,032        | -0.1            | n.a.                                 |
| <b>Average wage &amp; salary income (\$)</b> |               |                 |                                      |
| Bundaberg Region                             | 36,332        | 6.3             | 5.2                                  |
| Wide Bay-Burnett SD                          | 36,517        | 6.6             | 5.2                                  |
| Queensland                                   | 44,501        | 6.8             | 5.6                                  |

Source: ABS 6524.0



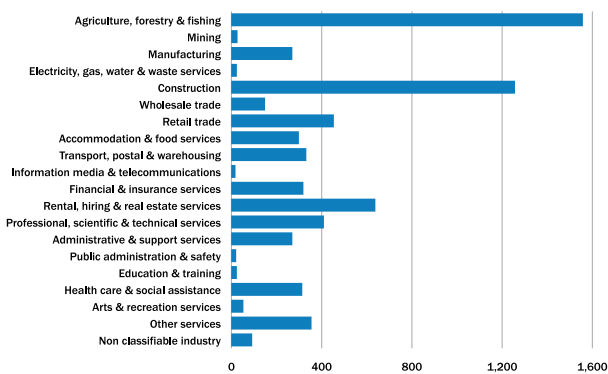
Source: ABS 6524.0

# BUSINESS ACTIVITY

## Business Turnover

The most recent ABS Australian Business Register indicated there were 6,884 business entities registered in the Bundaberg Region in June 2011, which represented a slight annual decrease of 1.5% from the level in June 2010 (6,989). Agriculture, Forestry & Fishing is the largest industry in terms of business numbers in the Bundaberg Region, accounting for 22.6% of all businesses, followed by Construction (18.3%), Rental, Hiring & Real Estate Services (9.3%) and Retail Trade (6.6%).

**Businesses by Industry**  
Bundaberg Region, 2010/11



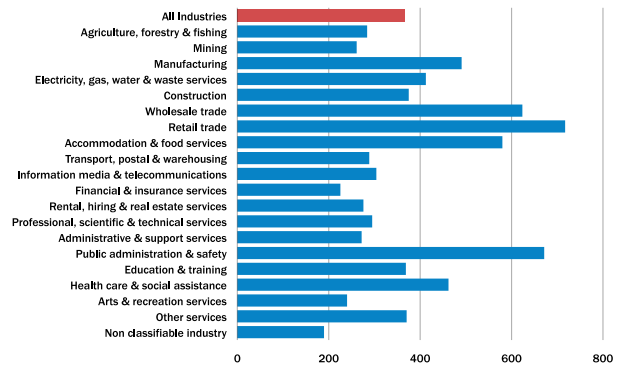
Source: ABS 8165.0

The estimated total turnover of all industry in the Bundaberg Region was \$2.5 billion in 2010/11, representing a small annual decrease of 2.0%, whilst the average turnover of all businesses was approximately \$367,300 (down 0.5%).

The largest proportion of businesses recorded annual turnover in the \$0-\$99,999 range (47.5%), followed by the

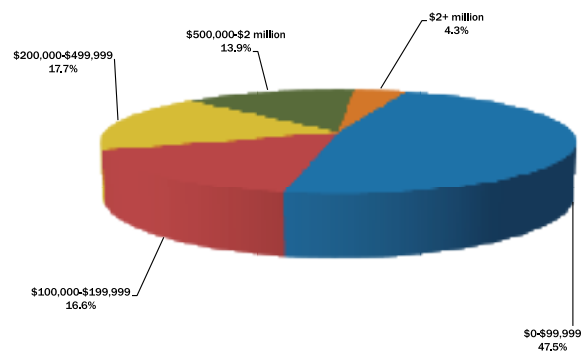
\$200,000-\$499,999 (17.7%) and \$100,000-\$199,999 (16.6%) turnover ranges. Approximately 4.3% of business in the Bundaberg Region recorded annual turnover in excess of \$2 million in 2010/11.

**Average Industry Turnover**  
Bundaberg Region, 2010/11 (\$'000)



Source: ABS 8165.0

**Businesses by Turnover**  
Bundaberg Region, 2010/11



Source: ABS 8165.0

| Businesses by Industry & Turnover             |              |              |                               |              |                         |
|---|--------------|--------------|-------------------------------|--------------|-------------------------|
| Industry                                      | Count        | % of total   | Total industry turnover (\$m) | % of total   | Avg. turnover (\$'000s) |
| Agriculture, forestry & fishing               | 1,558        | 22.6         | 442.5                         | 17.5         | 284.0                   |
| Mining  | 27           | 0.4          | 7.1                           | 0.3          | 261.1                   |
| Manufacturing                                 | 270          | 3.9          | 132.5                         | 5.2          | 490.7                   |
| Electricity, gas, water & waste services      | 24           | 0.3          | 9.9                           | 0.4          | 412.5                   |
| Construction                                  | 1,257        | 18.3         | 471.4                         | 18.6         | 375.0                   |
| Wholesale trade                               | 149          | 2.2          | 92.9                          | 3.7          | 623.7                   |
| Retail trade                                  | 454          | 6.6          | 325.6                         | 12.9         | 717.2                   |
| Accommodation & food services                 | 299          | 4.3          | 173.4                         | 6.9          | 579.9                   |
| Transport, postal & warehousing               | 332          | 4.8          | 95.8                          | 3.8          | 288.6                   |
| Information media & telecommunications        | 18           | 0.3          | 5.5                           | 0.2          | 304.2                   |
| Financial & insurance services                | 319          | 4.6          | 71.9                          | 2.8          | 225.5                   |
| Rental, hiring & real estate services         | 638          | 9.3          | 176.0                         | 7.0          | 275.9                   |
| Professional, scientific & technical services | 410          | 6.0          | 121.0                         | 4.8          | 295.1                   |
| Administrative & support services             | 270          | 3.9          | 73.4                          | 2.9          | 271.9                   |
| Public administration & safety                | 21           | 0.3          | 14.1                          | 0.6          | 671.4                   |
| Education & training                          | 24           | 0.3          | 8.9                           | 0.3          | 368.8                   |
| Health care & social assistance               | 314          | 4.6          | 145.1                         | 5.7          | 462.0                   |
| Arts & recreation services                    | 53           | 0.8          | 12.7                          | 0.5          | 240.1                   |
| Other services                                | 355          | 5.2          | 131.5                         | 5.2          | 370.4                   |
| Non classifiable industry                     | 92           | 1.3          | 17.5                          | 0.7          | 189.7                   |
| <b>Total, 2010/11</b>                         | <b>6,884</b> | <b>100.0</b> | <b>2,528.7</b>                | <b>100.0</b> | <b>367.3</b>            |
| Total, 2009/10                                | 6,989        |              | 2,581.1                       |              | 369.3                   |
| Annual % change                               | -1.5%        |              | -2.0%                         |              | -0.5%                   |

Source: ABS 8165.0



## INNOVATIVE PEOPLE

Our community described their desired future for the Bundaberg region as :

In 2031, our economy is supported by a labour force with the skills, education, experience and entrepreneurial talent to sustain a highly advanced and specialised market. Our residents have the education and skills to fill local employment opportunities across a broad spectrum of industries, trades, business and professional occupations.

Bundaberg Region 2031 articulated Council’s response to this vision by outlining our future priorities and goals as:

| Community Outcome   | Community Priorities                         | Goals  |
|---|--|--|
|   | It’s important to our community that we are: | In working to these priorities, we strive to achieve:  |
| <b>In 2031, the Bundaberg region will be home to innovative people.</b> | <b>Enhancing local skills.</b>               | <p><b>Attract and support the enhancement, retention, education and employment opportunities for key demographic groups.</b></p> <p>We support a culture of innovation in a region full of industry entrepreneurs, where environmentally sustainable development occurs, and we provide education and training providers with the opportunity to enhance local skills.</p> |

| OUR PERFORMANCE      |   | Our work undertaken during 2011/12 towards achieving: A vibrant economy - and - Innovative people  |  |
|----------------------|---|--|--|
| Council Branch       | Outcome Area  | Performance Indicator  | Performance achieved during 2011/12  |
|                      | <i>Strategy : Develop and implement a regional economic development strategy</i>  |  |  |
| Economic Development | Economic Development Strategy Review  | Revision of Economic Development Strategy  | The Economic Development Strategy has been reviewed in the reporting period and all appropriate actions nominated in the plan have been undertaken   |
|                      | <i>Strategy : Support, market and promote the region</i>  |  |  |
| Economic Development | Support to Existing Businesses  | Number of existing businesses (direct contact) assisted via the effective provision of information and/or appropriate referrals  | 115 direct existing businesses were assisted over the reporting period, not including other contacts the team have made as a result of our attendance at Chamber of Commerce meetings, our organisation of the Wide Bay Internet Show and the Winning Business with Winning Team forums, and our indirect contact via the Better Business e-Newsletter |
|                      | <i>Strategy : Support business enterprise relocating to, expanding within, or establishing in the region</i>  |  |  |
| Economic Development | Investment & Business Attraction  | Number of meetings held in partnership with the Department of Employment, Economic Development and Innovation and the Bundaberg Regional Futures Program to assist businesses considering relocating to the Bundaberg Region | 64 meetings have been held with Department of State Development or Invest and Trade Queensland over the reporting period   |
|                      | <i>Strategy : Support and encourage appropriate levels of regional economic investment with the capacity to diversify and expand the economic base and secure sustainable new business investment</i> |  |  |
| Community Services   | Budget Performance for Strategic Events   | Budget performance for strategic events measured as a percentage of expenditure against budget   | Expenditure as at 30 June 2012 was 48.5% of the total year's budget  |
| Economic Development | Council Liaison - Economic Development  | Liaison with Council across a broad range of Economic Development issues   | Economic Development has provided 4 briefing or information sessions over the reporting period across the following issues: Fast Rail link, Sister City program, NBN Roll-out and Bundaberg Futures. Many additional briefings have been provided to the Mayor and individual Councillors.   |
| Tourism Operations   | Council Liaison - Tourism   | Liaison with Council across a broad range of Tourism issues  | Liaison during the reporting period broadened to include assistance to the Childers Tourism Group in developing a day pass combined attractions ticket, and presenting a workshop on developing a vision for the area.   |



## EFFECTIVE AND ETHICAL GOVERNANCE

Our community described their desired future for the Bundaberg region as:

In 2031, Bundaberg Regional Council is recognised as a local leader in our community, harnessing quality human talent and modern, best-practice management systems and expertise to provide effective and efficient services to our people.

Bundaberg Region 2031 articulated Council’s response to this vision by outlining our future priorities and goals as:

| Community Outcome  | Community Priorities   | Goals  |
|--|--|--|
| <p>In 2031, the Bundaberg region will have effective and ethical governance.</p> | <p>It’s important to our community that we are:</p> <p><b>Leading our community.</b></p> | <p>In working to these priorities, we strive to achieve:</p> <p><b>Open and transparent leadership.</b></p> <p>The public have access to meetings, and our governance framework allows free speech and full representation for our residents, regardless of where they live.</p> <p><b>Strong regional advocacy.</b></p> <p>We welcome input by the community, and recognise the value of involving our key regional stakeholders.</p>   |
|  | <p><b>Providing involvement in decision making.</b></p>                                  | <p><b>Listening and communicating.</b></p> <p>Our communication strategy and framework facilitates real and proactive engagement amongst our community.</p> <p><b>A common sense approach to planning, coordination and consultation.</b></p> <p>We welcome community involvement in local government, and Council leads through ongoing communication.</p>  |
|  | <p><b>Being a responsive and responsible Council.</b></p>                                | <p><b>Responsible financial management and efficient operations.</b></p> <p>Our long term strategy delivers prudential financial management, where decisions are made responsibly, based on consistent and correct information.</p> <p><b>A committed and responsive customer service focus.</b></p> <p>Customer service is critical, and Council shares relevant information and rewards innovation and commitment to provide quality services to our community.</p> <p><b>A valued work force committed to the region delivering quality services.</b></p> <p>Council is recognised as an employer of choice, with an innovative and dynamic team of trained professionals delivering real outcomes to and on behalf of the community.</p> |

| OUR PERFORMANCE                                    | Our work undertaken during 2011/12 towards achieving: <b>A healthy natural environment</b>                                 |   |
|--|--|---|
| Council Branch                                     | Outcome Area   | Performance Indicator   |
| Towards 2031                                       | <b>Strategy : Foster community access to council meetings, decisions, activities and outcomes</b>                          |   |
| Executive Office                                   | Advice of Resolutions assigned to staff within 5 working days  | Staff were informed of Council resolutions within 5 working days of meeting conclusion via InfoCouncil Action Sheets during the reporting period  |
|  | Regional Council Meetings  | Conduct 3 Regional Council Meetings per year in venues outside of Bundaberg<br>2 regional meetings were held during the reporting period  |
| Towards 2031                                       | <b>Strategy : Establish a Governance Framework which supports open and accountable governance</b>                          |   |
| Financial Accounting & Reporting                   | Annual Audited Roads to Recovery Report  | Prepare and have audited Annual Roads to Recovery return by 31 October each year<br>The 2011 annual audited Roads to Recovery statement was audited and submitted submission to the Federal Government within the required time frame   |
|  | Asset Notes for Financials   | Complete the whole asset process and have the notes to the financials prepared by mid August<br>The Asset Note was completed and audited, without qualification, as part of the annual financial statements for 2011  |
|  | Audited Annual Financial Statements  | Work with the External Audits to ensure the audit is completed within the legislative timeframe<br>Annual Financial Statements for 2011 audited within legislation time frames and unqualified  |
| Organisational Services Directorate Administration | Conduct Audit and Risk Committee meetings  | Conduct a minimum of two (2) committee meetings during the year<br>A total of 4 Internal Audit and Risk Committee meetings were held during the reporting period  |
|  | Establish Audit & Risk Annual Plan   | Undertake a minimum of five (5) internal and risk audit items<br>A total of 3 Internal Audits were completed during the reporting period  |
| Strategic Finance                                  | Investment Register Audit  | Ensure Council investments are in accordance with Council Investment Policy on a monthly basis<br>Investments during the reporting period were placed in accordance with the Investment Policy  |
|  | Monthly Audit Reports  | Complete an Audit Report on a monthly basis that highlights issues regarding risk, internal controls, module reconciliations and any other issues that require attention<br>An Audit was performed each month during the reporting period   |
|  | Quarterly Audit Reports  | Complete an Audit Report on a quarterly basis that highlights issues regarding risk, internal controls, module reconciliations and any other issues that require attention<br>Quarterly audit has yet to be finalised, noting that any issues during the quarter have been acted upon but report yet to be prepared at reporting date |
| Towards 2031                                       | <b>Strategy : Facilitate the active participation and input by the community into significant issues impacting on them</b> |   |
| Executive Office                                   | Meeting Statutory Requirements on Council Meetings   | Timely advertising of all Council Meetings<br>Statutory meetings advertised as per requirements   |
|  | Surveys and written submissions  | Ensure the community has active participation and involvement in significant issues impacting on them<br>Council's Bright Ideas suggestion box at Hinkler Central Shopping Centre and online facility continue to be well utilised  |

|                              |                   |   |   |
|------------------------------|-------------------|---|---|
| Towards 2031                 | Executive Office  | <p><b>Strategy : Represent and promote the interests of the community through key regional stakeholders</b></p> <p>Strong Regional Advocacy</p>                                     | <p>Maintain membership of region/state organisations</p> <p>Membership maintained in LGAQ, WBBROC and ULGA</p>  |
| Towards 2031                 | Executive Office  | <p><b>Strategy : Establish and implement an effective communication strategy</b></p> <p>Establish Corporate Marketing and Communication Plan</p>                                    | <p>Council's marketing elements are being undertaken, as per the Corporate Marketing Plan</p>   |
| Towards 2031                 | Corporate Policy  | <p><b>Strategy : Proactively seek community engagement</b></p> <p>Community Engagement Plan</p>   | <p>Council sends out media releases and conducts media events to promote various Council activities and initiatives during the reporting period</p> <p>5 applications were received during the reporting period, with 4 completed in time and 1 scheduled to be completed within time</p> |
| Towards 2031                 | Executive Office  | <p><b>Strategy : Provide strong governance and leadership that includes open, timely and transparent communication and responsible decision making</b></p> <p>Call Centre calls</p> | <p>Community engagement activities were undertaken during the reporting period, as part of the Community Engagement Policy</p> <p>Call operations are within acceptable tolerances</p>  |
|                              | Administration    | <p>Records incoming correspondence</p>  | <p>94.5 % of incoming "reply required mail" were answered within determined timeframes</p>  |
|                              | Executive Office  | <p>Publishing of Agendas and Minutes</p>  | <p>Agenda and Minutes published to Council's website as per statutory requirements</p>  |
| Towards 2031                 | Strategic Finance | <p><b>Strategy : Create a long-term financial sustainability strategy</b></p> <p>10 Year Forecast</p>   | <p>The 10 Year Forecast will be completed prior to 30 September 2012</p>  |
|                              |                   | <p>Budget reviews</p>   | <p>The third quarter budget review was prepared and adopted by Council</p>  |
|                              |                   | <p>Capital project reports</p>  | <p>Managers reviewed capital projects and provided projections for end of financial year and anticipated carryovers</p>   |
| Building & Plumbing Services |                   | <p>Achievement of Budgeted Revenues across the Building Certification Unit (Building Services Bundaberg)</p>  | <p>For the final quarter of the reporting period, revenue was within anticipated target allowance</p>   |
|                              |                   | <p>Achievement of Budgeted Revenues across the Plumbing Services Section</p>  | <p>For the final quarter of the reporting period, revenue was within target allowance</p>   |
|                              |                   | <p>Adherence to Budgeted Operating Expenses within the Building Certification Unit (Building Services Bundaberg)</p>  | <p>For the final quarter of the reporting period, Operating expenses were within tolerance</p>  |



|                                    |  |   |  |
|------------------------------------|--|---|--|
|                                    | Adherence to Budgeted Operating Expenses within the Plumbing Services Section                                  | The percentages of budgeted operating expenses incurred across the Plumbing Services Section                                | For the final quarter of the reporting period, Operating expenses were within tolerance  |
| Planning Development Assessment    | Achievement of Budgeted Revenues across the Planning Services Section  | The percentage of budgeted revenues achieved across the Planning Services Section   | Revenue is above target due to increased activity on development applications received   |
|                                    | Adherence to Budgeted Operating Expenses within Planning Services Section                                      | The percentage of budgeted operating expenses incurred across the Planning Section  | Expenses are under target due to vacant planning positions not filled during the reporting period  |
| Sustainable Development            | Achievement of Budgeted Revenues across the Sustainable Development Section (excluding Infrastructure Charges) | The percentage of budgeted revenues achieved across the Sustainable Development Section (excluding Infrastructure Charges)  | Less and smaller applications received during the final quarter of the reporting period  |
|                                    | Achievement of Budgeted Revenues for Infrastructure Charges (Sustainable Development)                          | The percentage of budgeted revenues achieved for Infrastructure Charges   | There was a decline in Infrastructure Contributions received in the final quarter, with the majority received in the second and third quarters |
|                                    | Adherence to Budgeted Operating Expenses within Sustainable Development  | The percentage of budgeted operating expenses incurred across the Sustainable Development                                   | Generally on budget during the reporting period  |
| Visitor Information Services       | Achievement of budgeted revenues across the Visitor Information Centres  | An indicator of the percentage of budgeted revenues achieved across the Visitor Information Centres                         | 100% budgeted revenues were achieved during the reporting period   |
|                                    | Adherence to Budgeted Operating Expenses within the Visitor Information Centres                                | The percentage of budgeted operating expenses incurred across the Visitor Information Centres                               | 98% budgeted expenditure was achieved during the reporting period  |
| Botanic Gardens Tourist Facilities | Achievement of Budgeted Revenues for Associated Botanic Gardens Tourism Facilities                             | An indicator of the percentage of budgeted revenues achieved within associated botanic gardens tourism facilities           | 100% budgeted revenues were achieved during the reporting period   |
|                                    | Adherence to Budgeted Operating Expenses for Associated Botanic Gardens Tourism Facilities                     | An indicator of the percentage of budgeted operating expenses incurred within Associated Botanic Gardens Tourism Facilities | 100% budgeted expenditure was achieved during the reporting period   |
| Bundaberg Holiday Parks            | Achievement of Budgeted Revenues within Bundaberg Holiday Parks  | An indicator of the percentage of budgeted revenues achieved within Bundaberg Holiday Parks                                 | 104% budgeted revenues were achieved during the reporting period   |
|                                    | Adherence to Budgeted Operating Expenses within Bundaberg Holiday Parks  | An indicator of the percentage of budgeted operating expenses incurred within Bundaberg Holiday Parks                       | 102% budgeted expenditure was achieved during the reporting period   |
| Campgrounds                        | Achievement of Budgeted Revenues within Caravan Parks & Campgrounds (excluding Holiday Parks)                  | An indicator of the percentage of budgeted revenues achieved within Caravan Parks & Campgrounds (excluding Holiday Parks)   | 88% budgeted revenues were achieved during the reporting period  |

|   |   |  |  |
|---|---|--|--|
| Infrastructure & Planning<br>Directorate Administration | Adherence to Budgeted Operating Expenses within Caravan Parks & Campgrounds (excluding Holiday Parks) | An indicator of the percentage of budgeted operating expenses incurred within Caravan Parks & Campgrounds (excluding Holiday Parks)  | 108% budgeted expenditure was achieved during the reporting period   |
|   | Adherence to Budgeted Operating Expenses within the Planning & Development Administration Section     | The percentage of budgeted operating expenses incurred within the Planning & Development Administration Section  | Lower than budgeted due to unspent monies for Conferences and Training   |
|   | Budget operating expenses   | Adhere to budget operating expenses  | On budget at the reporting date  |
|   | Develop Operational Plan 2011/2012  | Develop Annual Operational Plan that supports the Corporate Plan strategies. Completed by 30 June  | The final quarter Operational Plan was completed   |
|   | Develop Operational Plan 2012/2013  | Develop Annual Operational Plan that supports the Corporate Plan strategies. Completed by 30 June  | The Operational Plan was submitted to Council for approval on 24 July 2012   |
| Strategic Planning                                      | Quarterly budget review - Governance  | Undertake a quarterly review of Governance Directorate budget  | The final quarter budget review was finalised  |
|   | Adherence to Budgeted Operating Expenses within the Strategic Planning Section                        | The percentage of budgeted operating expenses incurred within the Strategic Planning Section   | Informed by the Bundaberg Region 2031 community plan, and targeted community and stakeholder engagement, a preliminary draft Strategic Framework has been prepared and forwarded to the State Government for Informal State Agency review. Drafting of other parts of the Planning Scheme has commenced, with the aim of having a draft scheme prepared by the end of the 2012 calendar year. Council has also commenced local structure planning for the Kalkie-Ashfield growth area. |
|   | Adherence to Budgeted Operating Expenses within Tourism Section                                       | The percentage of budgeted operating expenses incurred across the Tourism Section  | 86% budgeted expenditure was achieved during the reporting period  |
| Tourism Operations                                      | Budget Performance  | Human Resources expenditure within budget parameters   | The branch achieved budget for the reporting period, achieving 96% of its revenue target and 99% of its expenditure target, giving an overall budget performance of 98%  |
|   | Budget Performance  | Expenditure within budget parameters   | Operating within acceptable tolerances   |
| Human Resources   | Manage Bank Accounts  | Managing Council investments and ensuring various bank accounts do not go into overdraft   | In 2010 the treasury section cancelled the bank overdraft facility to reduce bank fees. Every business day they manage Council's cash position to ensure it maximises the funds on investment without incurring costs from overdrawing the operating account. During the reporting period Council operating bank account did not go into overdraft   |
|   | Monthly Financial Report  | Prepare Monthly Financial Report for Council in accordance with legislation by 5th working day of Month  | All monthly finance reports were submitted to Council within the KPI deadline for the quarter  |
| Administration  | Monthly Financial Report  | Prepare Monthly Financial Report for Council in accordance with legislation by 5th working day of Month  | All monthly finance reports were submitted to Council within the KPI deadline for the quarter  |
|   | Unaudited Annual Financial Statement  | Prepare unaudited Annual Financial Statements in accordance with the applicable accounting standards and forward to the External Auditors within the legislative timeframe | Unaudited financial statements were completed and presented to auditors within legislated time frames  |
| Financial Accounting & Reporting                        | Payroll autopay funds transfer  | Payroll auto pay transmitted to bank prior to 5 pm Thursday of the pay period  | Employees were paid on time each fortnight during reporting period   |
|   | Monthly Financial Report  | Prepare Monthly Financial Report for Council in accordance with legislation by 5th working day of Month  | All monthly finance reports were submitted to Council within the KPI deadline for the quarter  |
| Commercial  | Unaudited Annual Financial Statement  | Prepare unaudited Annual Financial Statements in accordance with the applicable accounting standards and forward to the External Auditors within the legislative timeframe | Unaudited financial statements were completed and presented to auditors within legislated time frames  |
|   | Payroll autopay funds transfer  | Payroll auto pay transmitted to bank prior to 5 pm Thursday of the pay period  | Employees were paid on time each fortnight during reporting period   |

|                                  |  |   |  |
|----------------------------------|--|---|--|
| Financial Accounting & Reporting | Annual Payroll Tax Return  | Lodge the Annual Payroll Tax return by 21 July each year  | The Annual Payroll Tax Return for 2011 was completed and returned within the required time frames  |
|                                  | Asset Capitalisation Run   | Conduct a sufficient number of Asset Capitalisation Runs per year   | Council Asset Accounting section maintained regard asset capitalisation runs during the financial year. Two runs were performed in the final quarter on 30 April 2012 and 31 May 2012, with the May run being the final for the reporting period.                          |
|                                  | FBT Return   | Prepare Fringe Benefits Tax Return by 21 May  | The Annual FBT Return was submitted for lodgement on 17 May 2012   |
|                                  | Monthly BAS  | Prepare Business Activity Statement within 21 days from EOM   | All Business Activity Statements were lodged on time for the final quarter   |
|                                  | Monthly Payroll Tax Return   | Prepare Payroll Tax Returns within 7 days after EOM   | All returns were lodged and paid by the 7th day of the following month   |
|                                  | Return on Investment   | Comparing the averages of Council's return on investments to the overnight monetary market interest rate  | During the reporting period, Council took a risk adverse approach to its investment policy due to concerns relating to global financial uncertainty. The treasury section worked within the strict limits of the Investment Policy and managed to exceed required targets. |
|                                  | NCP Actuals  | NCP completion for Actuals for the current year   | Actual full cost pricing analysis for the reporting period will be completed for the Financial Statements in accordance with National Competition Policy   |
|                                  | NCP Budget   | NCP Budget for Next Year  | In preparation of the 2012/13 Budget, there has been compliance with NCP provisions  |
|                                  | Processing Creditor Payments   | Percentage of creditor payments processed in accordance with Council's terms of payment   | The accounts payable section has paid all accounts, where the required documentation was provided in a timely manner, within Council's payment terms   |
|                                  | <b>Strategy 7: Use effective knowledge management practices in our service delivery to our community</b> |   |  |
| Corporate Applications           | Ensure current software infrastructure   | Corporate software within supported versions matrix to maximise compatibility and inter-operability of Corporate systems  | Software patches were applied as required during the reporting period  |
|                                  | Information Management System up to date   | Ensure Councils' Information Management System is updated with the latest version software with suitable reports being generated to ensure all internal and external customers needs are satisfied and accurate accounting records being maintained | Notable achievements during the reporting period include the upgrade to the latest supported version of Microsoft Office and Civica Authority 6.5  |
| IT Infrastructure                | IT Projects Completed on Time and Budget   | IT projects completed on time and on or under budget by review date   | All major projects were completed during the reporting period including the deployment of a new phone system for the Bargara Office and a major upgrade to the Authority environment   |
|                                  | Internal support call closures   | Responsiveness in relation to helpdesk incidents finalised within timeframe   | A steady queue of calls is maintained with the helpdesk team, providing consistent quality service to the organisation helping the Council achieve its goals   |
|                                  | Phone & network system availability  | Availability of core data, voice network and corporate applications during business hours   | There were several major outages with the phone system during the reporting period, reflecting its age and lack of capacity. We anticipate much better availability when the new phone system is rolled out across Council   |
| Strategic Finance                | Performance Manager Maintenance  | Performance Manager routine training and maintenance  | Performance Manager maintenance has been performed as and when required  |

**Towards 2031**

|                               |   |  |
|-------------------------------|---|--|
| Towards 2031                  | <b>Strategy : Provide friendly, respectful and proactive customer service delivery, consistent with our values</b>                    |  |
| Administration                | Annual Customer Satisfaction Survey   | Undertake Annual Customer Satisfaction Survey and prepare a report to Council<br>Council resolved not to undertake a Customer Satisfaction Survey in 2011/12   |
| Customer Request Management   | Monitor the number of Customer Requests overdue in relation to the timeframe assigned   | Operating within acceptable tolerances   |
| Towards 2031                  | <b>Strategy : Improve the workplace culture to build a more cohesive, customer focused organisation</b>                               |  |
| Roads & Drainage Services     | Response to Community Requests  | An average of 58% of requests were responded to within the agreed timeframe, noting that continued wet weather has generated a large number of defects during the reporting period, stretching available resources reducing the ability to respond within desired timeframes |
| Towards 2031                  | <b>Strategy : Promote the organisation as an employer of choice</b>   |  |
| Human Resources               | Contribution to open, transparent and effective leadership through leaders who participate in mandatory training                      | 46 employees participated in mandatory leadership training in Induction, Recruitment & Selection, Code of Conduct and Employment at Council training sessions. Over the reporting period, 282 employees participated in mandatory leadership training                        |
|                               | Contribution to open, transparent and effective leadership through the quality of mandatory training                                  | Employees who participated in the mandatory leadership programs rated the overall quality of those programs at 84%   |
|                               | Creation of a vibrant, progressive, connected and sustainable workplace through the implementation of the Certified Agreement         | During the reporting period, Council introduced the ability for employees to salary package some items allowable under tax rules   |
|                               | Implementation of Workforce Performance Metrics   | Unplanned absenteeism, leave balances and the age profile of the workforce are communicated to all staff on a quarterly basis through Employment At Council information sessions and the intranet  |
|                               | Review of Existing Workplace Policies   | The HR branch created 2 new policies which were adopted by Council - the Cadetship Policy and Parental Leave Policy. The branch proposed an Alcohol and Drug Policy which will be discussed with external stakeholders on 14 August 2012.                                    |
|                               | Workforce Performance Metrics   | Workforce performance metrics are provided to the GM Organisational Services. The metrics will be communicated to the entire organisation after they are put into graphs.  |
| Corporate Policy              | WHS Training  | There were 28 scheduled and attended during the reporting period   |
| Towards 2031                  | <b>Strategy : Facilitate the development and maintenance of a workforce that embraces innovation and improved service delivery</b>    |  |
| Integrated Management Systems | Quality Assurance   | Quality Assurance audits were conducted on selected project work   |
| Towards 2031                  | <b>Strategy : Ensure our workforce is adequately trained, developed and supported to competently manage themselves and their work</b> |  |
| Economic Development          | Hazard Inspection - Economic Development  | 100% of all required hazard inspections as per the WHS matrix have been completed over the final quarter of the reporting period   |

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|---|--|--|
| Performance Appraisals Completed - Commercial Business & Economic Development | Performance appraisals completed on time within the Commercial Business & Economic Development Section | 100% of all the required Performance Appraisals have been completed over the final quarter for the Commercial Business and Economic Development Branch |
| Tourism Operations  | Hazard Inspection - Tourism  | All hazard inspections are up to date as per requirements  |
|   | Performance Appraisals Completed - Tourism   | All Holiday Parks and Council business units (HHA, Fairymead, Old Pharmacy and Childers VIC) are up-to-date  |
| Roads & Drainage Operations   | Main Roads quality assurance training  | All Roads & Drainage Supervisory staff received Quality Assurance Training during the reporting period   |
| Corporate Policy  | Organisational safety performance  | Organisational safety performance is ahead of target, but below long term trend  |
| Community & Environment Directorate Administration                            | Performance Appraisals - Community & Cultural  | Performance Appraisals continue to be undertaken according to scheduling   |





# OUR COUNCIL



towards  
**2031**

vibrant  
progressive  
connected  
sustainable



**The Elected members of the Regional Council consist of one Mayor and 10 Councillors who were elected on 28 April 2012 for a four year term.**

Council holds an Ordinary Meeting every three weeks which the Mayor is Chairman and a Planning Committee which meets every two weeks where the Portfolio Councillor is the Chairman. Meeting times, dates and location can be found on Council's web site.

Meetings are held at Council's chambers situated at 190 Bourbong Street, Bundaberg with a meeting every quarter being held at one of the other service centres or a location determined by Council.

Council's role as a local authority is to make local laws and policies that ensure good rule and governance.

Your Council also has the responsibility to provide direct services to the community through the supply of services such as water, wastewater, cleansing, recreational facilities and community services.

Council's main source of revenue comes from rates, charges and fees which go towards carrying out works that are required by the community. Council obtains other sources of funds from Financial Assistance Grants from the Federal Government, the raising of loans for capital work such as water treatment and waste water treatment plants.



## Cr Mal Forman

### Mayor / Portfolio: Finance & Disaster Management

Cr Forman was elected Mayor of Bundaberg Regional Council in May 2012. Cr Forman served on the former Bundaberg City Council, including 8 years as Deputy Mayor; and holds a Diploma in Local Government Management.

Mal has been involved in numerous rural industries and has served as Director on a number of Companies. He enjoys business planning and development; is a strong advocate for economic development and has owned and managed many successful businesses, including the McDonalds franchise in Bundaberg for over 22 years.

Mal has also served on many community organisations including Bundaberg District Crime Stoppers, Bundaberg District PCYC, Bundaberg Region Tourism, Bundaberg District Groundwater Area Advisory Committee and many local government committees. He has been Chairman of the Board of Bundaberg Christian College since its commencement in 1995.

Mal is the Patron of Bundaberg Football Association and is the Rural Fire Warden for Ashfield / Windermere Rural Fire District. He is married to Joy and has 3 sons and 5 grandchildren.



## Cr Alan Bush

### Representative for Division 1 / Portfolio : Water and Wastewater

Cr Bush represents Division 1 covering Moore Park, North Bundaberg, Avondale, Yandaran, Winfield, Sharon and Burnett Downs.

Prior to being elected to Council in 2008, Alan was a past Councillor with the Gooburrum Shire Council between 1988 and 1994 and the Burnett Shire Council between 1994 and 2000. He has held many committee positions in the community and now represents Council on a number of community committees.

Alan is also the portfolio spokesman for Water and Wastewater and is currently a member of the Moore Park Lions Club, Tegege Hall Committee, Avondale Football Club, Group Leader of the Yandaran SES and Officer of the Avondale Rural Fire Brigade.



## Cr Tony Ricciardi

### Representative for Division 2 / Portfolio: Roads and Drainage

Cr Ricciardi has been in Local Government since 1992 and was Deputy Mayor of Isis Shire Council, before becoming Deputy Mayor of Bundaberg Regional Council when amalgamation occurred in March 2008.

Tony has served on the Committee of the Childers Apex Club as President in 1986 and 1987 and remains a senior active member in the Childers Club. He also is Life Member of the Forest View Aged Care facility in Childers. Tony is the representative for Council on the Burnett Mary Regional Group for Natural Resource Management and is a third generation farmer and was born and educated in Childers and is married to Kath and has 3 sons. They currently reside at beautiful Woodgate Beach.

Tony was awarded a 'Paul Harris Fellow' by the Sunrise Rotary Club for his efforts in steering the 'Response and Recovery' to the devastating floods in December 2010/January 2011.



## Cr Wayne Honor

Representative for Division 3 / Portfolio : Health & Regulatory Services

Cr Honor is Councillor for Division 3, covering an area of 3,749 square kilometers in the hinterland of the Bundaberg Regional Council. Wayne holds the portfolio of Health and Regulatory Services, and originally held the portfolio of Roads and Drainage from 2008-12. Wayne spent 4 years as a Councillor in the previous Kolan Shire Council working in the area of Community Services and Finance.

Wayne is actively involved in the community taking on many active rolls on committees, some being Chair of Lake Monduran Advisory Committee, Gin Gin Subgroup of Local Disaster Management Group and Council Representative on the Cycle and Pathways Committee, Roads Safety Committee and Regional Road Group. Before becoming a Councillor he was involved in a number of community committees including schools and agriculture.

His interests include community, art, sustainable farming practices as well as developing a Droughtmaster Stud cattle herd with his wife. He enjoys Clay Target and Small Bore rifle shooting. Wayne is keen to build on the achievements of Council to date and looks forward to contributing to the further development and prosperity of our culturally and geographically diverse region.



## Cr Vince Habermann

Representative for Division 4 / Portfolio : Waste & Recycling

Cr Habermann is a fifth generation Bundaberg resident and has lived in Bundaberg all his life. Vince has had a varied career, including as an accountant for 10 years, sports reporter/editor for the NewsMail for 16 years and Electorate Officer for State Member for Bundaberg Jack Dempsey for 4 years.

Vince has been heavily involved in many sporting, community, church and school organisations throughout his life. He received an Order of Australia Medal in 2008 "For service to sport, particularly cricket, and to the Community of Bundaberg". He won the Queensland Cricket Volunteer of the Year Award in 2007 and amongst many other honors, has been awarded two Bundaberg City Council Australia Day Sports Administration Awards. Vince is still heavily involved in sport as a participant and an administrator.

Division 4 covers a large area of Bundaberg being bounded by Walker, Avoca and Duffy Sts, crossing the Burnett River and taking in large parts of North Bundaberg along Mt Perry Rd, Batchlers Rd, Fairymead Rd, Queen St, Fagg St, Agnes St, Gavin St, crossing back over the river, running down Walla St as far as Burnett St then along to Targo St and back to Walker St including all of the CBD, our three Bundaberg hospitals, retirement villages and nursing homes, several major shopping centres and countless other businesses, the traditional working class inner city suburbs, two high schools, a number of primary schools and many sporting and community organisations and excellent sporting facilities.

Vince has pledged to devote himself 100% to the role of Division 4 Councillor, be always accessible and work very hard for the benefit of all people and the community at large. His aim is to achieve the best possible outcome for all, do everything possible for the Council to foster Bundaberg businesses and bolster the local economy, and provide strong support and assistance for sporting and community organisations.

Vince is 51 years old, is married to Donna and has two step-daughters.



## Cr Greg Barnes

Representative for Division 5 / Portfolio : Economic Development

Cr Barnes was first elected to the former Burnett Shire Council in March 2000 and re-elected in 2004. In 2008 he was elected to the newly amalgamated Bundaberg Regional Council and subsequently re-elected in 2012. He has been assigned the Economic Development portfolio (encompassing the conceptualisation and delivery of major projects across the organisation), tourism operations and airport operations.

Greg has a strong affinity with the wide range of issues affecting the region and especially within his divisional townships of Bargara, Innes Park North, Innes Park and Coral Cove. Through his portfolio, he is focusing on opportunities to remedy the region's high unemployment rate by supporting the implementation of efficient and effective economic development strategies and initiatives. He is also committed to enticing a second airline to service the needs of the regional community and to explore options for routes beyond the Bundaberg/Brisbane service and additional fly in, fly out services for the resource sector.

Greg has considerable experience in the regional tourism industry having owned and operated a dive shop and charter boat business prior to entering local government. He also served as the President of the Coral Coast Chamber of Commerce and Tourism for 16 years, the Chair of Bundaberg North Burnett Tourism for 4 years and on a number of other local Boards and Committees.



## Cr Danny Rowleson

Representative for Division 6 / Portfolio: Environment and Natural Resources

Cr Rowleson lives at Burnett Heads with wife Rhonda and both share an ambition to improve the quality of life across the Bundaberg Region.

Danny believes his Natural Resource Management Portfolio provides him with an opportunity of a lifetime to make a contribution towards a more sustainable regional future. Danny believes our Council is working well in difficult circumstances and is excited by the opportunity available to this Council to create a solid platform of local government in this region.



## Cr Ross Sommerfeld

Representative for Division 7 / Portfolio: Planning and Development

Cr Sommerfeld was born and raised in Bundaberg. He has more than 25 years experience as a Consulting Surveyor with 21 of those years being Principal of his own business based in Bundaberg, before selling the whole business in 2004. Ross and his wife Linda have also owned the West Bundaberg News Mail delivery run for the past 10 years. Ross and Linda have three adult sons and one grandson.

Ross has been actively involved in a number of community and sporting groups over the years and still is a current member of the Bundaberg Croquet Club and a life member of Across the Waves Cricket Club.

Ross represents Division 7 which broadly covers the airport, Svensson Heights, Norville and Thabeban. Ross is Chairman of Planning and Development, a portfolio he finds most rewarding and closely aligned with his previous role as a Consulting Surveyor. He says that although he represents Division 7, he is committed to whole region along with his fellow Councillors.



## Cr David Batt

Deputy Mayor, Representative for Division 8 / Portfolio : Governance

Cr Batt is a third generation Bundaberg resident and is married with two daughters. He was previously employed as a Police Officer for over 23 years rising to the rank of Sergeant before being elected to the Bundaberg Regional Council in 2008. David holds a Diploma of Local Government – Administration, along with a Diploma in Policing and an Advanced Diploma in Investigative Practices. He was the Manager of the Bundaberg PCYC for several years before his successful election as the Division 8 Representative for Bundaberg Regional Council.

David has a passion for Sport and Recreation in the local community and is involved in many local community organisations including Impact Make your Mark, Bundaberg PCYC, Bundaberg Netball Association and Across the Waves Sports Club.

Division 8 covers a large area of the former Bundaberg City Council, including the areas of Avoca and Branyan within the boundaries of the Isis Highway and the Burnett River.

As well as holding the Deputy Mayor's role, David has the portfolio of 'Governance' and is the Deputy Chair of the Local Disaster Management Group. David was awarded a 'Paul Harris Fellow' by the Sunrise Rotary Club for his efforts in steering the 'Response and Recovery' to the devastating floods in December 2010/January 2011.

David enjoys golf, camping, fishing and watching all types of sport and when he gets the time he loves to socialise with family and friends.



## Cr Judy Peters

Representative for Division 9 / Portfolio : Community Services

Division 9 covers parts of East Bundaberg, Kepnock and the City area with schools, commercial activities, sporting fields and nature reserves enhancing the urban growth.

Cr Judy Peters was first elected as a Councillor on Bundaberg City Council in 1994 holding the Community and Cultural Services portfolio until 2008. Elected in March 2008 as a Councillor for Bundaberg Regional Council representing Division 9 with the Community and Arts Portfolio and re-elected un-opposed in 2012 and currently holds the Community Services Portfolio.

Judy is currently a member of a number of community organizations as well as an invited guest to others. Judy was previously involved in LGAQ Social Planning Reference Group and the State Advisory Committee for Disability. Currently a member of the LGAQ Arts Reference Group and at the local level is Chair of Council's Regional Arts Development Fund. Judy has held an Executive position with the Australian Local Government Women's Association Queensland since 1995 having served as Zone 4 Representative for 4 years and State President for 4 years as well as delegate to the ALGWA National Executive. Judy is currently the Immediate Past President of ALGWA Queensland. In 2011 Judy was welcomed as an Associate Member of the National Rural Women Coalition.

Judy holds a Diploma in Local Government (Administration), a Diploma of Business (Frontline Management), undertaken a Certificate IV in Training and Assessment and is a Justice of the Peace (Qualified).

Judy was invited to be profiled in the Who's Who's 2009 Edition 'Lessons we Learn' and the 2010 edition, 'Reflections of Happiness'.

Judy owned and operated Bundaberg Shipping Services for 11 years dealing with domestic and foreign going cargo vessels from the Port of Bundaberg and held the position as a Director and then Deputy Chairman Bundaberg Port Authority for 14 years.

Creating opportunities for the community through networks and knowledge underpins her role on Council.



## Cr Lynne Forgan

Representative for Division 10 / Portfolio : Sport, Recreation & Venues

Cr. Forgan is the representative for Division 10, covering the areas of South Bundaberg, Walkervale, Avenell Heights and Thabeban.

With the diversity of our region, it enables Lynne to work with a variety of organisations in her Portfolio of Sport, Recreation and Venues; this includes Sport and Recreation, Libraries, Halls and Facilities, Moncrieff Theatre, Showgrounds, Swimming Pools and Museums.

Lynne is a qualified hairdresser, mother of 2 and grandmother of 5, and married to Gilbert who is happy and proud to support her. From operating her own business, she brings to Council her 28 years of business knowledge and experience, understanding all facets of business operation, and also holds a Diploma of Local Government Administration and a Certificate IV in Governance.

Lynne is actively involved in the community having served on many and varied organisations and taken many active rolls on committees, some being - Board member on the Bundaberg Health Services Foundation, Past District Governor for Lions district 201 Q4 and current member of the Bundaberg North Lions Club, PCYC committee member since its inception, Patron of the Rum City Silver Band, board member YMCA, along with being Council's appointed representative on several committees.





## EXECUTIVE LEADERSHIP

### Peter Byrne

#### Chief Executive Officer

Peter was Chief Executive Officer of the previous Bundaberg City Council since 1995. He has an extensive career in local government having commenced with Bundaberg City Council in 1972 as a Cost Clerk.

On qualifying as a Public Health Inspector Peter worked for the next 20 years in the environmental health field and managed the Health and Environmental Services Department for several years prior to his appointment as Chief Executive Officer.

Peter has a Diploma Public Health Inspectors Qld and a Graduate Diploma Management - Public (CQU). He is a member of Local Government Managers Australia, a Fellow of the Australian Institute of Management and a Fellow of Environmental Health Australia.



### Andrew Fulton

#### General Manager Infrastructure & Planning

MBA (Tech. Mgmt.), B.E. (Civil), MIE Aust, CPEng, MIPWEA, NPER, RPEQ

Andrew has 20 years Local Government experience including more than 15 years in senior management. Andrews extensive experience includes private sector roles in the construction industry together with engineering roles with the Federal Government.

Andrew focuses on facilitating efficient and cost effective delivery of utility services and infrastructure together with land use planning outcomes that foster a prosperous and sustainable community.



## Glenn Hart

### **General Manager Organisational Services**

B. Bus (Local Government and Human Resources); MPA; ASA; AIMM; MLGMA

Glenn commenced in Queensland Local Government in 1982 and in that time has gained a wide range of skills and experience vital for the role.

Glenn has held senior positions in the Ipswich City Council and Moreton Shire Council before moving to the Bundaberg Region as a Director and newly created General Manager role and focuses on providing the best value-added internal services to create a strong, accountable and sustainable organisation.



## Gavin Steele

### **General Manager Community & Environment**

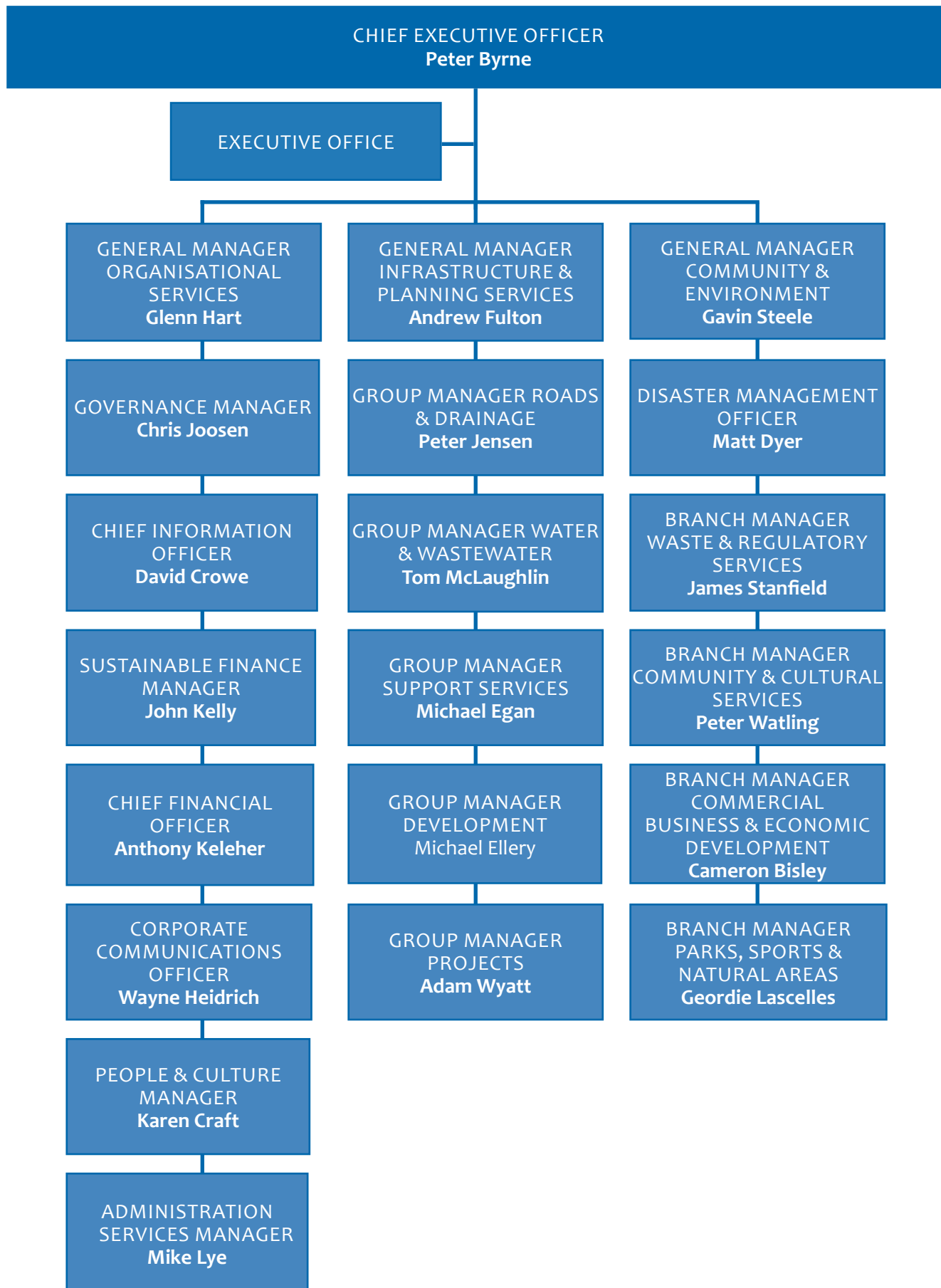
BAppSc (Env. Health), Grad Dip (Management), Diploma (AICD)

Gavin has 18 years experience in State and Local Governments in Queensland working with the Brisbane City Council, Queensland Government Department of Public Works, Rockhampton City Council and the Rockhampton Regional Council.

He has held numerous Director and General Manager positions since 2005 across a wide range of portfolios. Gavin commenced work with Bundaberg Regional Council in June 2012.



# BUNDABERG REGIONAL COUNCIL MANAGEMENT STRUCTURE







# DISCLOSURES



towards  
**2031**

vibrant  
progressive  
connected  
sustainable

Local Government legislation and related regulations require the following disclosures:

## Public Participation

During the period up to 30 June 2012, members of the public had a number of opportunities to put forward their views on particular issues by way of:

1. Deputations – With the permission of the Mayor, a member of the public may be given the opportunity to address Council personally or on behalf of a group of residents on a matter within the jurisdiction of the Council.
2. Where a development application requires impact assessment and is required to be publicly notified the general public are invited to provide comment or representation in respect of the proposal to Council.
3. Petitions – Written petitions can be addressed to any elected member for presentation to Council on any issue within the Council’s jurisdiction.
4. Written Requests – A member of the public can write to the Chief Executive Officer on any Council policy, activity or service.
5. Elected Members – Members of the public can contact their elected representative to discuss any issue relevant to Council.
6. Consultative Groups – Council has established a number of Consultative Groups to seek feedback from the public.
7. Public Participation – Council has established an internet site [www.bundaberg.qld.gov.au](http://www.bundaberg.qld.gov.au) which the public are welcome to provide feedback to Council and ask for information on the range of Council services.

Members of the public who wish to raise an issue or require a response to a particular matter are invited to forward a letter addressed to the Chief Executive Officer marked ‘Public Participation’ outlining their concerns.

Council held 2 Ordinary Meetings at a “regional” centre during the year. At each of these meetings, a Community Consultation Forum was held afterwards, so residents could talk to the Councillor of their choice. These one-on-one meetings are also available after each Ordinary Meeting held in the main Bundaberg Council Chambers.

## Community & Stakeholder Engagement

Council continued its strong focus on Community and Stakeholder Engagement during the 2011/2012 reporting year.

Council continued to hold its Ordinary Meetings around the region on a regular basis. In this year they were held at Gin Gin and Tegege and were an ideal opportunity for interested residents to see Council “in action” and to meet Councillors and staff after the meeting.

Council’s “Bright Ideas” box at Hinkler Central Shopping Centre continues to be well used, while the “Have your Say” online forum on Council’s website was another popular avenue for residents to have input.

Council has developed and maintained several Facebook pages during the year – for Council as a whole, and for topics including Flood Recovery, Disaster Management, Moncrieff Theatre, Art Galleries, Hinkler Hall of Aviation and Library. These are an increasingly important avenue for people to give Council their views, as well as a convenient way of finding out information on Council’s operations and events.

Other Council engagement activities included those carried out within the Environment & Natural Resources sectors (with a Community Conservation Advisory Group), the Community Services sectors (with ongoing consultation with the community through many groups, including the Seniors Network, Family and Baby Network, Bundaberg Region Learning Community Network, Mental Wellbeing Alliance, Healthy Lifestyle Group, Bundaberg Region Cycle Action Group and Disability Sector Network) and Councillors, together with Senior Council Officers, continuing to consult with the Development Industry through regular meetings with the Urban Development Institute of Australia Consultation Group. Council has also undertaken community consultation in relation to the Rubyanna Treatment Plant and Moore Park Beach Drainage.

Businesses around the region have also had regular consultation with Councillors and Economic Development staff, through the Chambers of Commerce in Bundaberg, Coral Coast, Childers and Gin Gin and with specific interest groups.

Council staff and Councillors also attended a number of major events around the region to showcase Council's many services and gauge community views, with Council Displays at Seniors, Health, Sports, Career and Lifestyle Expos, Agro Trend and the Bundaberg Show. These were so successful that the programme will be expanded in the next financial year.

## Audit and risk management

Council's Audit and Risk Committee is an advisory committee established in accordance with its charter, under Council's Audit and Risk Management Policy and in accordance with the Local Governance Act 2009. It complements the relationship between internal audit and the wider organisation, safeguarding internal audit's independence and further increasing the internal audit function's effectiveness and value to Council.

The committee provides a review and monitoring function over Council's corporate assurance, audit, risk management and corporate governance activities and arrangements. The committee reports to Council through the General Committee, on issues within its charter. At 30 June 2012, membership of the Audit and Risk Committee comprised;

- Chairman – Mayor Cr M Forman
- Cr D Batt, Governance Portfolio spokesperson
- Ms L Rudd, External Community Representative
- Ms S Barletta, External Community Representative
- Mr P Byrne, Chief Executive Officer (advisory only)
- Mr G Hart General Manager Organisational Services (advisory only)

The Audit and Risk Committee is also attended by representatives from both the internal and external audit providers. Council contracted an Internal Audit firm, Ulton Group who are responsible for carrying out the internal audit function of Council. The internal auditors have conducted two audits during the financial year with the reports being presented to the committee.

The committee has also reviewed and confirmed a three year audit plan and a number of Internal Quality Audit teams with the aim of enhancing current work processes. The teams have completed their second round of audits and the findings have been presented to the Committee.

The Audit and Risk Committee has held four meetings for the year. At these meeting the Committee reviewed the external

audit management letter. The external audit was conducted by the Queensland Audit Office assigned auditors, Deloitte Touche Tohmatsu who made 26 audit recommendations of which 12 have been finalised. The outstanding recommendations are under review with target completion dates being established.

## Overseas Travel

No Councillors or employees undertook Council funded overseas travel during the financial year.

## Consultants

Services rendered by a consultant, summarised by reference to categories of services include:

|  |              |
|--|--------------|
| Representing Executive Services:                   | \$33,720.28  |
| • Representing Community & Environment Services:   | \$344,624.45 |
| – Community and Cultural                           | \$9,163.18   |
| – Health   | \$335,461.27 |
| • Representing Organisational Services:            | \$401,691.32 |
| – Finance  | \$10,689.25  |
| – Governance                                       | \$391,002.07 |
| • Representing Infrastructure & Planning Services: | \$799,417.98 |
| – Infrastructure                                   | \$321,048.31 |
| – Planning and Development                         | \$478,369.67 |

## Advertising

Advertising costs for public notices, positions vacant, road closures and land sales totalled \$17,493.

## Grants to community organisations

Donations to the community totalled \$257,295.45

## Councillors Remuneration

Councillors' remuneration table for the period 1 July 2011 to 30 June 2012:

| Councillor          | Gross salary        | Superannuation contributions | Training, conferences and travel | Home Internet Mobile Phone | Mileage            | Total                 |
|---------------------|---------------------|------------------------------|----------------------------------|----------------------------|--------------------|-----------------------|
| Cr M Forman ** ***  | \$15,033.69         | <b>\$1,803.22</b>            | \$2,380.27                       | \$55.37                    | \$906.79           | \$20,179.34           |
| Cr L Pyefinch *     | \$116,117.64        | <b>\$13,934.15</b>           | \$2,287.44                       | \$2,051.61                 | \$Nil              | \$134,390.84          |
| Cr AG Bush          | \$79,359.93         | <b>\$9,522.68</b>            | \$1,551.81                       | \$1,628.75                 | \$10,000.00        | \$102,063.17          |
| Cr AL Ricciardi *** | \$88,545.80         | \$10,625.04                  | \$1,701.49                       | \$2,062.71                 | \$14,755.65        | \$117,690.69          |
| Cr WA Honor ***     | \$79,359.93         | \$9,522.68                   | \$1,062.73                       | \$2,026.69                 | \$14,755.65        | \$106,727.68          |
| Cr M Wilkinson *    | \$70,656.24         | \$8,478.71                   | \$Nil                            | \$577.08                   | \$Nil              | \$79,712.03           |
| Cr VJ Habermann **  | \$8,703.69          | \$1,043.97                   | \$Nil                            | \$98.34                    | \$Nil              | \$9,846.00            |
| Cr GR Barnes        | \$79,359.93         | \$9,522.68                   | \$45.45                          | \$2,193.42                 | \$6,959.25         | \$98,080.73           |
| Cr DE Rowleson ***  | \$79,359.93         | \$9,522.68                   | \$Nil                            | \$1,453.44                 | \$14,755.65        | \$105,091.70          |
| Cr CR Sommerfeld    | \$79,359.93         | \$9,522.68                   | \$Nil                            | \$1,608.97                 | \$5,082.32         | \$95,573.90           |
| Cr DJ Batt          | \$80,546.79         | \$9,665.03                   | \$8,305.78                       | \$3,181.49                 | \$7,781.10         | \$109,480.19          |
| Cr JA Peters ***    | \$79,359.93         | \$9,522.68                   | \$1,315.68                       | \$1,361.00                 | \$14,755.65        | \$106,314.94          |
| Cr LG Forgan        | \$79,359.93         | \$9,522.68                   | \$971.41                         | \$2,057.69                 | \$6,511.26         | \$98,422.97           |
| <b>Total</b>        | <b>\$935,123.36</b> | <b>\$112,208.88</b>          | <b>\$19,622.06</b>               | <b>\$20,356.56</b>         | <b>\$96,263.32</b> | <b>\$1,183,574.18</b> |

\* Reflects the period of appointment from 1 July 2011 to 9 May 2012

\*\* Reflects the period of appointment from 9 May 2012 to 30 June 2012

\*\*\* Reflects the optioned provision of a fully-maintained Council motor vehicle in lieu of mileage paid Mayor and Councillors' remuneration paid in accordance with Remuneration Tribunal - [HTTP://dip.qld.gov.au](http://dip.qld.gov.au)

## Total of Meetings attended

Councillors' attendance at meetings for the period 1 July 2011 to 30 June 2012:

| Meeting Type                                       | Cr M Forman ** | Cr L Pyefinch * | Cr AG Bush | Cr AL Ricciardi | Cr WA Honor | Cr VJ Habermann ** | Cr M Wilkinson * | Cr GR Barnes | Cr DE Rowleson | Cr CR Sommerfeld | Cr DJ Batt | Cr JA Peters | Cr LG Forgan |
|--|----------------|-----------------|------------|-----------------|-------------|--------------------|------------------|--------------|----------------|------------------|------------|--------------|--------------|
| <b>Ordinary Meetings</b>                           | 2              | <b>13</b>       | 15         | 15              | 15          | 2                  | 11               | 15           | 14             | 15               | 15         | 15           | 15           |
| <b>Planning and Development Committee Meetings</b> | 3              | <b>13</b>       | 22         | 21              | 21          | 3                  | 16               | 21           | 20             | 22               | 20         | 18           | 22           |
| <b>Special Meetings</b>                            | 1              | <b>5</b>        | 6          | 6               | 6           | 1                  | 5                | 6            | 6              | 6                | 6          | 6            | 6            |
| <b>Total Meetings</b>                              | <b>6</b>       | <b>31</b>       | <b>43</b>  | <b>42</b>       | <b>42</b>   | <b>6</b>           | <b>32</b>        | <b>42</b>    | <b>40</b>      | <b>43</b>        | <b>41</b>  | <b>39</b>    | <b>43</b>    |

\* Reflects the period of appointment from 1 July 2011 to 9 May 2012

\*\* Reflects the period of appointment from 9 May 2012 to 30 June 2012

## Appointments to Committees and other Bodies

Councillors appointed to Committees and other Bodies at 30 June 2012:

| Name of Committee / other body  | Councillor appointed  |
|---|---|
| <b>Bundaberg and District Vector Control Committee</b>                          | Cr WA Honor<br>Cr DE Rowleson   |
| <b>Bundaberg Area Committee Crime Stoppers Queensland</b>                       | Cr CR Sommerfeld<br>Cr JA Peters  |
| <b>Bundaberg Crime Prevention Committee</b>                                     | Cr M Forman<br>Cr DJ Batt   |
| <b>Bundaberg Groundwater Area Advisory Committee</b>                            | Cr AG Bush<br>Cr AL Ricciardi<br>(Cr WA Honor – proxy)                            |
| <b>Bundaberg Region Water Safety Advisory Group</b>                             | Cr WA Honor<br>Cr DE Rowleson   |
| <b>Bundaberg Regional Council Audit and Risk Committee</b>                      | Cr M Forman (Chair)<br>Cr DJ Batt<br>(Cr AL Ricciardi and Cr GR Barnes - proxies) |
| <b>Bundaberg Toy Library Committee</b>  | Cr LG Forgan  |
| <b>Cedars Landfill Advisory Committee</b>                                       | Cr WA Honor<br>Cr VJ Habermann  |
| <b>District Disaster Management Group</b>                                       | Cr M Forman<br>Cr DJ Batt   |
| <b>Hinkler Hall of Aviation Advisory Committee</b>                              | Cr M Forman<br>Cr LG Forgan   |
| <b>Life Education Bundaberg Committee</b>                                       | Cr VJ Habermann<br>Cr LG Forgan   |
| <b>Local Disaster Management Group</b>  | Cr M Forman (Chair)<br>Cr DJ Batt (Deputy Chair)                                  |
| <b>Local Government Association of Queensland (LGAQ) Arts Reference Group</b>   | Cr JA Peters  |
| <b>Local Government Association of Queensland (LGAQ) Policy Executive</b>       | Cr DJ Batt  |
| <b>Local Government Association of Queensland (LGAQ) Social Reference Group</b> | Cr JA Peters  |
| <b>Regional Arts Development Fund Committee</b>                                 | Cr JA Peters (Chair)  |
| <b>Wide Bay Burnett Regional Organisation of Councils</b>                       | Cr M Forman<br>Cr DJ Batt   |
| <b>Wide Bay Burnett Regional Planning Advisory Committee</b>                    | Cr M Forman<br>(Cr CR Sommerfeld – proxy)   |
| <b>Wide Bay Burnett Regional Roads Group</b>                                    | Cr AL Ricciardi<br>Cr WA Honor  |

|   |                                   |
|---|-----------------------------------|
| <b>Wide Bay Burnett Regional Water Supply Strategy Management Committee</b> | Cr AG Bush<br>Cr WA Honor         |
| <b>Bundaberg Futures Group</b>  | Cr M Forman (Chair)<br>Cr DJ Batt |
| <b>Bundaberg Region Cycling Action Group</b>                                | Cr AL Ricciardi<br>Cr LG Forgan   |
| <b>Bundaberg Region Sport &amp; Recreation Advisory Group</b>               | Cr LG Forgan                      |
| <b>Community Conservation Advisory Committee</b>                            | Cr DE Rowleson                    |
| <b>Lake Monduran Advisory Committee</b>                                     | Cr WA Honor                       |
| <b>Traffic Safety &amp; Speed Management Committee</b>                      | Cr AL Ricciardi<br>Cr WA Honor    |
| <b>Kolan Gardens Aged Care Advisory Committee</b>                           | Cr WA Honor<br>Cr JA Peters       |
| <b>Wide Bay Burnett Sport and Recreation Committee</b>                      | Cr LG Forgan                      |

## Executive Remuneration

Executive's remuneration table for the period 1 July 2011 to 30 June 2012:

| Total Remuneration    | Number |
|-----------------------|--------|
| \$195,000 - \$225,000 | 3      |
| \$285,000 - \$315,000 | 1      |

## Equal Employment Opportunity

Council is committed to providing equal employment opportunity to its employees and prospective employees. To help ensure equal employment opportunity in the recruitment, promotion and transfer of employees, Council trained 36 leaders in recruitment and selection processes and techniques.

Council recognises and encourages employees on the basis of their individual skills, experience and qualifications at all stages of their career. Council engaged 22 work experience students and employed 11 trainees and 20 apprentices.

Employment status and staff age and groups are:

### Employment Status

| Gender       | Full-time  | Part-time | Casual    | Total      |
|--------------|------------|-----------|-----------|------------|
| Female       | 167        | 30        | 47        | 244        |
| Male         | 619        | 12        | 30        | 661        |
| <b>Total</b> | <b>786</b> | <b>42</b> | <b>77</b> | <b>905</b> |

### Employee Age Group

| Gender       | <24        | 25-34     | 35-44     | 45-54      | 55-65 | >65 |
|--------------|------------|-----------|-----------|------------|-------|-----|
| Male         | 48         | 72        | 137       | 220        | 165   | 19  |
| Female       | 32         | 53        | 59        | 55         | 37    | 8   |
| <b>Total</b> | <b>786</b> | <b>42</b> | <b>77</b> | <b>905</b> |       |     |

## Code of Conduct for Staff

In accordance with the *Public Sector Ethics Act 1994* Council is required to prepare and report on a Code of Conduct for its employees. The Bundaberg Regional Council resolved in 2008 to establish a Code of Conduct and updated at Council's meeting of May 2011 and ensure that all employees are aware of their responsibilities in the code, Council has carried out the following:

- Placed the Employees Code of Conduct on Council's intranet site;
- Placed copies of the Employees Code of Conduct at all depots and offices;
- Undertaking the training of staff and is a regular component in the education of new employees.

## Code of Conduct for Councillors

While there is no requirement under the *Local Government Act 2009*, elected members have resolved to adopt a Code of Conduct for Councillors and which can be found on Council's internet site.



As well a register listing Councillors' material personal interests is also maintained. The *Local Government Act 2009* requires elected members to declare any material personal interest in matters before Council and to remove themselves from any discussions or decision making on that matter. For a Councillor to have a material personal interest, there must be a personal benefit or gain received by the Councillor or a related person.

For the reporting period there have been no breaches of the Code of Conduct by a Councillor.

## Registers open for inspection by members of the public

- Annual Budget
- Annual Report
- Land Record of Rateable Land
- Corporate and Operational Plans
- Council minutes
- Councillors' register of interests
- Council policies
- Delegations of authority
- Fees and charges (regulatory fees and other charges)
- Local law and subordinate local laws
- NCP business activities

## Code of competitive conduct for business activities

In accordance with s45 of the *Local Government Act 2009*, Council has elected to apply the Code of Competitive Conduct (CCC) involving the application of full cost principles to its identified business activities.

A full review of the appropriate application of NCP reforms across Bundaberg Regional Council was undertaken and two business activities were identified as having reached the expenditure threshold for recognition as financially significant business activities: Water and Wastewater, and Waste and Recycling. A Public Benefit Assessment was completed in June 2010 (in accordance with State Government legislation) and it was determined that the adoption of full cost pricing was the appropriate structural reform to apply.

Whilst a full cost pricing model has been utilised for the annual determination of cost recovery levels for Council's business activities, an appropriate long-term financial sustainability model will be developed, identifying ongoing investment requirements, informing capital funding decisions and borrowing programs and assisting in the development of longer-term price paths and revenues strategies for these businesses, consistent with full cost pricing principles.

The financially significant Type 2 business activities of Bundaberg Regional Council are:

- Water and Wastewater; and

- Waste and Recycling.

Type 3 (competitive) business activities are:

- Caravan Parks; and
- Bundaberg Airport.

Non-Type 3 business activity is:

- Building Certification.

## Competitive neutrality complaints

As defined by s48 of the *Local Government Act 2009*, no competitive neutrality complaints were received.

## Tenders and expressions of interest

There were no invitations to change tenders pursuant to Section 177(7) of the *Local Government (Finance, Plans and reporting) Regulation 2010*.

## Public Interest Disclosure Policy

In accordance with provisions of the *Public Interest Disclosure Act 2010* Council has developed a Public Interest Disclosure Policy. This Policy is premised on the firmly held belief that the reporting and investigation of suspected misconduct within Council is fundamental to its ongoing integrity and health.

The most effective protection for a person making a Public Interest Disclosure (PID) is the right organisational culture and Council strongly encourages disclosure of unethical and fraudulent behaviour and the reporting of serious misconduct and other important matters adversely affecting the public interest or Council operations. The Policy aims to provide clear guidance as to how Council will handle and deal with the complex issues associated with PIDs and the intent is to encourage all officers to be accountable for their actions and to maintain high standards of professional conduct and service.

This Policy complies with the *Public Interest Disclosure Act 2010*. In this Policy the term public officer applies to Councillors and Officers of Council.

## General Complaints Management Process Disclosures

Under the *Local Government Act 2009* and the *Local Government (Operations) Regulations 2010* Council must develop a General Complaints Process.

The intent of this Policy is to establish a framework for the administration of complaints about administrative decisions and minor breaches of the Code of Conduct for Councillors.

The process does not apply to complaints relating to issues of competitive neutrality, official misconduct, those under the *Public Interest Disclosures Act 2010*, or those pertaining to meeting breaches, a repeat breach or a statutory breach under the Code of Conduct for Councillors.

Council received four applications under this policy for the reporting period to 30 June 2012.

## Land

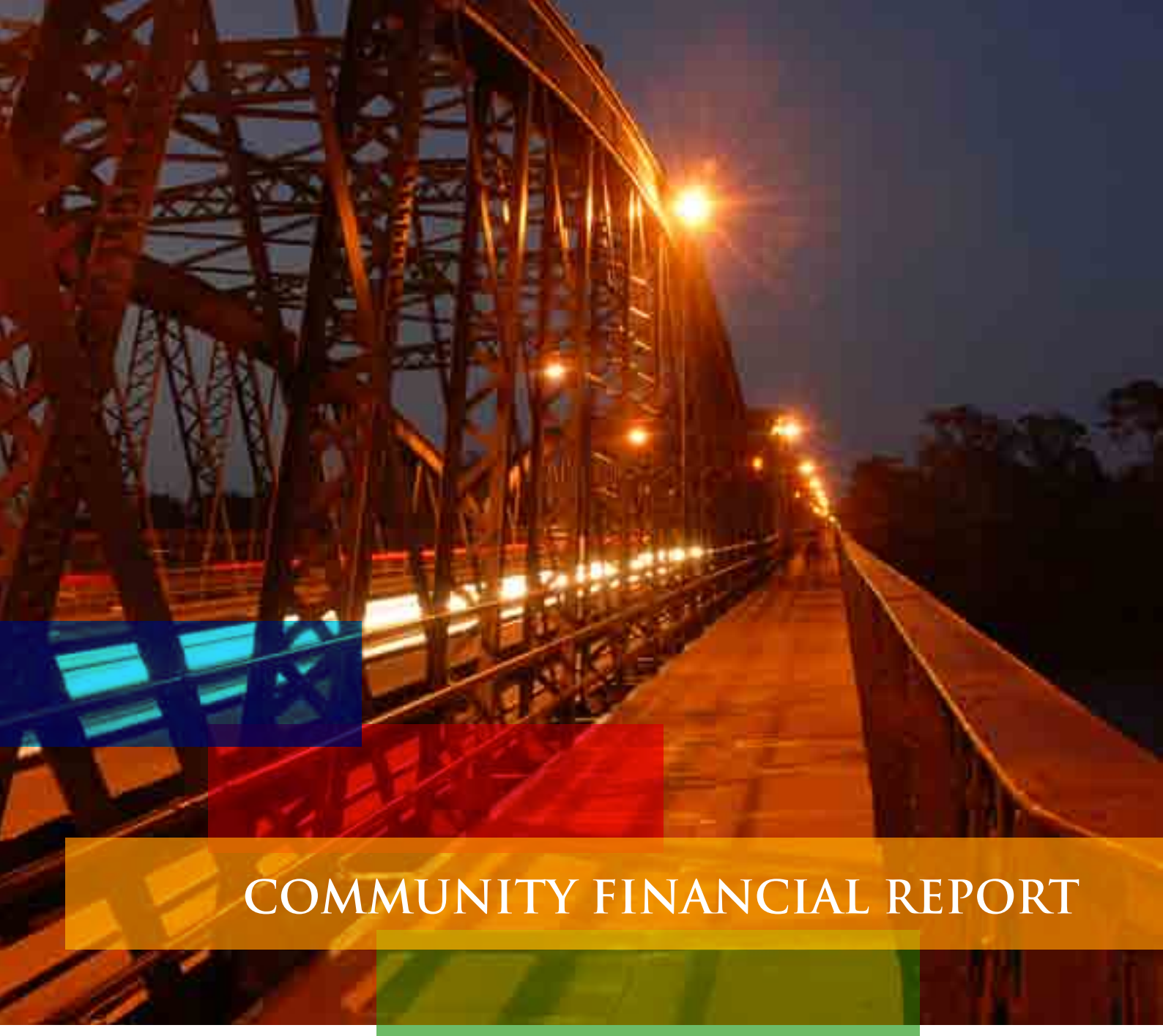
Council has control over approximately 5,079ha of parkland (which includes 163ha leased to recreational groups). The parks include land owned by Council and Crown Reserves, for which Council is the trustee. Areas of some parks are leased to local clubs and associations.

Council also controls 3,010km of roads on land defined under the Land Act 1994. (Roads not owned by Council)

## Reimbursement of Expenses and Provision of Facilities for Councillors Policy and Resolution

Council passed, as item F2 at its Ordinary Meeting of 5 June 2012, that the:

1. *Reimbursement of Expenses and Provision of Facilities for Councillors Policy* document number GP-3-047 Revision 3 - be rescinded;
2. *Reimbursement of Expenses and Provision of Facilities for Councillors Policy* document number GP-3-047 Revision 4 (as detailed on the 11 pages appended to this report) - be adopted;
3. *Reimbursement of Expenses and Provision of Facilities for Councillors Policy* document number GP-3-047 Revision 4 commence from 5 June 2012.



# COMMUNITY FINANCIAL REPORT



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**2031**

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sustainable

The *Local Government (Finance, Plans and Reporting) Regulation 2010* (section 103) requires Council to prepare a Community Finance Report to accompany the Financial Statements in the Annual Report. The four (4) key financial statements of the Annual Report are often difficult for the user to interpret. The aim of this Community Financial Report is to summarise Council's financial performance and position for the financial year, in a form easily understood by the community.

Particular areas of importance have been highlighted and expanded on where necessary to allow interested stakeholders the opportunity to make their own informed assessment. The four (4) key financial statements for 2012 and key performance indicators are described as follows:

1. Statement of Comprehensive Income - revenue and expenses in the past 12 months.
2. Statement of Financial Position - assets owned and liabilities owed at 30 June 2012.
3. Statement of Cash Flows - shows the affect of operating, investing and financial activities on cash and cash equivalents.
4. Statement of Changes in Equity - movement in the community's net wealth during the year.
5. Financial Sustainability Ratios - for reviewing Council performance and sustainability.

Bundaberg Regional Council was formed on 15 March 2008 as a consequence of the amalgamation of the shires of Burnett, Isis and Kolan and the city of Bundaberg. In accordance with the reform implementation legislation the financial statements for 2008-09 were prepared for the period 15 March 2008 to 30 June 2009 (15.5 months).

In order to create operating surplus ratio for 2008 and 2009, Council restructured information from the former and the Regional Council's financial statements for the 8.5 months ending 14 March 2008 and 15.5 months ending 30 June 2009, respectively. These figures are indicative only and have not been subjected to audit. To provide history and direction the consolidated data from the former Council's financial statements for 2007 is included.

### **1. Statement of Comprehensive Income**

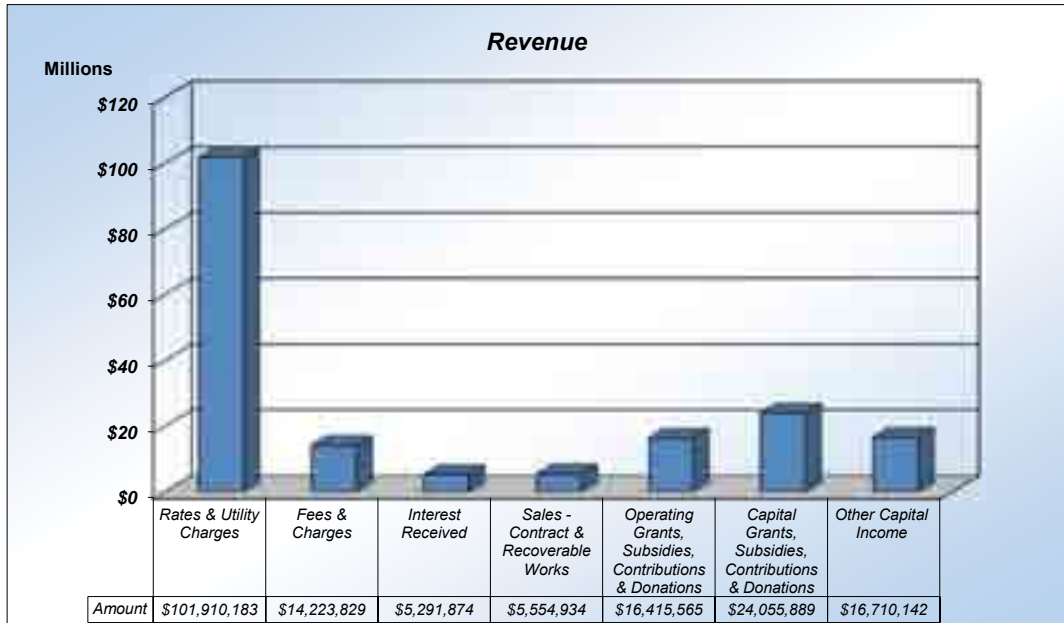
The Total Comprehensive Income for the period was \$64.1M. This increase in community equity includes several items which Council has little control over and/or has little impact on Council's operations. When reviewing the Statement of Comprehensive Income or preparing budgets, Council focuses on the Surplus/(Deficit) from recurrent activities rather than the Total Comprehensive Income or Net Result Attributed to Council. This provides a better indication of Council's ability to renew or upgrade existing, purchase new assets, repay debt and adjust working capital.

The surplus/(deficit) from recurrent activities is calculated by subtracting the Recurrent Expenses of \$137.8M from the Recurrent Revenue of \$143.4M. This shows Council has made a surplus from recurrent activities (Operating Surplus) of \$5.6M. This is the second Operating Surplus of the amalgamated Council and reflects the significant changes in rating methodologies, and the focus on recoverable works from the major flood event experienced during the year.

\* Estimates figures for comparative purposes

**Revenue \$184M - where did this revenue come from?**

Bundaberg Regional Council has a population of approximately 100,400 (Queensland Government Population Projections, 2011 edition) and 44,396 rateable properties. The ratepayers contribute 55.3% of Council's total revenue through rates and charges. Other major sources of income including fees and charges, and grants, subsidies, contributions and donations, provided Council with 29.7% of its total revenue.

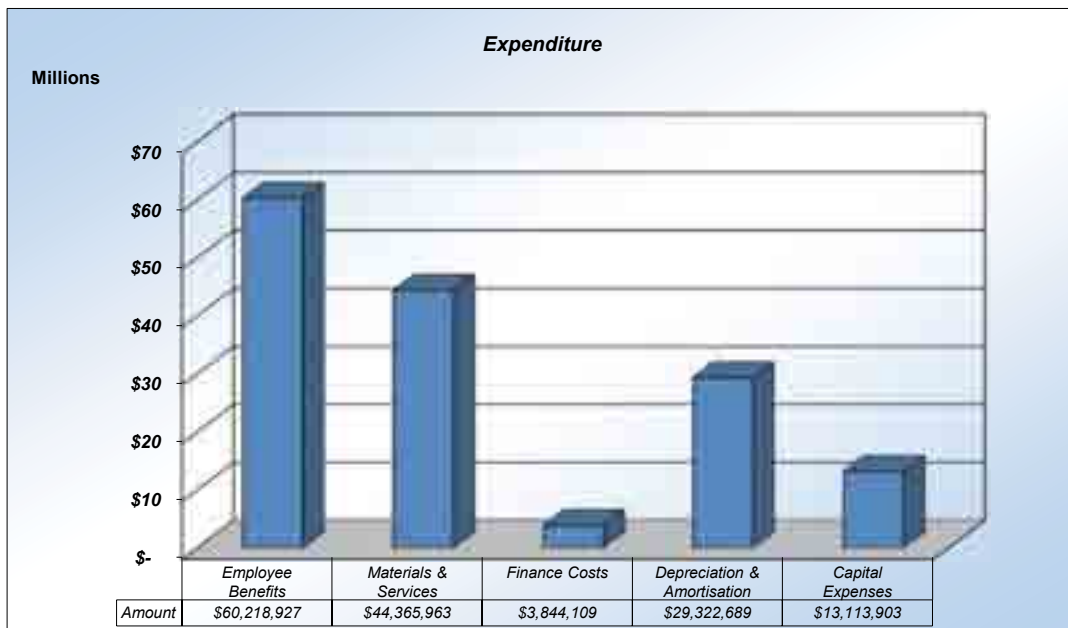


\* Estimates figures for comparative purposes

**Expenses \$151M - what was this spent on?**

A major component of Council's expenditure is employee benefits, representing approximately 40% of Council's outlay. Employee Benefits include employee salaries and wages, councillors remuneration and superannuation. It excludes approximately \$4.1M in wages spent on asset construction which will be expensed via depreciation over the life of the assets. Materials and services account for a large portion of Council's expenditure, totalling \$44.4M. This includes costs such as plant hire, contractors, chemicals for the operation of treatment plants, electricity, telephone and other operational costs.

Council's depreciation expense is in excess of \$29M. Assets wear out, are consumed and / or become obsolete over their lifetime and depreciation is used to record this by allocating a portion of the asset value as an expense each year.



\* Estimates figures for comparative purposes

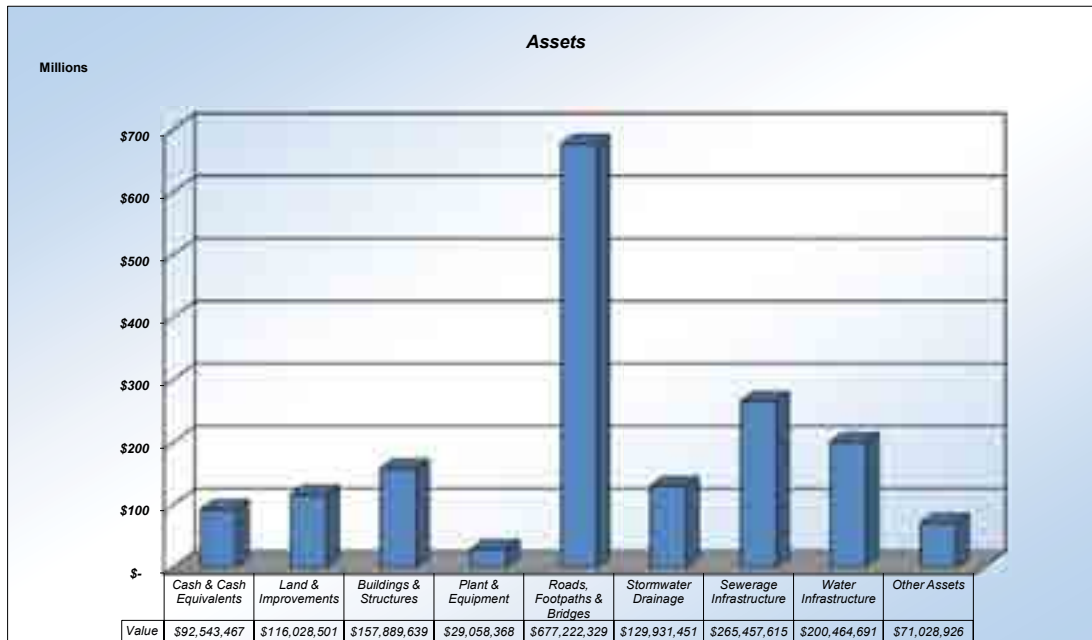
## 2. Statement of Financial Position

The Statement of Financial Position records the Community's assets and liabilities at the end of the financial year. The result of these two components determines the net worth of Council.

### **Assets \$1.74B - what Council owned at 30 June 2012**

The major investment for Council is in assets which provide essential services for a growing community, namely property, plant and equipment totalling \$1.62B. Cash represents 5.3% of net assets and consists mainly of reserves restricted for future capital expenditure.

The bulk of Council's net assets are in the form of roads, footpaths and bridges, totalling \$677M or 38.93%, while Water and Sewerage Infrastructure account for approximately 27% of Council's assets. Council requires over \$29M per annum to maintain the value in these assets.



\* Estimates figures for comparative purposes

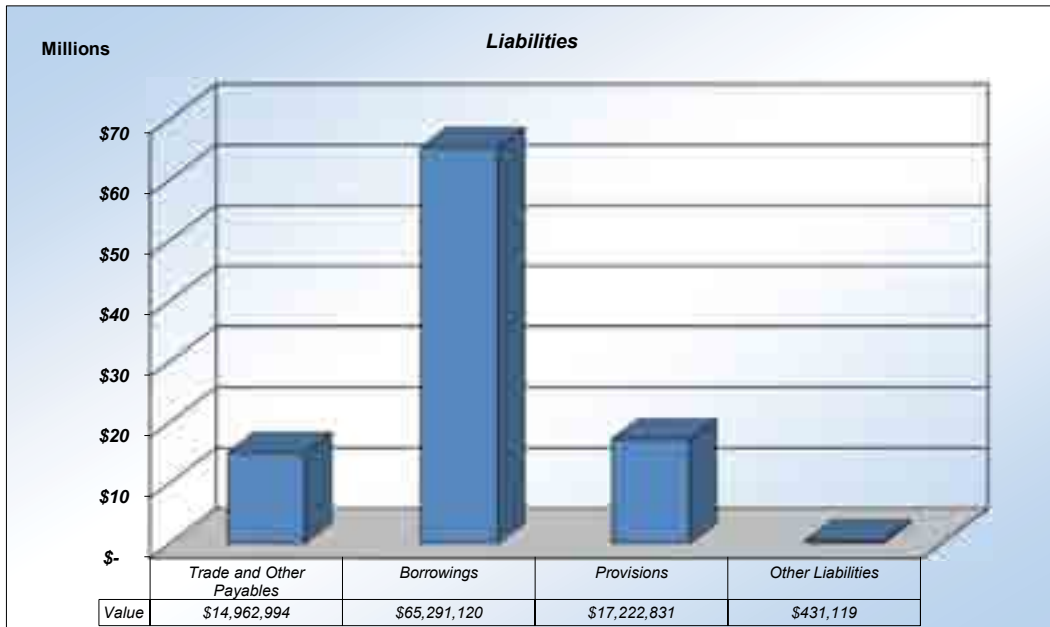


**Liabilities \$97.9M - what Council owed at 30 June 2012**

The majority of Council's liabilities consist of borrowings (67%) and trade and other payables (15%). Borrowings enable Council to provide timely essential services, such as the upgrade of the airport terminal and runway, whilst assisting to share the costs over the generations that benefit.

Trade and other payables are made up of day-to-day Creditors (\$10.2M), for the purchase of items ranging from bitumen to stationery, and Employee Entitlements (\$4.8M). Employee entitlements consist of annual leave amounts payable to employees at 30 June 2012.

Provisions consist of long service leave payable to employees at 30 June 2012 (\$11.5M) and costs that are expected to be incurred in restoring landfill sites administered by Council (\$5.7M). Provisions represent 17.6% of the total liabilities.



\* Estimates figures for comparative purposes

### 3. Statement of Cash Flows

This statement records the change in cash during the year. Council commenced the year with a cash balance of \$71.3M, which included externally restricted capital cash (Developer Contributions, Unspent Loans and Capital Grants and Subsidies) of \$28.9M. At year end the closing balance was \$92.5M, with externally restricted capital cash of \$36.4M.

Council's cash flow from operating activities remains positive with surplus operating cash of \$40.8M available for investing in assets and repayment of loans.

Council utilised \$53.2M on asset renewals, upgrades, new purchases and loan redemption. This was funded from operating surplus, existing borrowings, asset sales, capital grants and contributions and council reserves.

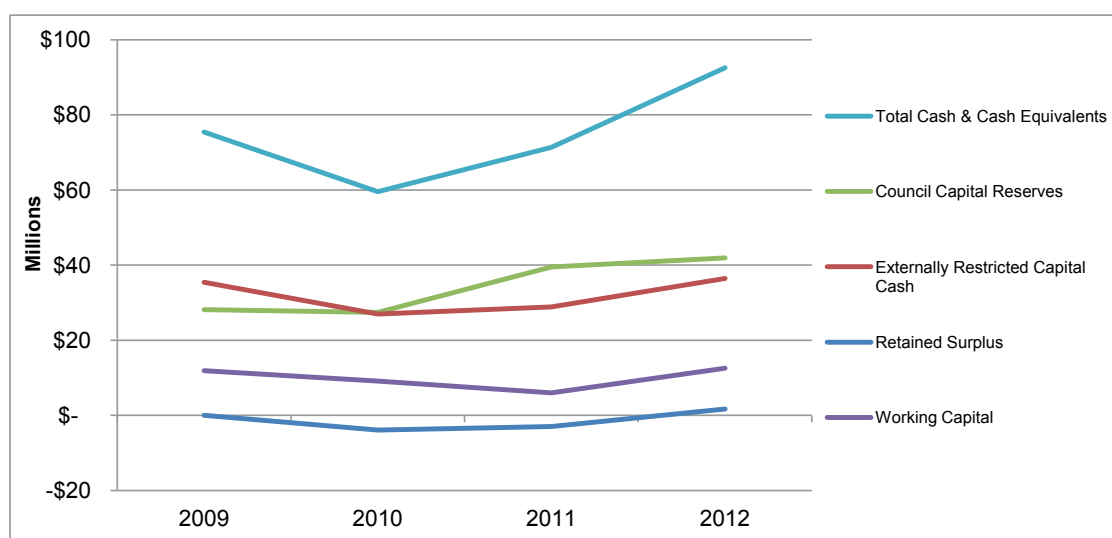
Council's Cash and Cash Equivalents are represented by Council Capital Reserves, Externally Restricted Capital Cash (Unspent Loans, Constrained Works Reserve and Developer Contributions), Working Capital and Retained Surplus.

Council's Capital Reserves represent funds that are accumulated within Council to meet anticipated future needs. These consist of future capital works, asset acquisition, transport improvement, fleet renewal, sewerage improvement and water improvement. The steep increase in 2011 was mainly due to the deferral of capital projects resultant from the 2010-11 floods. The unspent funds were transferred to the future capital works reserve whereby additional money was set aside for future renewal and upgrades of Council's infrastructure assets.

Unspent Loan Funds is the cash available for utilisation on capital projects. This balance rose in 2012 due to the drawdown of loan money specifically for waste, sewerage, fleet and general projects that Council will undertake in the future.

Working Capital corresponds to the amount of cash set aside to cover operational expenditure for the period leading to the next rate levy. This has fluctuated slightly over the years due to operational needs, including changes in receivables and payables.

Retained Surplus comprises that part of Council's net funds that are not required to meet specific future funding needs, and this amount is available to offset expenditure in the following year. In 2012 the retained surplus returned to a positive result, with a continual positive increase budgeted in future years.



\* Estimates figures for comparative purposes

#### **4. Statement of Changes in Equity**

The Statement of Changes in Equity determines the net wealth of Council, and therefore the community, and includes the asset revaluation surplus, retained surplus/deficiency, capital and other reserves. The statement explains the change in the community's retained earnings over the reporting period.

The asset revaluation reserve consists of \$386m in asset revaluation increases since amalgamation. Council's other reserves contain restricted funds held for future projects, reducing the need to rely on borrowings. The reserves set aside by Council include constrained works, future capital works, asset acquisition, transport improvement, sewerage improvement and water improvement, totalling \$63m.

#### **5. Financial Sustainability Ratios**

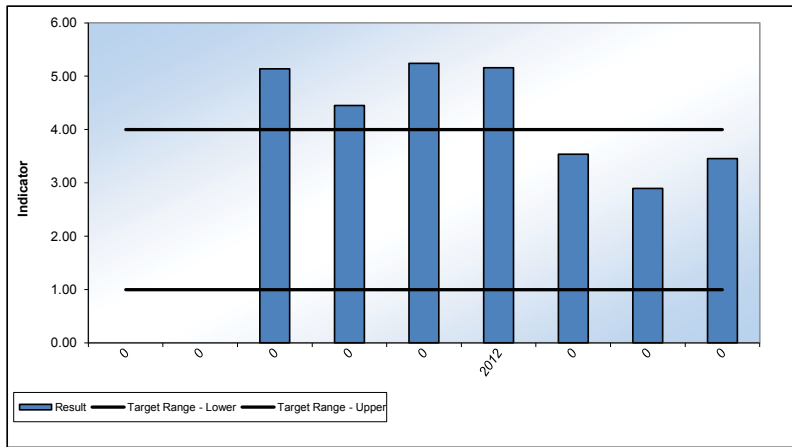
The Financial Sustainability of Council is now a cornerstone of the Local Government Act and a core responsibility of Councils across Queensland.

A Financially Sustainable Local Government is able to maintain its financial capital, by achieving an operating surplus, ensuring it has sufficient working capital and providing the funding required for asset renewals over the long term.

The Local Government (Finance, Plans and Reporting) Regulation 2010 requires Council to publish Financial Sustainability measures. The Department of Local Government and Planning has set Targets for each measure in the Financial Management Sustainability Guideline 2011 (March 2011). These targets identify a preferred range and any actual values outside of these ranges require consideration to ensure that the overall sustainability strategy of Council is not compromised. These measures are as follows:

\* Estimates figures for comparative purposes

## Working Capital Ratio



**INDICATOR**  
Working Capital Ratio (Financial)

**DESCRIPTION**  
Measures the extent to which council has liquid assets available to meet short term financial obligations.

**MEASURE**  
Current Assets divided by Current Liabilities

**TARGET**  
Between 1 and 4

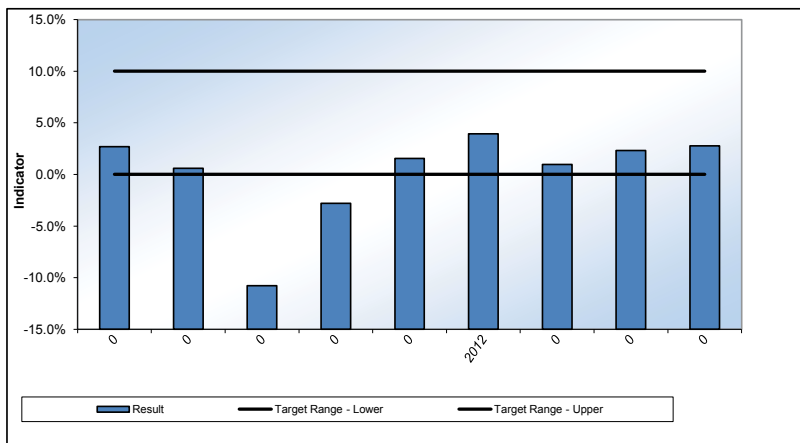
### Commentary

An important indication in determining the financial health of Council is to measure its ability to meet commitments when they fall due. This indicator identifies if Council has enough short-term assets to cover its immediate liabilities.

A ratio of more than 1 is desirable and generally a higher ratio indicates a stronger financial position, and that Council has sufficient liquid assets to maintain normal business operations. Council's working capital ratio is 5.2 times, which indicates that it is in a strong financial position to meet its current commitments.

Former Council comparatives have not been included for this indicator as it is subjective with the changes in accounting policies and assumptions across the four former Councils following amalgamation and the creation of new policies.

## Operating Surplus Ratio



**INDICATOR**  
Operating Surplus Ratio (Financial)

**DESCRIPTION**  
Indicates the extent to which operating revenues are available to help fund proposed capital expenditure. If not required within the year, a surplus could be held for future capital expenditure (Reserves), adjust working capital cash or used to reduce current debt levels.

**MEASURE**  
Net Operating Surplus divided by Total Operating Revenue

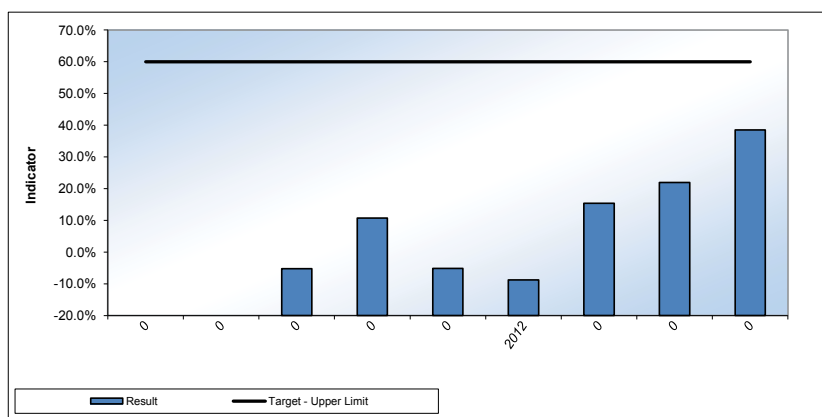
**TARGET**  
Between 0% and 10%

### Commentary

A significant fall to -11% in 2009 was largely due to the cost associated with amalgamation. Council has implemented new rating methodologies and work practices in a continuing effort to bring Council back to a Surplus in 2011 and the current term. In 2011 Council achieved an operating surplus, however this was partially due to the focus on recoverable and subsidised work relating to the emergent restoration of essential public assets following this year's significant flood event, rather than the normal Council works program. In 2012 an operating surplus was again achieved largely due to difficult rating decisions and an increase in fees and charges and interest revenue.

A positive ratio is essential for a growing community to assist in the funding of the proposed capital expenditure. This results in less reliance on borrowed funds for capital expenditure on social infrastructure and thus manages Council debt. The positive operating surplus ratio of Council for the future budget years 2013, 2014 and 2015 indicates a push for long term sustainability.

## Net Financial Liabilities Ratio



**INDICATOR**  
Net Financial Liabilities Ratio (Financial)

**DESCRIPTION**  
Indicates the extent to which the net financial liabilities can be serviced by its operating revenue. A value less than 60% indicates the capacity to fund existing liabilities and appears to have capacity to increase borrowings. A value greater than 60% indicates limited capacity to increase borrowings.

**MEASURE**  
Total Liabilities less Current Assets divided by Operating Revenue

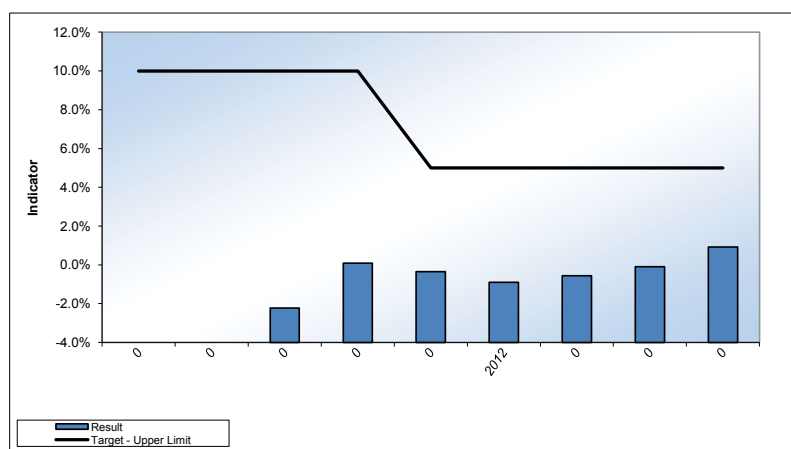
**TARGET**  
Not greater than 60%

### Commentary

Council reported a negative ratio of -8.8% in the 2012 financial year. A negative ratio indicates that the current assets exceed the total liabilities and therefore Council appears to have significant capacity and ability to increase its loan borrowings if necessary. The ratio is expected to increase as Council undertakes the planned capital expenditure and loan program over the budget period. This will limit Council ability to increase its loan borrowings in following years.

Former Council comparatives have not been included for this indicator as it is subjective with the changes in accounting policies and assumptions across the four former Councils following amalgamation and the creation of new policies.

## Interest Coverage Ratio



**INDICATOR**  
Interest Coverage Ratio (Infrastructure)

**DESCRIPTION**  
Indicates the extent to which a operating revenue is committed to net interest expense. (Not to be confused with normal Interest Coverage Ratio).

**MEASURE**  
Net interest expense on debt service divided by total operating revenue

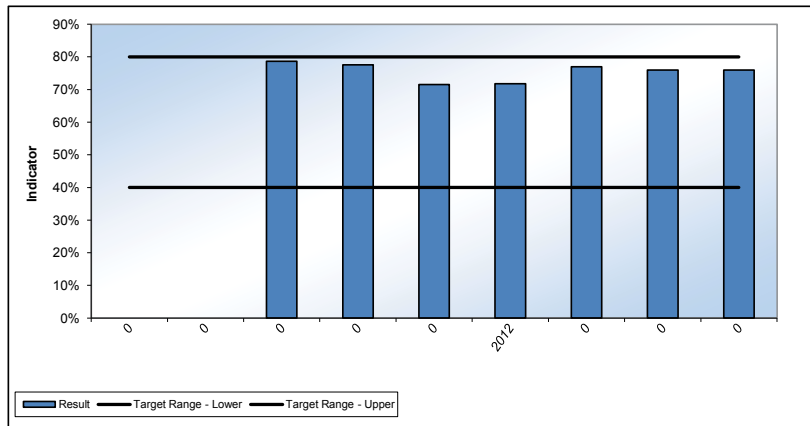
**TARGET**  
Between 0% and 5%  
(Prior to 2011, between 0% and 10%)

### Commentary

In the 2012 financial years Council reported an Interest Coverage Ratio of -0.9%. A negative percentage for this ratio indicates that Council derives more interest income from investments than it incurs on paying interest on debt. In future budget years the ratio is predicted to increase slightly to become a positive figure however it is still well within the target range.

Former Council comparatives have not been included for this indicator as it is subjective with the changes in accounting policies and assumptions across the four former Councils following amalgamation and the creation of new policies.

## Asset Consumption Ratio



**INDICATOR**  
Asset Consumption Ratio  
(Infrastructure)

**DESCRIPTION**  
Demonstrates the aged condition of Council's physical stock of assets by looking at the written down current value of assets relative to their new value.

**MEASURE**  
Infrastructure Asset's Written Down Value divided by Gross Current Replacement Cost

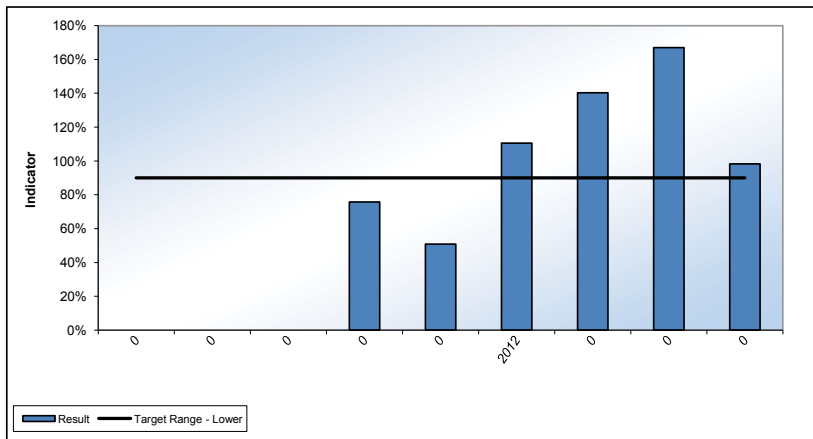
**TARGET**  
Between 40% and 80%

### Commentary

Council reported a asset consumption ratio of 72% in the 2012 financial year. The decrease in the last 2 years is reflective of the damage sustained to infrastructure assets from 2010 / 2011 flood event. Submissions to the Queensland Reconstruction Authority for assistance to restore these assets is ongoing.

Former Council comparatives have not been included for this indicator as it is subjective with the changes in accounting policies and assumptions across the four former Councils following amalgamation and the creation of new policies.

## Asset Sustainability Ratio



**INDICATOR**  
Asset Sustainability Ratio  
(Infrastructure)

**DESCRIPTION**  
Indicates whether a council is renewing or replacing existing non-current assets at the same rate that its assets are being consumed.

**MEASURE**  
Capital Expenditure on Renewals divided by Depreciation Expense.

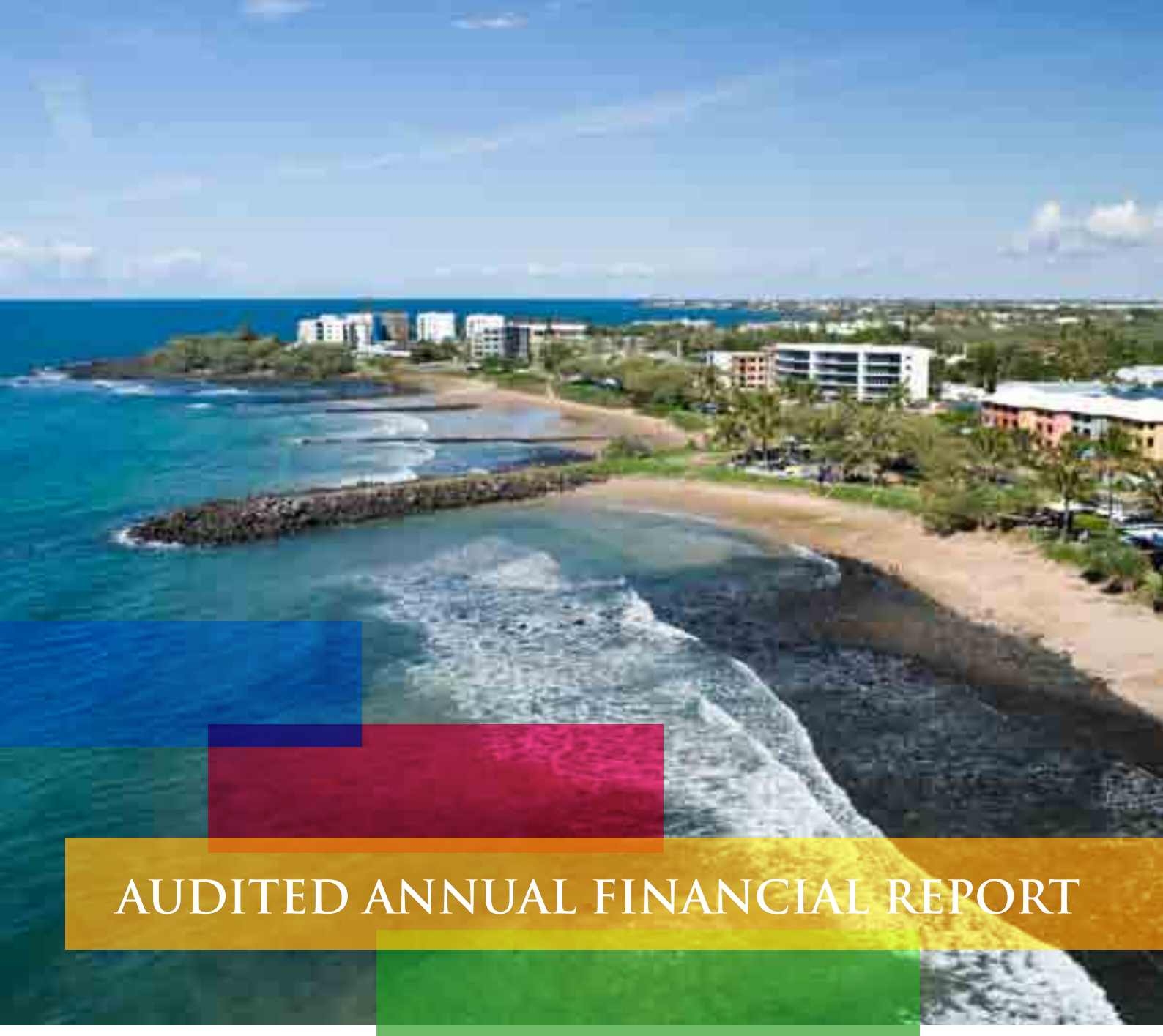
**TARGET**  
Less than 90%

### Commentary

The approximate Asset Sustainability ratio for the 2012 financial year is 111%. The increase in 2012 reflects the renewed focus on Council's capital expenditure program since the 2011 flood events. The low ratio in 2011 was a direct result of the major flood event as Council was unable to complete its planned capital program.

This ratio is an approximate as most projects are a mixture of new, renewal and upgrade works. The ratio provides Council and the community with a feeling for the renewal program rather than a clear indication.

Former Council and the 2009 comparatives have not been included for this indicator as accounting and asset management systems were not set up to record this information.



# AUDITED ANNUAL FINANCIAL REPORT



towards  
**2031**

vibrant  
progressive  
connected  
sustainable

# Audited Annual Financial Report

## BUNDABERG REGIONAL COUNCIL

### ANNUAL FINANCIAL STATEMENTS

For the year ended 30 June 2012

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## BUNDABERG REGIONAL COUNCIL

### STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2012

|  | Note | 30-Jun-12<br>\$      | 30-Jun-11<br>\$      |
|--|------|----------------------|----------------------|
| <b>Income</b>                                    |      |                      |                      |
| <b>Revenue</b>                                   |      |                      |                      |
| <b>Recurrent Revenue</b>                         |      |                      |                      |
| Rates, levies and charges                        | 3(a) | 101,910,183          | 94,835,522           |
| Fees and charges                                 | 3(b) | 14,223,829           | 12,948,677           |
| Interest received                                | 3(c) | 5,291,874            | 4,698,149            |
| Sales - contract and recoverable works           | 3(d) | 5,554,934            | 11,517,582           |
| Grants, subsidies, contributions and donations   | 4(a) | 16,415,565           | 19,080,169           |
| Profit on sale of developed land held for sale   | 5    | -                    | 319,119              |
| Total recurrent revenue                          |      | <u>143,396,385</u>   | <u>143,399,218</u>   |
| <b>Capital Revenue</b>                           |      |                      |                      |
| Grants, subsidies, contributions and donations   | 4(b) | 24,055,889           | 25,808,550           |
| Total Revenue                                    |      | <u>167,452,274</u>   | <u>169,207,768</u>   |
| Capital Income                                   | 6    | 16,710,142           | 7,057,295            |
| <b>TOTAL INCOME</b>                              |      | <u>184,162,416</u>   | <u>176,265,063</u>   |
| <b>Expenses</b>                                  |      |                      |                      |
| <b>Recurrent Expenses</b>                        |      |                      |                      |
| Employee benefits                                | 7    | (60,218,927)         | (57,660,460)         |
| Materials and services                           | 8    | (44,365,963)         | (50,223,852)         |
| Finance costs                                    | 9    | (3,844,109)          | (4,203,979)          |
| Depreciation and amortisation                    | 10   | (29,322,689)         | (29,069,727)         |
| Total recurrent expenses                         |      | <u>(137,751,688)</u> | <u>(141,158,018)</u> |
| Loss on disposal of Non-Current Assets           | 12   | (12,637,074)         | (7,623,494)          |
| Increase in Provision for Land Restoration       | 11   | (476,829)            | -                    |
| <b>TOTAL EXPENSES</b>                            |      | <u>(150,865,591)</u> | <u>(148,781,512)</u> |
| <b>NET RESULT ATTRIBUTABLE TO COUNCIL</b>        |      | <u>33,296,825</u>    | <u>27,483,551</u>    |
| <b>Other Comprehensive Income</b>                |      |                      |                      |
| Increase/(decrease) in asset revaluation surplus |      | 30,848,034           | 45,194,498           |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>   |      | <u>64,144,859</u>    | <u>72,678,049</u>    |

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

**BUNDABERG REGIONAL COUNCIL****STATEMENT OF FINANCIAL POSITION**

As at 30 June 2012

|                                      | Note | 30-Jun-12<br>\$      | 30-Jun-11<br>\$      |
|--------------------------------------|------|----------------------|----------------------|
| <b>ASSETS</b>                        |      |                      |                      |
| <b>Current Assets</b>                |      |                      |                      |
| Cash and cash equivalents            | 13   | 92,543,467           | 71,334,058           |
| Trade and other receivables          | 14   | 13,196,241           | 15,540,051           |
| Inventories                          | 15   | 4,740,313            | 2,732,116            |
| <b>Total Current Assets</b>          |      | <b>110,480,021</b>   | <b>89,606,225</b>    |
| <b>Non-Current Assets</b>            |      |                      |                      |
| Investment property                  | 17   | -                    | 1,286,160            |
| Property, plant and equipment        | 18   | 1,622,485,613        | 1,562,563,951        |
| Intangible assets                    | 19   | 6,659,353            | 6,381,030            |
| <b>Total Non-Current Assets</b>      |      | <b>1,629,144,966</b> | <b>1,570,231,141</b> |
| <b>TOTAL ASSETS</b>                  |      | <b>1,739,624,987</b> | <b>1,659,837,366</b> |
| <b>LIABILITIES</b>                   |      |                      |                      |
| <b>Current Liabilities</b>           |      |                      |                      |
| Trade and other payables             | 20   | 14,393,647           | 11,289,818           |
| Borrowings                           | 21   | 5,865,231            | 4,693,946            |
| Provisions                           | 23   | 804,000              | 655,000              |
| Other liabilities                    | 24   | 431,119              | 451,005              |
| <b>Total Current Liabilities</b>     |      | <b>21,493,997</b>    | <b>17,089,769</b>    |
| <b>Non-Current Liabilities</b>       |      |                      |                      |
| Trade and other payables             | 20   | 569,347              | 604,458              |
| Borrowings                           | 21   | 59,425,889           | 49,985,914           |
| Provisions                           | 23   | 16,418,831           | 14,585,161           |
| <b>Total Non-Current Liabilities</b> |      | <b>76,414,067</b>    | <b>65,175,533</b>    |
| <b>TOTAL LIABILITIES</b>             |      | <b>97,908,064</b>    | <b>82,265,302</b>    |
| <b>NET COMMUNITY ASSETS</b>          |      | <b>1,641,716,923</b> | <b>1,577,572,064</b> |
| <b>Community Equity</b>              |      |                      |                      |
| Capital                              | 25   | 1,191,064,573        | 1,159,979,067        |
| Asset revaluation surplus            | 26   | 385,931,955          | 355,083,921          |
| Retained surplus/(deficiency)        | 27   | 1,691,130            | (2,979,846)          |
| Other reserves                       | 28   | 63,029,265           | 65,488,922           |
| <b>TOTAL COMMUNITY EQUITY</b>        |      | <b>1,641,716,923</b> | <b>1,577,572,064</b> |

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

## BUNDABERG REGIONAL COUNCIL

### STATEMENT OF CHANGES IN EQUITY For the year ended 30 June 2012

|  | Total                | Capital              | Asset<br>Revaluation<br>Surplus | Retained<br>Surplus/<br>(Deficiency) | Other<br>Reserves  |
|--|----------------------|----------------------|---------------------------------|--------------------------------------|--------------------|
|  |                      | Note 25              | Note 26                         | Note 27                              | Note 28            |
|  | \$                   | \$                   | \$                              | \$                                   | \$                 |
| <b>Balances as at 1 July 2011</b>                | <b>1,577,572,064</b> | <b>1,159,979,067</b> | <b>355,083,921</b>              | <b>(2,979,846)</b>                   | <b>65,488,922</b>  |
| Net result attributable to Council               | 33,296,825           | -                    | -                               | 33,296,825                           | -                  |
| Total other comprehensive income                 |                      |                      |                                 |                                      |                    |
| Increase/(decrease) in asset revaluation surplus | 30,848,034           | -                    | 30,848,034                      | -                                    | -                  |
| <b>Total comprehensive income for the year</b>   | <b>64,144,859</b>    | <b>-</b>             | <b>30,848,034</b>               | <b>33,296,825</b>                    | <b>-</b>           |
| <b>Transfers to and from reserves</b>            |                      |                      |                                 |                                      |                    |
| Transfers to/from capital                        | -                    | 10,447,939           | -                               | (10,447,939)                         | -                  |
| Transfers to other reserves                      | -                    | -                    | -                               | (18,177,910)                         | 18,177,910         |
| Transfers from other reserves                    | -                    | 20,637,567           | -                               | -                                    | (20,637,567)       |
| <b>Total transfers to and from reserves</b>      | <b>-</b>             | <b>31,085,506</b>    | <b>-</b>                        | <b>(28,625,849)</b>                  | <b>(2,459,657)</b> |
| <b>Balance at 30 June 2012</b>                   | <b>1,641,716,923</b> | <b>1,191,064,573</b> | <b>385,931,955</b>              | <b>1,691,130</b>                     | <b>63,029,265</b>  |
| <b>Balances as at 1 July 2010</b>                | <b>1,504,894,015</b> | <b>1,149,211,426</b> | <b>309,889,423</b>              | <b>(3,958,278)</b>                   | <b>49,751,444</b>  |
| <b>Changes in equity for period</b>              |                      |                      |                                 |                                      |                    |
| Net result attributable to Council               | 27,483,551           | -                    | -                               | 27,483,551                           | -                  |
| Total other comprehensive income                 |                      |                      |                                 |                                      |                    |
| Increase/(decrease) in asset revaluation surplus | 45,194,498           | -                    | 45,194,498                      | -                                    | -                  |
| <b>Total comprehensive income for the year</b>   | <b>72,678,049</b>    | <b>-</b>             | <b>45,194,498</b>               | <b>27,483,551</b>                    | <b>-</b>           |
| <b>Transfers to and from reserves</b>            |                      |                      |                                 |                                      |                    |
| Transfers to/from capital                        | -                    | 10,520,553           | -                               | (10,520,553)                         | -                  |
| Transfers to other reserves                      | -                    | -                    | -                               | (15,984,566)                         | 15,984,566         |
| Transfers from other reserves                    | -                    | 247,088              | -                               | -                                    | (247,088)          |
| <b>Total transfers to and from reserves</b>      | <b>-</b>             | <b>10,767,641</b>    | <b>-</b>                        | <b>(26,505,119)</b>                  | <b>15,737,478</b>  |
| <b>Balance at 30 June 2011</b>                   | <b>1,577,572,064</b> | <b>1,159,979,067</b> | <b>355,083,921</b>              | <b>(2,979,846)</b>                   | <b>65,488,922</b>  |

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

## BUNDABERG REGIONAL COUNCIL

### STATEMENT OF CASH FLOWS

For the year ended 30 June 2012

|  | Note | 30-Jun-12<br>\$     | 30-Jun-11<br>\$     |
|--|------|---------------------|---------------------|
| <b>Cash Flows from Operating Activities :</b>              |      |                     |                     |
| Receipts from customers                                    |      | 122,301,811         | 117,295,355         |
| Payments to suppliers and employees                        |      | (101,037,025)       | (107,819,068)       |
|  |      | 21,264,786          | 9,476,287           |
| Interest received  |      | 5,438,972           | 4,338,892           |
| Proceeds from sale of developed land held for resale       | 5    | -                   | 389,545             |
| Non-capital grants, subsidies, contributions and donations |      | 18,036,456          | 17,494,434          |
| Finance costs  |      | (3,304,172)         | (3,594,240)         |
| Costs incurred on inventory land held for sale             |      | (624,177)           | (28,842)            |
| <b>Net Cash Inflow/(Outflow) from Operating Activities</b> | 34   | <b>40,811,865</b>   | <b>28,076,076</b>   |
| <b>Cash Flow from Investing Activities :</b>               |      |                     |                     |
| Payments for property, plant and equipment                 |      | (47,760,775)        | (27,686,635)        |
| Payments for intangible assets                             | 19   | (328,843)           | (463,378)           |
| Payments for investment property                           |      | -                   | (186,162)           |
| Proceeds from sale of property plant and equipment         |      | 437,384             | 1,181,689           |
| Capital grants, subsidies, contributions and donations     |      | 17,438,515          | 15,281,054          |
| Net movement in loans and advances                         |      | -                   | 4,835               |
| <b>Net Cash Inflow/(Outflow) from Investing Activities</b> |      | <b>(30,213,719)</b> | <b>(11,868,597)</b> |
| <b>Cash Flow from Financing Activities :</b>               |      |                     |                     |
| Proceeds from borrowings                                   | 22   | 15,000,000          | -                   |
| Repayment of borrowings                                    | 22   | (4,388,737)         | (4,404,416)         |
| <b>Net Cash Inflow/(Outflow) from Financing Activities</b> |      | <b>10,611,263</b>   | <b>(4,404,416)</b>  |
| <b>Net Increase/(Decrease) in Cash Held</b>                |      | <b>21,209,409</b>   | <b>11,803,063</b>   |
| Cash at beginning of reporting period                      |      | 71,334,058          | 59,530,995          |
| <b>Cash at End of Reporting Period</b>                     | 13   | <b>92,543,467</b>   | <b>71,334,058</b>   |

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

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

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#### 1 Summary of Significant Accounting Policies

##### 1.01 Basis of Preparation

These general purpose financial statements are for the period 1 July 2011 to 30 June 2012 and have been prepared in accordance with 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)*

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

##### 1.02 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 Bundaberg Regional Council's ('Council') operations and effective for the current reporting period. Because Council is a not-for-profit entity and the Australian Accounting Standards include requirements for not-for-profit entities which are inconsistent with International Financial Reporting Standards (IFRS), to the extent these inconsistencies are applied this report does not comply with IFRS.

##### 1.03 Constitution

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

##### 1.04 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.

##### 1.05 Currency

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

##### 1.06 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 and has had a minimal impact on Council's financial statements as outlined below.

*AASB 2010-4 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project* became effective from reporting periods beginning on or after 1 January 2011. Given Council's existing financial instruments, there was only a minor impact on Council's financial instruments note (note 36), in relation to disclosures about credit risk. That note no longer needs to disclose amounts that best represent the maximum exposure to credit risk where the carrying amount of the instruments already reflects this. As this was the case with all Council's financial assets and the bank guarantee issued to Local Government Workcare as at 30 June 2012 (and as at 30 June 2011), the table of credit risk exposures has not been included in this year's financial statements.

As Council held no collateral or other credit enhancements in respect of its financial instruments, and did not renegotiate the terms of any financial assets, during the reporting periods presented in these financial statements, there were no other changes required to Council's financial instruments note arising from the amendments to *AASB 7 Financial Instruments: Disclosures*.

*AASB 1054 Australian Additional Disclosures* became effective from reporting periods beginning on or after 1 July 2011. Given Council's previous disclosure practices, *AASB 1054* had minimal impact on Council. One of the footnotes to Note 8 Materials and services, regarding audit fees, has been slightly amended to clarify the nature of the work performed by the auditor.

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

#### 1 Summary of Significant Accounting Policies (Cont'd)

##### 1.06 Adoption of New and Revised Accounting Standards (Cont'd)

AASB 2011-1 *Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project* also became effective from reporting periods beginning on or after 1 July 2011. The only implication for Council from this amending standard was the deletion from AASB 101 Presentation of Financial Statements of the requirement for disclosure of contractual expenditure commitments. Council has elected to continue to disclose this information in aggregate in Note 29.

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

|  | <b>Effective for annual report<br/>periods beginning on or<br/>after:</b> |
|--|---|
| AASB 9 <i>Financial Instruments</i>  | 1 January 2015  |
| AASB 13 <i>Fair Value Measurement</i>  | 1 January 2013  |
| AASB 119 <i>Employee benefits</i>  | 1 January 2013  |
| AASB 1053 <i>Application of Tiers of Australian Accounting Standards</i>   | 1 January 2013  |
| AASB 2009-11 <i>Amendments to Australian Accounting Standards</i> arising from AASB 9 (December 2009)                            | 1 July 2015   |
| AASB 2010-7 <i>Amendments to Australian Accounting Standards arising from AASB 9</i> (December 2010)                             | 1 January 2015  |
| AASB 2011-8 <i>Amendments to Australian Accounting Standards arising from AASB 13</i>  | 1 January 2013  |
| AASB 2011-9 <i>Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income</i>           | 1 July 2012   |
| AASB 2011-10 <i>Amendments to Australian Accounting Standards arising from AASB 119</i> (September 2011)                         | 1 January 2013  |
| AASB 2012-6 <i>Amendments to Australian Accounting Standards - Mandatory Effective Date of AASB 9 and Transition Disclosures</i> | 1 January 2013  |

AASB 9 Financial Instruments and related amending Standards (AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9, AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010), AASB 2012-6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures)

AASB 9, which replaces AASB 139 *Financial Instruments: Recognition and Measurement*, is effective for reporting periods beginning on or after 1 January 2015 and must be applied retrospectively. The main impact of AASB 9 is to change the requirements for the classification, measurement and disclosures associated with financial assets. Under the new requirements the four current categories of financial assets stipulated in AASB 139 will be replaced with two measurement categories: fair value and amortised cost and financial assets will only be able to be measured at amortised cost where very specific conditions are met.

It is not anticipated that this change will have an impact on the Financial Statements of Council.

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

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#### 1 Summary of Significant Accounting Policies (Cont'd)

##### 1.06 Adoption of New and Revised Accounting Standards (Cont'd)

AASB 13 Fair Value Measurement and related amending Standard (AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13)

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

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

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

Amendments to AASB 101 Presentation of Financial Statements arising from AASB 2011-9 Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income

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

Amendments to AASB 119 Employee Benefits and related amending Standard (AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011))

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

The revised AASB 119 includes changed criteria for accounting for employee benefits as "short-term employee benefits". Under the revised AASB 119 "short-term benefits" will only include benefits that are expected to be wholly settled before 12 months after the end of the reporting period in which the employees provide the associated service. If that criterion is not met, such benefits will need to be categorised and accounted for as "other long-term employee benefits", which may comprise both current and non-current components. Based on current estimates and assumptions, changed disclosure requirements for annual leave entitlements will apply to Council once the revised AASB 119 becomes effective, however no consequential material impacts to Council's annual leave liability are expected as Council already discounts the annual leave liability to present value in respect of amounts not expected to be settled within 12 months (refer Note 1.22).

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

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

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#### 1 Summary of Significant Accounting Policies (Cont'd)

##### 1.06 Adoption of New and Revised Accounting Standards (Cont'd)

The revised AASB 119 also includes changed requirements for the measurement of employer liabilities/assets arising from defined benefit plans, and the measurement and presentation of changes in such liabilities/assets. Council contributes to the Local Government Superannuation Scheme (Qld) as disclosed in Note 32. The revised standard will require Council to make additional disclosures regarding the Defined Benefits Fund element of the scheme.

##### AASB 1053 Application of Tiers of Australian Accounting Standards

AASB 1053 *Application of Tiers of Australian Accounting Standards* applies from reporting periods beginning on or after 1 July 2013. AASB 1053 establishes a differential reporting framework for those entities that prepare general purpose financial statements, consisting of two tiers of reporting requirements – Australian Accounting Standards (commonly referred to as “tier 1”), and Australian Accounting Standards – Reduced Disclosure Requirements (commonly referred to as “tier 2”). Tier 1 requirements comprise the full range of AASB recognition, measurement, presentation and disclosure requirements that are currently applicable to reporting entities in Australia. The only difference between the tier 1 and tier 2 requirements is that tier 2 requires fewer disclosures than tier 1. Pursuant to AASB 1053, tier 1 requirements must be applied by Local Government. Therefore the introduction of this Standard will have no impact on Council.

All other Australian Accounting Standards and Interpretations with future commencement dates are either not applicable to Council's activities or are not expected to have a material impact on Council. Council does not intend to adopt any of these pronouncements before their effective dates.

##### 1.07 Critical accounting judgements and estimates

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.

Estimates and assumptions that have a potential significant effect are outlined in the following accounting policies and subsequent notes relating to:

- \* Valuation of Property, Plant and Equipment (Note 1.16 and 18) including:
  - valuation of infrastructure assets using the depreciated replacement cost method which includes assessment of asset replacement cost and asset condition,
  - useful lives; and
  - residual values.
- \* Impairment of Property, Plant and Equipment (Note 1.16 and 18)
- \* Contingent Liabilities (Note 30)
- \* Employee Provisions (Note 1.22 and 23)
- \* Restoration Provisions (Note 1.24 and 23)

##### 1.08 Revenue

Revenue is measured at the fair value of the consideration received or receivable. Rates, Grants and Other Revenue are recognised as revenue on receipt of funds or earlier unconditional entitlements to the funds.

###### (i) Rates, levies and charges

Where rate monies are received prior to the commencement of the rating period, the amount is recognised as revenue in the period in which they are received, otherwise rates are recognised at the date they are levied.

###### (ii) Grants, subsidies, contributions and donations

Grants, subsidies and contributions that are non-reciprocal in nature are recognised as revenue in the year in which Council obtains control over them. An equivalent amount is placed in a reserve until the funds are expended. Unspent non-reciprocal capital grants are placed in the Unspent capital grants reserve. Council spends all recurrent grants in the year received and therefore Council has not established a reserve for this purpose.

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



## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

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#### 1 Summary of Significant Accounting Policies (Cont'd)

##### 1.08 Revenue (Cont'd)

###### (iii) Non-Cash contributions

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

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. 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.

###### (iv) Cash Contributions

Developers also pay infrastructure charges for trunk infrastructure, such as pumping stations, treatment works, mains, sewers and water pollution control works. These infrastructure charges are not within the scope of AASB Interpretation 18 because there is no performance obligation associated with them. Consequently, the infrastructure charges are recognised as income when received. Cash contributions are disclosed under grants, subsidies, contributions and donations.

###### (v) Interest

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

###### (vi) Sales - Contract and Recoverable Works

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

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

###### (vii) Fees and Charges

Fees and charges are recognised upon unconditional entitlement to the funds. Generally this is upon lodgement of the relevant applications or documents, issuing of the infringement notice or when the service is provided. Rental revenue is recognised as income on a periodic straight line basis over the lease term.

##### 1.09 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.

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

###### Financial assets

Cash and cash equivalents (note 1.10)

Receivables - measured at amortised cost (note 1.11)

###### Financial liabilities

Payables - measured at amortised cost (note 1.21)

Borrowings - measured at amortised cost (note 1.23)

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

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

---

#### **1 Summary of Significant Accounting Policies (Cont'd)**

##### **1.09 Financial Assets and Financial Liabilities (Cont'd)**

The fair value of financial instruments is determined as follows:

The fair value of cash and cash equivalents, receivables and payables approximated their carrying amounts largely due to the short-term maturities of these instruments and are not disclosed separately.

The fair value of borrowings, as disclosed in Note 22 to the accounts, is notified by Queensland Treasury Corporation and calculated using discounted cash flow analysis and the effective interest rate. It reflects the value of the debt if Council repaid it in full at balance date. As it is the intention of Council to hold its borrowings for their full term, no adjustment provision is made in these accounts.

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

##### **1.10 Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, all cash and cheques receipted but not banked at the year end, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of twelve 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.

##### **1.11 Receivables**

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

Because Council has the power under the *Local Government Act 2009* to sell an owner's property to recover outstanding rate debts, Council does not impair any rate receivables.

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.

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.

##### **1.12 Inventories**

Inventories held for sale 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. Inventories held for consumption are valued at the lower of cost and replacement value and include, where applicable, direct material, direct labour and an appropriate portion of variable and fixed overheads. Costs are assigned on the basis of weighted average cost.

Inventories held for distribution are:

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

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

Land purchased for development and sale is detailed in note 1.13.

##### **1.13 Land Purchased for Development and Sale**

Land acquired with the intention of reselling it (with or without further development) and land transferred from Property, Plant and Equipment and Investment Property for development and sale is classified as inventory. 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 at settlement date.

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

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#### 1 Summary of Significant Accounting Policies (Cont'd)

##### 1.14 Investments

Financial institution deposits at call and term deposits are treated as cash equivalents.

##### 1.15 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. Where investment property is acquired at no or nominal cost it is recognised at fair value.

Property that is being constructed or developed for future use as investment property is classified as investment property. 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). Currently Council does not hold such property.

Gains or losses arising from changes in the fair value of investment property are recognised as incomes or expenses respectively and 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.

##### 1.16 Property, Plant and Equipment

Each class of property, plant and equipment is stated at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment loss. Buildings with a total value of less than \$10,000, plant and equipment with a total value of less than \$5,000 and land with a total value of less than \$1 are treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised.

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

Land and Improvements

Buildings and Structures

Plant and Equipment

Cultural Assets

Infrastructure assets:

Road, Footpaths and Bridges

Stormwater Drainage

Sewerage Infrastructure

Water Infrastructure

##### (i) 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 assets are expensed as incurred, while expenditure that relates to replacement of a major component of an asset to maintain its service potential is capitalised.

##### (ii) Acquisition of Assets

Acquisition 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, 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.

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

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#### 1 Summary of Significant Accounting Policies (Cont'd)

##### 1.16 Property, Plant and Equipment (Cont'd)

###### (iii) Valuation

Land and improvements, buildings and structures, infrastructure and cultural assets are measured on the revaluation basis, at fair value, in accordance with AASB116 *Property, Plant and Equipment*. All other non-current assets, principally plant and equipment and intangibles are measured at cost.

Non-current physical assets measured at fair value are revalued, where required, so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This is achieved by engaging independent, professionally qualified valuers to determine the fair value for each class of property, plant and equipment assets at least once every 3 years. This process involves the valuer physically sighting a representative sample of Council assets across all asset classes and making their own assessments of the condition of the assets at the date of inspection.

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

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

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

Further details in relation to valuers, the methods of valuation and the key assumptions used are disclosed in Note 18(b).

###### (iv) Major Plant

Council has determined that plant which has an individual cost in excess of \$1,000,000 is of high value to Council. Plant which meets this criteria is classified as major plant if it is prone to a high degree of price fluctuations or in danger of becoming obsolete. Currently Council doesn't hold any plant of this nature.

###### (v) Capital Work in Progress

The cost of property, plant and equipment being constructed by 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. Refer to Note 1.15 for further information.

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

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#### 1 Summary of Significant Accounting Policies (Cont'd)

##### 1.16 Property, Plant and Equipment (Cont'd)

###### (vi) Depreciation

Land and cultural assets are not depreciated as they have unlimited useful lives. Depreciation on roads, footpaths and bridges, stormwater drainage, sewer and water passive assets and plant and equipment is calculated on a straight-line basis. Buildings, sewer and water active assets are calculated using a straight-line consumption based depreciation method which is calculated on a straight line basis between condition points.

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 Council.

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

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.

Depreciation methods, estimated useful lives and residual values of property, plant and equipment assets are reviewed at the end of each reporting period and adjusted where necessary to reflect any changes in the pattern of consumption, physical wear and tear, technical or commercial obsolescence, or management intentions. The condition assessments performed as part of the annual valuation process for assets measured at depreciated current replacement cost are used to estimate the useful lives of these assets at each reporting date. Details of the range of estimated useful lives for each class of asset are shown in Note 18(a).

###### (vii) Land Under Roads

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

Land under the road network within Council's 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.

##### 1.17 Intangible Assets

Only intangible assets which have a cost exceeding \$10,000 are recognised as intangible assets in the financial statements, with items of a lesser value being expensed.

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.

Amortisation methods, estimated useful lives and residual values are reviewed at the end of each reporting period and adjusted where appropriate. Details of the estimated useful lives assigned to each class of intangible assets are shown in Note 19.

##### 1.18 Biological Assets

Council operates a nursery to produce bedding plants and trees for its own use. In view of the immaterial nature of this operation the accounting procedures related to biological assets have not been applied. The costs incurred in this operation are included in Council's general operations as they are incurred.

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

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#### 1 Summary of Significant Accounting Policies (Cont'd)

##### 1.19 Impairment of Non-current Assets

Each non-current physical and intangible asset is assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, 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 determined as 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.

##### 1.20 Leases

Leases of plant and equipment under which Council as lessee 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.

###### (i) Finance Leases

Where Council enters into a finance lease, Council recognises an asset equal to the lower of fair value of the leased property and the present value of the minimum lease payments. The lease liability is recognised at the same amount. 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. Currently Council does not have any finance leases.

###### (ii) 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.

##### 1.21 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 from the end of the month.

##### 1.22 Liabilities - Employee Benefits

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

###### (i) Salaries and Wages

A liability for salaries and wages is recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date. This liability represents an accrued expense and is reported in Note 20.

###### (ii) Annual Leave

A liability for annual leave is recognised. The current portion (based on expected payment date) is calculated on current wage and salary levels and includes related employee on-costs. The non-current portion is based on projected future wage and salary levels and related employee on-costs discounted to present values. This liability is reported in Note 20.

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

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#### 1 Summary of Significant Accounting Policies (Cont'd)

##### 1.22 Liabilities - Employee Benefits (Cont'd)

###### (iii) Sick Leave

Council has paid all remaining vested sick leave in accordance with its Enterprise Bargaining Agreement during the financial year. The liability in Note 20 has been extinguished as there is now no obligation to pay employees for unused sick leave.

###### (iv) Superannuation

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

Details of those arrangements are set out in Note 32.

###### (v) Long Service Leave

A liability for long service leave is measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The value of the liability 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 Council's employment or other associated employment which would result in 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 23.

##### 1.23 Borrowings and Borrowing Costs

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

In accordance with the Local Government (Finance, Plans and Reporting) Regulation 2010 Council adopts an annual debt policy that sets out Council's planned borrowings for the next nine years. Council's current policy is to only borrow for capital projects and for a term no longer than the expected life of the asset. Council also aims to comply with the Queensland Treasury Corporation's borrowing guidelines and ensure that sustainability indicators remain within acceptable levels at all times.

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

##### 1.24 Restoration Provisions

A provision is made for the cost of restoration of assets and other future restoration costs where it is probable Council will be liable, or required, to incur such a cost on the cessation of use of the facility. This liability is provided in respect of refuse dumps. Details can be found in Note 23.

The provision is measured at the expected cost of the work required and discounted to current day values using an appropriate rate. The current Queensland Treasury Corporation's lending rate is considered an appropriate rate.

The provision represents the present value of the anticipated future costs associated with the closure of the dump sites, decontamination and monitoring of historical residues and leaching on these sites. The calculation of this provision requires assumptions such as application of environmental legislation, site closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from amounts currently provided. Because of the long-term nature of the liability, the most significant uncertainty in estimating the provision is the costs that will be incurred. The provision recognised for dump sites is reviewed at least annually and updated based on the facts and circumstances available at the time. Management estimates that the sites will progressively close from 2013 to 2032 and that the restoration will occur during these years. In addition to this, ongoing water monitoring after closure of the sites will be undertaken. The provision includes those estimated costs.

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

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#### 1 Summary of Significant Accounting Policies (Cont'd)

##### 1.24 Restoration Provisions (Cont'd)

(i) Restoration on land not controlled by Council

Where the restoration site is on State reserves which Council does not control, the cost of the provisions for restoration of these sites has to be treated as an expense in the year the provision is first recognised. Changes in the provision not arising from the passing of time are treated as an expense or income.

(ii) Restoration on land controlled by Council

Where the restoration site is on Council controlled land, the cost of the restoration provision is added to the cost of the land as an improvement and amortised over the expected useful life. Changes in the provision not arising from the passing of time are added to or deducted from the asset revaluation surplus for land. If there is no available revaluation surplus increases in provision are treated as an expense and recovered out of future decreases (if any).

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

##### 1.25 Capital

Capital is the carrying value of Council's capital assets less the amount of capital debt at the reporting date. It represents the net investment of Council funds in assets purchased to deliver future services to the community.

##### 1.26 Asset Revaluation Surplus

The asset revaluation surplus comprises adjustments relating to changes in value of property, plant and equipment that do not result from the use of those assets. Net incremental changes in the carrying value of classes of non-current assets since their initial recognition are accumulated in the asset revaluation surplus.

Increases and decreases upon revaluation are offset within a class of assets.

Where a class of assets is decreased upon revaluation, that decrease is offset first against the amount remaining in the asset revaluation surplus in respect of that class. Any excess is treated as an expense.

When an asset is disposed of, the amount in surplus in respect of that asset is retained in the asset revaluation surplus and not transferred to retained surplus.

##### 1.27 Retained Surplus

This represents that part of Council's net funds that are not required to meet specific future funding needs. The balance of this account at the end of each financial year represents the accumulative amount available to Council that may be used to offset against expenditure in the following year.

##### 1.28 Reserves

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

(i) Constrained Works Reserve

Council resolved to establish a constrained works reserve at 15 March 2008. The amounts reported in this reserve at balance date correspond to the amount of cash (reported within cash and cash equivalents) which has been received in respect of capital works where the required capital works have not yet been carried out. Where non-reciprocal grants, subsidies and contributions are received for specific capital projects, amounts equivalent to the capital grants received are transferred from retained surplus to the constrained works reserve. When the grant monies are expended on the respective projects, an equivalent amount is transferred out of the constrained works reserve to retained surplus. Council does not reallocate amounts in this reserve to any other reserve or for any other purpose.



## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

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#### 1 Summary of Significant Accounting Policies (Cont'd)

##### 1.28 Reserves (Cont'd)

(ii) Transport Improvement Reserve

Council resolved to establish a transport improvement reserve at 15 March 2008. The amounts reported in this reserve at balance date correspond to the amount of cash (reported within cash and cash equivalents) set aside to carry out works on Council's Roads, Pathways and Bikeways Infrastructure. Capital funds are transferred from retained surplus to the transport improvement reserve as required. When the capital funds are expended on the respective projects, an equivalent amount is transferred out of the transport improvement reserve to retained surplus. Council does not reallocate amounts in this reserve to any other reserve or for any other purpose.

(iii) Asset Acquisition Reserve

Council resolved to establish an asset acquisition reserve at 15 March 2008. The amounts reported in this reserve at balance date correspond to the amount of cash (reported within cash and cash equivalents) set aside to provide funds for the future acquisition and replacement of Council's assets. This reserve is used to even out capital expenditure fluctuations year by year with capital funds being transferred from retained surplus to the asset acquisition reserve as required at the end of the financial year. When the capital funds are expended on the respective projects, an equivalent amount is transferred out of the asset acquisition reserve to retained surplus. Council does not reallocate amounts in this reserve to any other reserve or for any other purpose.

(iv) Fleet Renewal Reserve

Council resolved to establish a fleet renewal reserve at 15 March 2008. The amounts reported in this reserve at balance date correspond to the amount of cash (reported within cash and cash equivalents) set aside from surplus funds generated by fleet operations to fund future fleet acquisitions and replacement. Surplus funds are transferred from retained surplus to the fleet renewal reserve at the end of the financial year. When the capital funds are expended on the respective projects, an equivalent amount is transferred out of the fleet renewal reserve to retained surplus. Council does not reallocate amounts in this reserve to any other reserve or for any other purpose.

(v) Sewerage Improvement Reserve

Council resolved to establish a sewerage improvement reserve at 15 March 2008. The amounts reported in this reserve at balance date correspond to the amount of cash (reported within cash and cash equivalents) set aside to provide funds for the future construction and replacement of Council's Sewerage infrastructure. Funds are transferred from retained surplus to the sewerage improvement reserve as determined by the budget. When the funds are expended on the respective projects, an equivalent amount is transferred out of the sewerage improvement reserve to retained surplus. Council does not reallocate amounts in this reserve to any other reserve or for any other purpose.

(vi) Water Improvement Reserve

Council resolved to establish a water improvement reserve at 15 March 2008. The amounts reported in this reserve at balance date correspond to the amount of cash (reported within cash and cash equivalents) set aside to provide funds for the future construction and replacement of Council's Water infrastructure. Funds are transferred from retained surplus to the water improvement reserve as determined by the budget. When the funds are expended on the respective projects, an equivalent amount is transferred out of the water improvement reserve to retained surplus. Council does not reallocate amounts in this reserve to any other reserve or for any other purpose.

(vii) Future Capital Works Reserve

Council resolved to establish a future capital works at 30 June 2011. The amounts reported in this reserve at balance date correspond to the amount of cash (reported within cash and cash equivalents) set aside from operating funds for future renewal and upgrades of Council's infrastructure assets. The amount transferred from retained surplus to the future capital works reserve will be assessed at the end of the year depending on the operating surplus available and capital funding sources utilised. When the funds are expended on the respective projects, an equivalent amount is transferred out of the future capital works reserve to retained surplus. Council does not reallocate amounts in this reserve to any other reserve or for any other purpose.

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

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#### **1 Summary of Significant Accounting Policies (Cont'd)**

##### **1.29 Rounding and comparatives**

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

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

##### **1.30 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 paid into the Trust Account by Council. 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 33.

##### **1.31 Taxation**

Income of local authorities and public authorities is exempt from Commonwealth taxation except for Fringe Benefits Tax ('FBT') and Goods and Services Tax ('GST'). The net amount of GST recoverable from the Australian Taxation Office ('ATO') or payable to the ATO is shown as an asset or liability respectively.

Council pays Payroll Tax to the Queensland Government on certain activities.

##### **1.32 National Competition Policy**

Council has reviewed its activities to identify its business activities. Details of these activities are disclosed in Note 37.

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

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#### 2 (a) Analysis of results by function

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

| <b>Functions</b>    | <b>Grant<br/>Revenue</b> | <b>Other<br/>Revenue</b> | <b>Total<br/>Revenue</b> | <b>Total<br/>Expenses</b> | <b>Net<br/>Result</b> | <b>Assets</b>        |
|---------------------|--------------------------|--------------------------|--------------------------|---------------------------|-----------------------|----------------------|
|                     | \$                       | \$                       | \$                       | \$                        | \$                    | \$                   |
| Council departments | 31,230,131               | 88,214,164               | 119,444,295              | 103,343,902               | 16,100,393            | 1,213,824,415        |
| Waste services      | 27,000                   | 17,137,960               | 17,164,960               | 14,490,136                | 2,674,824             | 12,367,159           |
| Sewerage services   | 13,327                   | 23,868,186               | 23,881,513               | 16,940,323                | 6,941,190             | 289,969,681          |
| Water services      | -                        | 23,671,648               | 23,671,648               | 16,091,230                | 7,580,418             | 223,463,732          |
| <b>Total</b>        | <b>31,270,458</b>        | <b>152,891,958</b>       | <b>184,162,416</b>       | <b>150,865,591</b>        | <b>33,296,825</b>     | <b>1,739,624,987</b> |

For the year ended 30 June 2011

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| <b>Functions</b>    | <b>Grant<br/>Revenue</b> | <b>Other<br/>Revenue</b> | <b>Total<br/>Revenue</b> | <b>Total<br/>Expenses</b> | <b>Net<br/>Result</b> | <b>Assets</b>        |
|---------------------|--------------------------|--------------------------|--------------------------|---------------------------|-----------------------|----------------------|
|                     | \$                       | \$                       | \$                       | \$                        | \$                    | \$                   |
| Council departments | 28,636,952               | 84,590,884               | 113,227,836              | 94,974,607                | 18,253,229            | 1,169,386,110        |
| Waste services      | 192,090                  | 13,383,896               | 13,575,986               | 12,216,883                | 1,359,103             | 11,960,014           |
| Sewerage services   | 34,604                   | 23,703,788               | 23,738,392               | 23,597,064                | 141,328               | 254,102,150          |
| Water services      | -                        | 25,722,849               | 25,722,849               | 17,992,958                | 7,729,891             | 224,389,092          |
| <b>Total</b>        | <b>28,863,646</b>        | <b>147,401,417</b>       | <b>176,265,063</b>       | <b>148,781,512</b>        | <b>27,483,551</b>     | <b>1,659,837,366</b> |

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

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#### 2 (b) Component functions of Council

The activities relating to Council's Functions reported on in Note 2(a) - Analysis of Results by Function are as follows:

##### **Council departments**

Comprised of the following departments incorporating the various service delivery programs within Council which are primarily funded from general rate operations:

| <b>Department</b>                    | <b>Service delivery programs</b>   |
|--------------------------------------|--|
| Organisational Services              | Corporate Communications; Information Technology; Human Resources; Workplace Health & Safety; Payroll; Procurement; Revenue; Strategic Finance; Economic Development; Disaster Management; Corporate Planning & Performance Corporate Support; Financial Accounting and Administration |
| Executive support                    | Chief Executive Officer; Mayor and Councillors   |
| Community and environment            | Libraries; Cultural Services; Airport; Tourism; Sport and recreation; Strategic events; Venues and facilities; Natural Resources; Environmental Services; Health & Regulatory Services and Community Care & Social Development (Waste Management reported as a separate function)      |
| Infrastructure and planning services | Roads & Drainage; Projects; Planning & Development; Assets; Design; Trade Services; Fleet Services and Building. (Water and Sewerage Services reported as separate functions)  |

##### **Sewerage services**

Council's sewerage operations are primarily funded from sewerage utility charges. The focus of this function is to provide and maintain a reliable, efficient and cost effective sewerage system which recognises environmental values in the city.

##### **Water services**

Council's water operations are primarily funded from water utility charges under a user-pays system. The focus of this function is to provide a safe, reliable and adequately treated water supply to consumers based on high standards of treatment, efficient maintenance of infrastructure and sound planning techniques.

##### **Waste Management**

Council's waste operations are primarily funded from waste collection charges. The focus of this function is to provide a high standard service for both waste and recycling collection and waste disposal through the use of the latest waste collection vehicles, the operation of the materials recycling facility, the implementation of environmental monitoring programs and the development of award winning landfill facilities.

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

|   | Note | 30-Jun-12<br>\$ | 30-Jun-11<br>\$ |
|---|------|-----------------|-----------------|
| <b>3 Revenue analysis</b>                         |      |                 |                 |
| <b>(a) Rates, levies and charges</b>              |      |                 |                 |
| General rates                                     |      | 57,913,152      | 52,081,213      |
| Cleansing and recycling                           |      | 10,771,926      | 10,266,561      |
| Water   |      | 19,800,426      | 19,473,169      |
| Sewerage  |      | 18,983,374      | 18,066,548      |
| Special rates and charges                         |      | 371,613         | 371,457         |
| Total rates and utility charge revenue            |      | 107,840,491     | 100,258,948     |
| Less: Discounts                                   |      | (4,901,521)     | (4,603,959)     |
| Less: Pensioner remissions                        |      | (1,028,787)     | (819,467)       |
| Net rates and utility charges                     |      | 101,910,183     | 94,835,522      |
| <b>(b) Fees and charges</b>                       |      |                 |                 |
| Hire of facilities                                |      | 367,086         | 374,829         |
| Airport fees                                      |      | 1,736,249       | 1,509,876       |
| Infringements                                     |      | 157,144         | 193,776         |
| Health licenses and registrations                 |      | 769,461         | 760,431         |
| Waste fees  |      | 3,019,172       | 2,210,306       |
| Building and planning fees                        |      | 2,487,064       | 2,688,757       |
| Rental Income                                     |      | 1,232,771       | 1,125,929       |
| Holiday park income                               |      | 2,116,478       | 1,564,003       |
| Other fees and charges                            |      | 2,338,404       | 2,520,770       |
|   |      | 14,223,829      | 12,948,677      |
| <b>(c) Interest received</b>                      |      |                 |                 |
| Interest received from investments                |      | 4,598,345       | 4,102,827       |
| Other sources                                     |      | 11,251          | 190             |
| Interest from overdue rates and utility charges   |      | 682,278         | 595,132         |
|   |      | 5,291,874       | 4,698,149       |
| <b>(d) Sales - Contract and recoverable works</b> |      |                 |                 |
| Sales - Contract and recoverable works            |      | 5,554,934       | 11,517,582      |
|   |      | 5,554,934       | 11,517,582      |

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.

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

|  | Note | 30-Jun-12<br>\$   | 30-Jun-11<br>\$   |
|--|------|-------------------|-------------------|
| <b>4 Grants, subsidies, contributions and donations</b>  |      |                   |                   |
| <b>(a) Recurrent</b>   |      |                   |                   |
| Recurrent grants and subsidies, other contributions and donations are analysed as follows:   |      |                   |                   |
| General purpose grants   |      | 10,562,144        | 7,941,598         |
| State Government grants and subsidies  |      | 4,836,607         | 10,268,971        |
| Federal Government grants and subsidies  |      | 644,101           | 437,410           |
| Non-Government grants and subsidies  |      | 30,637            | 7,700             |
| Donations  |      | 137,451           | 68,822            |
| Contributions  |      | 204,625           | 355,668           |
| Total recurrent revenue  |      | <u>16,415,565</u> | <u>19,080,169</u> |
| <b>(b) Capital</b>   |      |                   |                   |
| Capital grants and subsidies, other contributions and donations are analysed as follows:   |      |                   |                   |
| (i) Monetary revenue received:   |      |                   |                   |
| State Government grants and subsidies  |      | 10,873,537        | 8,056,159         |
| Federal Government grants and subsidies  |      | 4,320,432         | 2,144,808         |
| Contributions  |      | 2,238,836         | 5,068,312         |
| Non-Government grants and subsidies  |      | 3,000             | 7,000             |
| (ii) Non-Monetary revenue received:  |      |                   |                   |
| Non-Infrastructure assets donated  |      | 1,143,056         | 610               |
| Donated assets contributed by developers at fair value   |      | 5,477,028         | 10,531,661        |
| Total capital revenue  |      | <u>24,055,889</u> | <u>25,808,550</u> |
| <b>(c) Conditions over contributions</b>   |      |                   |                   |
| Contributions and grants which were recognised as revenues during the reporting period and which were obtained on the condition that they be expended in a manner specified by the contributor but had not been expended at the reporting date : |      |                   |                   |
| Capital grants and subsidies   |      | 2,171,306         | 3,077,055         |
| Infrastructure charges   |      | 1,925,486         | 4,674,772         |
| Other capital contributions  |      | -                 | 195,430           |
|  |      | <u>4,096,792</u>  | <u>7,947,257</u>  |

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

|   | Note | 30-Jun-12<br>\$   | 30-Jun-11<br>\$  |
|---|------|-------------------|------------------|
| <b>4 Grants, subsidies, contributions and donations (Cont'd)</b>  |      |                   |                  |
| <b>(c) Conditions over contributions (Cont'd)</b>   |      |                   |                  |
| Contributions and grants which were recognised as revenues in a previous reporting period and were expended during the current reporting period in accordance with Council's obligations.                                     |      |                   |                  |
| Capital grants and subsidies  |      | 3,166,511         | 2,650,574        |
| Infrastructure charges  |      | 5,660,083         | 1,508,829        |
| Other capital contributions   |      | 170,033           | 116,466          |
|   |      | <u>8,996,627</u>  | <u>4,275,869</u> |
| Capital grants and subsidies received in the current year but not yet expended are to be spent under the terms of the funding agreements entered into with the State or Federal Government.                                   |      |                   |                  |
| Infrastructure charges received in the current year but not yet expended are to be spent in accordance with the <i>Sustainable Planning (Housing Affordability and Infrastructure Charges Reform) Amendment Act 2011</i> .    |      |                   |                  |
| Capital grants and subsidies received in a prior year but expended in the current year were spent under the terms of the funding agreements entered into with the State or Federal Government.                                |      |                   |                  |
| Infrastructure charges received in a prior year but expended in the current year were spent in accordance with the <i>Sustainable Planning (Housing Affordability and Infrastructure Charges Reform) Amendment Act 2011</i> . |      |                   |                  |
| Other capital contributions received in a prior year but expended in the current year were spent in accordance with the individual agreements entered into with the parties   |      |                   |                  |
| <b>5 Profit on sale of developed land held for resale</b>   |      |                   |                  |
| Proceeds from sales of developed land held for resale   |      | -                 | 389,545          |
| Current cost of developed land sold   |      | -                 | (70,426)         |
|   |      | <u>-</u>          | <u>319,119</u>   |
| <b>6 Capital income</b>   |      |                   |                  |
| Revaluation of investment property  | 17   | -                 | 57,099           |
|   |      | <u>-</u>          | <u>57,099</u>    |
| Decrease in rehabilitation provision, due to decrease in the estimated future cost and change of restoration dates  | 23   | 1,038,725         | 409,460          |
|   |      | <u>1,038,725</u>  | <u>409,460</u>   |
| Gain arising from recognising assets that were not previously recognised  |      | 15,671,417        | 6,590,736        |
|   |      | <u>15,671,417</u> | <u>6,590,736</u> |
| Total capital income  |      | <u>16,710,142</u> | <u>7,057,295</u> |

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

|  | Note | 30-Jun-12<br>\$   | 30-Jun-11<br>\$   |
|--|------|-------------------|-------------------|
| <b>7 Employee benefits</b>                       |      |                   |                   |
| Staff wages and salaries                         |      | 46,759,835        | 44,604,761        |
| Councillors' remuneration                        |      | 935,123           | 968,494           |
| Annual, sick and long service leave entitlements |      | 8,449,600         | 7,360,280         |
| Superannuation                                   | 32   | 5,944,329         | 5,584,957         |
|  |      | <u>62,088,887</u> | <u>58,518,492</u> |
| Other employee related expenses                  |      | 2,191,142         | 2,110,879         |
|  |      | <u>64,280,029</u> | <u>60,629,371</u> |
| Less: Capitalised employee expenses              |      | (4,061,102)       | (2,968,911)       |
|  |      | <u>60,218,927</u> | <u>57,660,460</u> |

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

Total Council employees at the reporting date:

|                                      |            |            |
|--------------------------------------|------------|------------|
| Elected members                      | 11         | 11         |
| Administration staff                 | 346        | 338        |
| Depot and outdoor staff              | 483        | 484        |
| Total full time equivalent employees | <u>840</u> | <u>833</u> |

### 8 Materials and services

|                             |     |                   |                   |
|-----------------------------|-----|-------------------|-------------------|
| Audit services              | (i) | 477,081           | 319,503           |
| Donations paid              |     | 740,911           | 1,033,687         |
| Rentals - operating leases  |     | 261,592           | 267,828           |
| Office supplies             |     | 1,042,080         | 1,009,856         |
| Electricity expenses        |     | 4,999,659         | 4,439,704         |
| Raw water                   |     | 1,210,467         | 896,848           |
| Insurance premiums          |     | 1,234,361         | 1,137,853         |
| External plant hire         |     | 4,665,216         | 7,912,952         |
| Consultants                 |     | 3,556,041         | 818,083           |
| External labour hire        |     | 1,145,788         | 1,056,342         |
| Chemicals                   |     | 689,492           | 605,562           |
| Legal expenses              |     | 607,960           | 465,527           |
| Plant consumables           |     | 5,285,587         | 5,005,026         |
| Waste levy                  |     | 870,917           | -                 |
| Subscriptions               |     | 222,636           | 222,192           |
| Repairs and maintenance     |     | 7,212,589         | 8,334,992         |
| Other material and services |     | 10,143,586        | 16,697,897        |
|                             |     | <u>44,365,963</u> | <u>50,223,852</u> |

(i) The audit services amount recorded in this note includes audit costs associated with the audit of Bundaberg Regional Council. The Auditors remuneration for the audit of the financial statements for the year ended 30 June 2012 is \$211,400 (year ended 30 June 2011 \$265,584) and remuneration for other audit services for the year ended 30 June 2012 is \$5,200 (year ended 30 June 2011 \$17,575). Other audit services comprises the audit of certificates required under various Commonwealth Government programs. Comparative information has been updated for actual audit costs incurred.



## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

|  | Note | 30-Jun-12<br>\$     | 30-Jun-11<br>\$    |
|--|------|---------------------|--------------------|
| <b>9 Finance costs</b>   |      |                     |                    |
| Finance costs charged by the Queensland Treasury Corporation             |      | 3,302,046           | 3,593,806          |
| Other finance costs  |      | 2,126               | 434                |
| Impairment of debts  |      | 80,160              | 147,732            |
| Bank charges   |      | 232,296             | 209,542            |
| Landfill restoration - change in provision over time                     |      | 227,481             | 252,465            |
|  |      | <u>3,844,109</u>    | <u>4,203,979</u>   |
| <b>10 Depreciation and amortisation</b>                                  |      |                     |                    |
| <b>(a) Depreciation of non-current assets</b>                            |      |                     |                    |
| Buildings and structures   |      | 1,768,533           | 1,678,506          |
| Plant and equipment  |      | 3,783,722           | 3,327,810          |
| Roads, footpaths and bridges   |      | 14,729,945          | 15,518,022         |
| Stormwater drainage  |      | 2,127,249           | 2,124,467          |
| Water infrastructure   |      | 2,883,989           | 2,847,288          |
| Sewerage infrastructure  |      | 3,828,271           | 3,404,003          |
| Total depreciation of non current assets                                 |      | <u>29,121,709</u>   | <u>28,900,096</u>  |
| <b>(b) Amortisation of intangible assets</b>                             |      |                     |                    |
| Intangible assets  |      | 200,980             | 169,631            |
| Total depreciation and amortisation                                      |      | <u>29,322,689</u>   | <u>29,069,727</u>  |
| <b>11 Increase in provision for land restoration</b>                     |      |                     |                    |
| Increase in rehabilitation provision, due to change in the discount rate | 23   | 476,829             | -                  |
|  |      | <u>476,829</u>      | <u>-</u>           |
| <b>12 Loss on disposal of non-current assets</b>                         |      |                     |                    |
| Proceeds from disposal of property, plant and equipment                  |      | 489,203             | 998,052            |
| Book value of property, plant and equipment disposed                     |      | <u>(13,069,277)</u> | <u>(8,503,786)</u> |
| Gain/(Loss) on disposal of property, plant and equipment                 |      | <u>(12,580,074)</u> | <u>(7,505,734)</u> |
| Proceeds from disposal of land   |      | -                   | 131,818            |
| Book value of land disposed  |      | <u>(57,000)</u>     | <u>(152,000)</u>   |
| Gain/(Loss) on disposal of land  |      | <u>(57,000)</u>     | <u>(20,182)</u>    |
| Proceeds from disposal of intangibles                                    |      | -                   | -                  |
| Book value of intangibles disposed                                       |      | -                   | <u>(97,578)</u>    |
| Gain/(Loss) on disposal of intangibles                                   |      | -                   | <u>(97,578)</u>    |
| Gain/(Loss) on disposal of non-current assets                            |      | <u>(12,637,074)</u> | <u>(7,623,494)</u> |

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

|   | Note | 30-Jun-12<br>\$   | 30-Jun-11<br>\$   |
|---|------|-------------------|-------------------|
| <b>13 Cash and cash equivalents</b>   |      |                   |                   |
| Cash at bank and on hand  |      | 493,467           | 684,058           |
| Deposits at call  |      | 19,150,000        | 10,350,000        |
| Short term money market instruments   |      | 72,900,000        | 60,300,000        |
| Balance per statement of cash flows   |      | <u>92,543,467</u> | <u>71,334,058</u> |
| Externally imposed expenditure restrictions at the reporting date<br>relate to the following cash assets: |      |                   |                   |
| Unspent capital grants, subsidies and contributions   |      | 2,245,731         | 3,410,970         |
| Unspent infrastructure charges  |      | 18,868,711        | 22,603,310        |
| Unspent loan monies   |      | <u>15,303,546</u> | <u>2,868,851</u>  |
| Total unspent restricted cash for capital projects  |      | <u>36,417,988</u> | <u>28,883,131</u> |

Cash and deposits at call are held at the Commonwealth Bank and in a QTC Capital Guaranteed Cash Fund account, with credit ratings of A1+ for both institutions.

### 14 Trade and other receivables

#### Current

|                                      |  |                   |                   |
|--------------------------------------|--|-------------------|-------------------|
| Rateable revenue and utility charges |  | 7,236,516         | 6,608,015         |
| Less impairment                      |  | -                 | (21,212)          |
| Other debtors                        |  | 5,280,661         | 8,497,485         |
| Less impairment                      |  | (35,578)          | (140,422)         |
| GST recoverable                      |  | 228,295           | 143,145           |
| Prepayments                          |  | <u>486,347</u>    | <u>453,040</u>    |
|                                      |  | <u>13,196,241</u> | <u>15,540,051</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.

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

|  | Note | 30-Jun-12<br>\$  | 30-Jun-11<br>\$  |
|--|------|------------------|------------------|
| <b>15 Inventories</b>  |      |                  |                  |
| <b>Current</b>   |      |                  |                  |
| Inventories held for sale:   |      |                  |                  |
| Miscellaneous saleable items   |      | 56,587           | 53,790           |
|  |      | <u>56,587</u>    | <u>53,790</u>    |
| Valued at the lower of cost and net realisable value   |      |                  |                  |
| Inventories held for consumption:  |      |                  |                  |
| Stores inventories   |      | 1,155,693        | 1,060,630        |
|  |      | <u>1,155,693</u> | <u>1,060,630</u> |
| Valued at the lower of cost and replacement value.   |      |                  |                  |
| The value of inventory recognised as an expense during the period was \$3,663,333 (year ended 30 June 2011 \$4,301,351), which includes \$3,527 (year ended 30 June 2011 \$0) in stock write-offs. |      |                  |                  |
| Land purchased for development and sale  | 16   | 3,528,033        | 1,617,696        |
|  |      | <u>3,528,033</u> | <u>1,617,696</u> |
| Total inventories  |      | <u>4,740,313</u> | <u>2,732,116</u> |
| <b>16 Land purchased for development and sale</b>  |      |                  |                  |
| Opening balance  |      | 1,617,696        | 1,659,280        |
| Additions  |      | 624,177          | 28,842           |
| Transfer from investment property  | 17   | 1,286,160        | -                |
| Less: Cost of developed land sold  |      | -                | (70,426)         |
| Closing balance at end of financial year   |      | <u>3,528,033</u> | <u>1,617,696</u> |

Land purchased for development and sale is valued at the lower of cost and net realisable value.

### 17 Investment property

|   |    |             |                  |
|---|----|-------------|------------------|
| Fair value at the beginning of financial year       |    | 1,286,160   | 1,042,899        |
| Construction costs of investment property           |    | -           | 186,162          |
| Revaluation adjustment to the income account        | 6  | -           | 57,099           |
| Transfer to land purchased for development and sale | 16 | (1,286,160) | -                |
| Fair value at the end of financial year             |    | <u>-</u>    | <u>1,286,160</u> |

Investment property comprised land which was held for future development or unascertained future purposes. At 1 July 2011 it was transferred to inventories due to a change in use evidenced by construction of the property with a view to sale.

The land was valued at fair value. It was valued at market value by Australia Pacific Valuers Pty Ltd as at 30 April 2011 using an appropriate indexation.

At the balance sheet date, no income was generated from the investment property. Expenses (if applicable) in respect of investment property are shown in Note 8. At reporting date there was no property being constructed or developed for future use as investment property.

**BUNDABERG REGIONAL COUNCIL**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2012**

**18 (a) Property, plant and equipment**

|   | Land and improvements |                    | Buildings and structures |                 | Plant and equipment |                    | Cultural assets    |                    | Roads, footpaths and bridges |                      | Stormwater drainage |           | Sewerage infrastructure |           | Water infrastructure |           | Work in progress |           | Total |  |
|---|-----------------------|--------------------|--------------------------|-----------------|---------------------|--------------------|--------------------|--------------------|------------------------------|----------------------|---------------------|-----------|-------------------------|-----------|----------------------|-----------|------------------|-----------|-------|--|
|   | Revaluation           | 30-Jun-12          | Revaluation              | 30-Jun-12       | Cost                | 30-Jun-12          | Revaluation        | 30-Jun-12          | Revaluation                  | 30-Jun-12            | Revaluation         | 30-Jun-12 | Revaluation             | 30-Jun-12 | Revaluation          | 30-Jun-12 | Cost             | 30-Jun-12 |       |  |
|   | \$                    | \$                 | \$                       | \$              | \$                  | \$                 | \$                 | \$                 | \$                           | \$                   | \$                  | \$        | \$                      | \$        | \$                   | \$        | \$               | \$        | \$    |  |
| Asset values  |                       |                    |                          |                 |                     |                    |                    |                    |                              |                      |                     |           |                         |           |                      |           |                  |           |       |  |
| Opening gross value as at 1 July 2011                   | 115,087,978           | 192,633,784        | 1,372,082                | 43,547,784      | 459,117             | 1,037,834,265      | 174,317,722        | 296,668,075        | 253,668,451                  | 21,061,456           | 2,135,178,632       |           |                         |           |                      |           |                  |           |       |  |
| Assets not previously recognised                        | -                     | 1,372,082          | -                        | -               | -                   | 5,065,307          | 6,702,759          | 1,195,779          | 1,244,633                    | -                    | 15,580,560          |           |                         |           |                      |           |                  |           |       |  |
| Additions at cost                                       | 67,836                | 2,078,025          | 5,430,844                | 2,420           | 2,420               | 3,644,612          | 96,675             | 96,300             | 402,538                      | 36,060,960           | 47,880,230          |           |                         |           |                      |           |                  |           |       |  |
| Contributed assets                                      | 501                   | 1,142,555          | -                        | -               | -                   | 2,395,003          | 1,641,719          | 1,139,976          | 301,330                      | -                    | 6,620,084           |           |                         |           |                      |           |                  |           |       |  |
| Internal transfers from work in progress                | 19,054                | 3,118,116          | -                        | 513,274         | -                   | 5,411,397          | 1,098,955          | 733,285            | 122,204                      | -                    | -                   |           |                         |           |                      |           |                  |           |       |  |
| New land restoration provision                          | 1,315,427             | -                  | -                        | -               | -                   | -                  | -                  | -                  | -                            | -                    | -                   |           |                         |           |                      |           |                  |           |       |  |
| Disposals   | (57,000)              | (4,099,075)        | (2,118,832)              | (16,800)        | (16,800)            | (4,287,613)        | (459,273)          | (3,378,610)        | (1,935,739)                  | (117,869)            | (16,470,811)        |           |                         |           |                      |           |                  |           |       |  |
| Revaluation adjustment to the asset revaluation surplus | (405,295)             | (3,314,863)        | -                        | -               | -                   | (92,949,717)       | 16,307,616         | 42,409,311         | 51,365,766                   | -                    | 13,412,818          |           |                         |           |                      |           |                  |           |       |  |
| Assets transferred from/(to) intangible assets          | -                     | -                  | -                        | -               | -                   | -                  | -                  | -                  | -                            | -                    | -                   |           |                         |           |                      |           |                  |           |       |  |
| Other internal transfers                                | -                     | 203,183            | -                        | (109,220)       | -                   | (555,620)          | 288,689            | 66,197             | 106,771                      | -                    | -                   |           |                         |           |                      |           |                  |           |       |  |
| Closing gross value as at 30 June 2012                  | <b>116,028,501</b>    | <b>193,133,807</b> | <b>47,263,850</b>        | <b>444,737</b>  | <b>956,557,634</b>  | <b>199,994,862</b> | <b>338,929,313</b> | <b>305,175,954</b> | <b>45,988,282</b>            | <b>2,203,516,940</b> |                     |           |                         |           |                      |           |                  |           |       |  |
| <b>Accumulated depreciation</b>                         |                       |                    |                          |                 |                     |                    |                    |                    |                              |                      |                     |           |                         |           |                      |           |                  |           |       |  |
| Opening balance as at 1 July 2011                       | -                     | 17,688,672         | 15,715,005               | -               | -                   | 336,242,509        | 59,931,286         | 76,985,286         | 66,061,923                   | -                    | 572,614,661         |           |                         |           |                      |           |                  |           |       |  |
| Assets not previously recognised                        | -                     | 150,316            | -                        | -               | -                   | (2,892,197)        | 2,189,026          | 212,723            | 349,273                      | -                    | (90,859)            |           |                         |           |                      |           |                  |           |       |  |
| Depreciation provided in period                         | -                     | 1,768,533          | 3,783,722                | -               | -                   | 14,729,945         | 2,127,249          | 3,828,271          | 2,883,989                    | -                    | 29,121,709          |           |                         |           |                      |           |                  |           |       |  |
| Depreciation on disposals                               | -                     | (1,144,126)        | (1,293,245)              | -               | -                   | (483,644)          | (47,490)           | (475,350)          | 264,867                      | -                    | (3,178,988)         |           |                         |           |                      |           |                  |           |       |  |
| Revaluation adjustment to the asset revaluation surplus | -                     | 16,894,709         | -                        | -               | -                   | (88,085,399)       | 5,863,340          | (7,059,232)        | 35,151,363                   | -                    | (17,435,216)        |           |                         |           |                      |           |                  |           |       |  |
| Other internal transfers                                | -                     | 76,084             | -                        | -               | -                   | (75,912)           | -                  | -                  | (152)                        | -                    | -                   |           |                         |           |                      |           |                  |           |       |  |
| Closing accumulated depreciation as at 30 June 2012     | -                     | <b>35,244,168</b>  | <b>18,205,482</b>        | -               | -                   | <b>279,335,305</b> | <b>70,063,411</b>  | <b>73,471,698</b>  | <b>104,711,263</b>           | -                    | <b>581,031,327</b>  |           |                         |           |                      |           |                  |           |       |  |
| Total written down value at 30 June 2012                | <b>116,028,501</b>    | <b>157,889,639</b> | <b>29,058,368</b>        | <b>444,737</b>  | <b>677,222,329</b>  | <b>129,931,451</b> | <b>265,457,615</b> | <b>200,464,691</b> | <b>45,988,282</b>            | <b>1,622,485,613</b> |                     |           |                         |           |                      |           |                  |           |       |  |
| Range of estimated useful life in years                 | Not depreciated       | 8-150              | 5-100                    | Not depreciated | 10-150              | 80                 | 20-90              | 15-100             | -                            | -                    | -                   |           |                         |           |                      |           |                  |           |       |  |

**BUNDABERG REGIONAL COUNCIL**

**NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 30 June 2012**

**18 (a) Property, plant and equipment**

| 30 June 2011  |                       | 30 June 2011             |                     | 30 June 2011    |                              | 30 June 2011        |                         | 30 June 2011         |                   | 30 June 2011         |             | 30 June 2011 |             | 30 June 2011 |       |  |
|---|-----------------------|--------------------------|---------------------|-----------------|------------------------------|---------------------|-------------------------|----------------------|-------------------|----------------------|-------------|--------------|-------------|--------------|-------|--|
| Basis of measurement                                    | Land and improvements | Buildings and structures | Plant and equipment | Cultural assets | Roads, footpaths and bridges | Stormwater drainage | Sewerage infrastructure | Water infrastructure | Work in progress  | Total                | Revaluation |              | Cost        |              | Total |  |
|   |                       |                          |                     |                 |                              |                     |                         |                      |                   |                      | Revaluation | Cost         | Revaluation | Cost         |       |  |
| <b>Asset values</b>                                     |                       |                          |                     |                 |                              |                     |                         |                      |                   |                      |             |              |             |              |       |  |
| Opening gross value as at 1 July 2010                   | 111,172,624           | 176,543,826              | 39,323,319          | 436,512         | 876,416,502                  | 170,570,485         | 254,891,782             | 246,357,767          | 36,044,760        | 1,911,757,577        |             |              |             |              |       |  |
| Assets not previously recognised                        | -                     | -                        | -                   | -               | 3,840,808                    | 504,066             | -                       | 2,336,491            | -                 | 6,681,165            |             |              |             |              |       |  |
| Additions at cost                                       | 618,805               | 1,398,592                | 6,163,999           | 4,203           | 3,652,976                    | 165,120             | 500,172                 | 45,519               | 15,607,415        | 28,166,801           |             |              |             |              |       |  |
| Contributed assets                                      | -                     | -                        | -                   | 610             | 4,558,562                    | 2,988,187           | 1,769,746               | 1,215,166            | -                 | 10,532,271           |             |              |             |              |       |  |
| Internal transfers from work in progress                | -                     | 9,419,028                | 451,594             | -               | 17,798,393                   | 467,209             | 1,859,500               | 172,482              | (30,168,206)      | -                    |             |              |             |              |       |  |
| New land restoration provision                          | -                     | -                        | -                   | -               | -                            | -                   | -                       | -                    | -                 | -                    |             |              |             |              |       |  |
| Disposals   | (152,000)             | (1,157,012)              | (3,765,731)         | (50)            | (372,976)                    | (117,716)           | (5,974,174)             | (215,856)            | (422,513)         | (12,178,028)         |             |              |             |              |       |  |
| Revaluation adjustment to the asset revaluation surplus | 3,612,953             | 7,316,085                | -                   | 17,842          | 131,972,515                  | 23,038              | 43,609,914              | 3,656,882            | -                 | 190,209,229          |             |              |             |              |       |  |
| Assets transferred from/(to) intangible assets          | -                     | -                        | 19,617              | -               | -                            | -                   | -                       | -                    | -                 | 19,617               |             |              |             |              |       |  |
| Other internal transfers                                | (164,404)             | (886,735)                | 1,354,986           | -               | (32,315)                     | (282,667)           | 11,135                  | -                    | -                 | -                    |             |              |             |              |       |  |
| Closing gross value as at 30 June 2011                  | <b>115,087,978</b>    | <b>192,833,784</b>       | <b>43,547,784</b>   | <b>459,117</b>  | <b>1,037,834,265</b>         | <b>174,317,722</b>  | <b>296,668,975</b>      | <b>253,568,451</b>   | <b>21,061,456</b> | <b>2,135,178,632</b> |             |              |             |              |       |  |

| Basis of measurement                                    | Land and improvements | Buildings and structures | Plant and equipment | Cultural assets | Roads, footpaths and bridges | Stormwater drainage | Sewerage infrastructure | Water infrastructure | Work in progress  | Total                | Revaluation |      | Cost        |      | Total |  |
|---|-----------------------|--------------------------|---------------------|-----------------|------------------------------|---------------------|-------------------------|----------------------|-------------------|----------------------|-------------|------|-------------|------|-------|--|
|   |                       |                          |                     |                 |                              |                     |                         |                      |                   |                      | Revaluation | Cost | Revaluation | Cost |       |  |
| <b>Accumulated depreciation</b>                         |                       |                          |                     |                 |                              |                     |                         |                      |                   |                      |             |      |             |      |       |  |
| Opening balance as at 1 July 2010                       | -                     | 18,695,695               | 14,661,980          | -               | 166,090,762                  | 57,869,643          | 73,870,084              | 70,520,990           | -                 | 401,709,154          |             |      |             |      |       |  |
| Assets not previously recognised                        | -                     | -                        | -                   | -               | -                            | -                   | -                       | 90,429               | -                 | 90,429               |             |      |             |      |       |  |
| Depreciation provided in period                         | -                     | 1,678,506                | 3,327,810           | -               | 15,518,022                   | 2,124,467           | 3,404,003               | 2,847,288            | -                 | 28,900,096           |             |      |             |      |       |  |
| Depreciation on disposals                               | -                     | (180,776)                | (2,274,785)         | -               | (43,001)                     | (53,267)            | (569,513)               | (339,939)            | -                 | (3,099,729)          |             |      |             |      |       |  |
| Revaluation adjustment to the asset revaluation surplus | -                     | (2,856,305)              | -                   | -               | 154,671,715                  | (4,546)             | 260,712                 | (7,056,845)          | -                 | 145,014,731          |             |      |             |      |       |  |
| Other internal transfers                                | -                     | -                        | -                   | -               | 5,011                        | (6,011)             | -                       | -                    | -                 | -                    |             |      |             |      |       |  |
| Closing accumulated depreciation as at 30 June 2011     | -                     | <b>17,698,672</b>        | <b>15,716,005</b>   | -               | <b>336,242,509</b>           | <b>59,931,286</b>   | <b>76,965,286</b>       | <b>66,061,923</b>    | -                 | <b>572,614,681</b>   |             |      |             |      |       |  |
| Total written down value at 30 June 2011                | <b>115,087,978</b>    | <b>174,935,112</b>       | <b>27,832,779</b>   | <b>459,117</b>  | <b>701,591,756</b>           | <b>114,386,436</b>  | <b>219,702,789</b>      | <b>187,506,528</b>   | <b>21,061,456</b> | <b>1,562,563,951</b> |             |      |             |      |       |  |
| Range of estimated useful life in years                 | Not depreciated       | 5-150                    | 3-100               | Not depreciated | 10-150                       | 15-80               | 30-80                   | 10-80                | -                 | -                    |             |      |             |      |       |  |

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

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**18 (b) Property, plant and equipment valuations were determined by reference to the following :**

**(i) Land and improvements**

The fair value of land and improvements is measured at current market value as at 30 June 2012 as independently determined by APV Valuers and Asset Management. Fair value was derived by reference to market based evidence including observable historical sales data for properties of similar nature and specification within the Bundaberg Regional Council and surrounding areas.

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

**(ii) Buildings and structures**

Building assets were inspected and revalued as at 30 June 2012 by APV Valuers and Asset Management. Where a depth in market was identified, buildings were assessed at fair value in accordance with AASB 116 *Property, Plant and Equipment*.

Buildings, where there is no depth of market, have been valued at Gross Current Replacement Value on the basis of replacement with a new asset having similar service potential. These buildings are assessed for condition to determine the written down value. Condition is measured on a scale from 0 - 10 and written down value is calculated as a percentage of the Gross Current Replacement Value using this scale to reflect the remaining service potential in the building.

As part of the 30 June 2012 valuation, the written down value was calculated using the straight-line depreciation methodology in preparation for the change in depreciation methodology from 1 July 2012. The depreciation methodology for Buildings and structures asset class has changed from straight-line consumption based depreciation method (SLAM) to straight-line to enable a consistent approach and assumptions across all classes of assets. The impact on the written down value of the Buildings asset class is a reduction in value of approximately 7%.

**(iii) Plant and equipment**

Plant and equipment is measured at original cost less accumulated depreciation in accordance with *Local Government (Finance, Plans and Reporting) Regulations 2010* and AASB 116 *Property, Plant and Equipment*.

**(iv) Cultural assets**

Cultural assets were not revalued this financial year. Changes in value of cultural assets were reviewed by the Arts Collection Officer through the monitoring of sales of artwork by artists in the collection and assessed as an insignificant change. The fair value of cultural assets were valued on the basis of insurable value as at 30 June 2011. This independent revaluation was undertaken by APV Valuers and Asset Management.

**(v) Roads, footpaths and bridges**

Roads, footpaths and bridges were inspected and revalued by APV Valuers and Asset Management as at 30 June 2012. Accordingly, roads, footpaths and bridges are measured at their gross current replacement value and written down replacement cost. The gross current replacement costs have been derived from reference to costing guides issued by the Australian Institute of Quantity Surveyors, NSW Reference Rates Manual, Rawlinson's Australian Construction Handbook, Bundaberg Regional Council and APV internal database of costs, and recently completed projects in the region and surrounding area.

Roads, footpaths and bridges are assessed for condition to determine the written down value. Condition is measured on a scale from 0 - 10 and written down value is calculated as a percentage of the replacement cost using this scale to reflect the remaining service potential in the asset.

## **BUNDABERG REGIONAL COUNCIL**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 30 June 2012**

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**18 (b) Property, plant and equipment valuations were determined by reference to the following (Cont'd):**

**(vi) Stormwater drainage**

Stormwater drainage assets were inspected and revalued by APV Valuers and Asset Management as at 30 June 2012. Accordingly, stormwater drainage assets are measured at their gross current replacement value and written down current replacement cost. The gross current replacement costs have been derived from reference to costing guides issued by the Australian Institute of Quantity Surveyors, NSW Reference Rates Manual, Rawlinson's Australian Construction Handbook, Bundaberg Regional Council and APV internal database of costs, and recently completed projects in the region and surrounding area.

Stormwater drainage assets are assessed for condition to determine the written down value. Condition is measured on a scale from 0 - 10 and written down value is calculated as a percentage of the replacement cost using this scale to reflect the remaining service potential in the asset.

**(vii) Sewerage infrastructure**

Sewerage infrastructure assets were inspected and revalued by APV Valuers and Asset Management as at 30 June 2012. Accordingly, sewerage infrastructure assets is measured at written down current replacement cost. The gross current replacement costs have been derived from reference to costing guides issued by the Australian Institute of Quantity Surveyors, NSW Reference Rates Manual, Rawlinson's Australian Construction Handbook, Bundaberg Regional Council and APV internal database of costs, and recently completed projects in the region and surrounding area.

Sewerage Infrastructure assets are assessed for condition to determine the written down value. Condition is measured on a scale from 0 - 10 and written down value is calculated as a percentage of the replacement cost using this scale to reflect the remaining service potential in the assets.

As part of the 30 June 2012 valuation, the written down value was calculated using the straight-line depreciation methodology in preparation for the change in depreciation methodology from 1 July 2012. The depreciation methodology for Sewerage active assets has changed from SLAM to straight-line on 1 July 2012 to enable a consistent approach and assumptions across the Sewerage infrastructure class of assets. The impact on the written down value of the asset class is a reduction in value of approximately 3%.

**(viii) Water infrastructure**

Water infrastructure assets were inspected and revalued by APV Valuers and Asset Management as at 30 June 2012. Accordingly, the fair value of water infrastructure assets is measured at written down current replacement cost. The gross current replacement costs have been derived from reference to costing guides issued by the Australian Institute of Quantity Surveyors, NSW Reference Rates Manual, Rawlinson's Australian Construction Handbook, Bundaberg Regional Council and APV internal database of costs, and recently completed projects in the region and surrounding area.

Water Infrastructure assets are assessed for condition to determine the written down value. Condition is measured on a scale from 0 - 10 and written down value is calculated as a percentage of the replacement cost using this scale to reflect the remaining service potential in the asset.

As part of the 30 June 2012 valuation, the written down value was calculated using the straight-line depreciation methodology in preparation for the change in depreciation methodology from 1 July 2012. The depreciation methodology for Water active assets has changed from SLAM to straight-line on 1 July 2012 to enable a consistent approach and assumptions across the Water infrastructure class of assets. The impact on the written down value of the asset class is a reduction in value of approximately 3%.

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2012

#### 19 Intangible assets

##### 30 June 2012

##### Basis of measurement

##### Asset values

|   |  |  |  |  |  |
|---|--|--|--|--|--|
| Opening gross carrying value as at 1 July 2011            |  |  |  |  |  |
| Additions at cost   |  |  |  |  |  |
| Internal transfers from work in progress                  |  |  |  |  |  |
| Disposals   |  |  |  |  |  |
| Assets transferred from/(to) property plant and equipment |  |  |  |  |  |
| Other internal transfers                                  |  |  |  |  |  |
| Closing gross carrying value as at 30 June 2012           |  |  |  |  |  |

|  | Computer Software |                | Land Lease       |                | Water Rights     |      | Work in progress |      | Total |
|--|-------------------|----------------|------------------|----------------|------------------|------|------------------|------|-------|
|  | 30-Jun-12         | Cost           | 30-Jun-12        | Cost           | 30-Jun-12        | Cost | 30-Jun-12        | Cost |       |
|  | \$                | \$             | \$               | \$             | \$               | \$   | \$               | \$   | \$    |
|  | 1,895,968         | 311,000        | 4,346,253        | 485,909        | 7,039,130        |      |                  |      |       |
|  | 72,115            | -              | -                | 407,188        | 479,303          |      |                  |      |       |
|  | 256,728           | -              | -                | (256,728)      | -                |      |                  |      |       |
|  | -                 | -              | -                | -              | -                |      |                  |      |       |
|  | -                 | -              | -                | -              | -                |      |                  |      |       |
|  | -                 | -              | -                | -              | -                |      |                  |      |       |
|  | -                 | -              | -                | -              | -                |      |                  |      |       |
|  | <b>2,224,811</b>  | <b>311,000</b> | <b>4,346,253</b> | <b>636,369</b> | <b>7,518,433</b> |      |                  |      |       |

##### Accumulated amortisation

|   |  |  |  |  |  |
|---|--|--|--|--|--|
| Opening balance as at 1 July 2011                   |  |  |  |  |  |
| Amortisation provided in period                     |  |  |  |  |  |
| Amortisation on disposals                           |  |  |  |  |  |
| Closing accumulated amortisation as at 30 June 2012 |  |  |  |  |  |
| Total intangible assets at 30 June 2012             |  |  |  |  |  |

|  |                  |                |                  |                |                  |
|--|------------------|----------------|------------------|----------------|------------------|
|  | 658,100          | -              | -                | -              | 658,100          |
|  | 200,980          | -              | -                | -              | 200,980          |
|  | -                | -              | -                | -              | -                |
|  | <b>859,080</b>   | <b>-</b>       | <b>-</b>         | <b>-</b>       | <b>859,080</b>   |
|  | <b>1,365,731</b> | <b>311,000</b> | <b>4,346,253</b> | <b>636,369</b> | <b>6,659,353</b> |

The software items have finite estimated useful lives of 10 years. Straight line amortisation has been used with no residual value.

Land lease and water rights have an indefinite useful life, and as such are not amortised.



## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2012

#### 19 Intangible assets

##### 30 June 2011

Basis of measurement

##### Asset values

Opening gross carrying value as at 1 July 2010  
 Additions at cost  
 Internal transfers from work in progress  
 Disposals  
 Assets transferred from/(to) property plant and equipment  
 Other internal transfers  
 Closing gross carrying value as at 30 June 2011

| Computer Software | Land Lease     |                  | Water Rights   |                  | Work in progress |           | Total |
|-------------------|----------------|------------------|----------------|------------------|------------------|-----------|-------|
|                   | Cost           | Cost             | Cost           | Cost             | Cost             | Cost      |       |
| 30-Jun-11         | \$             | 30-Jun-11        | \$             | 30-Jun-11        | \$               | 30-Jun-11 | \$    |
| 1,690,498         | 311,000        | 4,346,253        | 519,769        | 6,867,520        |                  |           |       |
| 99,312            | -              | -                | 338,083        | 437,395          |                  |           |       |
| 364,066           | -              | -                | (364,066)      | -                |                  |           |       |
| (238,291)         | -              | -                | (7,877)        | (246,168)        |                  |           |       |
| (19,617)          | -              | -                | -              | (19,617)         |                  |           |       |
| -                 | -              | -                | -              | -                |                  |           |       |
| <b>1,895,968</b>  | <b>311,000</b> | <b>4,346,253</b> | <b>485,909</b> | <b>7,039,130</b> |                  |           |       |

##### Accumulated amortisation

Opening balance as at 1 July 2010  
 Amortisation provided in period  
 Amortisation on disposals  
 Closing accumulated amortisation as at 30 June 2011  
 Total intangible assets as at 30 June 2011

|                  |                |                  |                |                  |
|------------------|----------------|------------------|----------------|------------------|
| 629,182          | -              | -                | -              | 629,182          |
| 169,631          | -              | -                | -              | 169,631          |
| (140,713)        | -              | -                | -              | (140,713)        |
| <b>658,100</b>   | <b>-</b>       | <b>-</b>         | <b>-</b>       | <b>658,100</b>   |
| <b>1,237,868</b> | <b>311,000</b> | <b>4,346,253</b> | <b>485,909</b> | <b>6,381,030</b> |

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

|                                    | Note | 30-Jun-12<br>\$   | 30-Jun-11<br>\$   |
|------------------------------------|------|-------------------|-------------------|
| <b>20 Trade and other payables</b> |      |                   |                   |
| <b>Current</b>                     |      |                   |                   |
| Creditors and accruals             |      | 10,156,921        | 6,708,428         |
| Annual leave                       |      | 4,236,726         | 4,193,788         |
| Vested sick leave                  |      | -                 | 387,602           |
|                                    |      | <u>14,393,647</u> | <u>11,289,818</u> |
| <b>Non-Current</b>                 |      |                   |                   |
| Annual leave                       |      | 569,347           | 604,458           |
|                                    |      | <u>569,347</u>    | <u>604,458</u>    |

The average credit period on purchases is one month. No interest is charged on the trade payables for the first 30 days from the date of invoice. Thereafter, interest is charged at a pre-approved rate per annum on the outstanding balance. Council has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

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

These estimates are then adjusted for the probability of the employee remaining in employment with Council or other associated employment which would result in 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.

### 21 Borrowings

#### Current

|   |    |                  |                  |
|---|----|------------------|------------------|
| Loans - Queensland Treasury Corporation | 22 | <u>5,865,231</u> | <u>4,693,946</u> |
|---|----|------------------|------------------|

#### Non-Current

|   |    |                   |                   |
|---|----|-------------------|-------------------|
| Loans - Queensland Treasury Corporation | 22 | <u>59,425,889</u> | <u>49,985,914</u> |
|---|----|-------------------|-------------------|

Financing facilities are limited by the requirement to obtain State Government approval for all loan applications. All loans are unsecured.

All borrowings are in \$A denominated amounts are 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 15 June 2017 to 19 February 2030.

There have been no defaults or breaches of the loan agreement during the period.

Principal and interest repayments are made quarterly in arrears.

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

|  | Note | 30-Jun-12<br>\$   | 30-Jun-11<br>\$   |
|--|------|-------------------|-------------------|
| <b>22 Loans</b>                        |      |                   |                   |
| <b>Queensland Treasury Corporation</b> |      |                   |                   |
| Opening balance                        |      | 54,679,860        | 59,084,276        |
| Loans raised                           |      | 15,000,000        | -                 |
| Principal repayments                   |      | (4,388,740)       | (4,404,416)       |
| Book value at end of financial year    |      | <u>65,291,120</u> | <u>54,679,860</u> |
| Classified as :                        |      |                   |                   |
| Current                                | 21   | 5,865,231         | 4,693,946         |
| Non-Current                            | 21   | <u>59,425,889</u> | <u>49,985,914</u> |
|  |      | <u>65,291,120</u> | <u>54,679,860</u> |

The loan market value at 30 June 2012 is \$70,672,504 . This represents the value of the debt if Council repaid it at that date. As it is the intention of Council to hold the debt for its term, no provision is required to be made in these accounts.

### 23 Provisions

#### Current

|                      |  |                |                |
|----------------------|--|----------------|----------------|
| Landfill restoration |  | 75,000         | -              |
| Long service leave   |  | 729,000        | 655,000        |
|                      |  | <u>804,000</u> | <u>655,000</u> |

#### Non-Current

|                      |  |                   |                   |
|----------------------|--|-------------------|-------------------|
| Landfill restoration |  | 5,668,896         | 4,951,842         |
| Long service leave   |  | 10,749,935        | 9,633,319         |
|                      |  | <u>16,418,831</u> | <u>14,585,161</u> |

#### Details of movements in provisions:

##### Landfill restoration provision

|   |  |                  |                  |
|---|--|------------------|------------------|
| Opening balance   |  | 4,951,842        | 5,108,837        |
| New landfill restoration provision                            |  | 1,315,427        | -                |
| Increase in provision - finance cost due to change in time    |  | 227,481          | 252,465          |
| Increase/(decrease) in provision - change in discount rate    |  | 476,829          | (237,077)        |
| Increase/(decrease) in provision - change in restoration date |  | (62,454)         | -                |
| Decrease in provision for actual restoration expenditure      |  | (188,958)        | -                |
| Increase/(decrease) in estimate of future cost                |  | (976,271)        | (172,383)        |
| Balance at the end of financial year                          |  | <u>5,743,896</u> | <u>4,951,842</u> |

This is the present value of the estimated cost of restoring the landfill site to a useable state at the end of its useful life.

##### Long service leave provision

|   |  |                   |                   |
|---|--|-------------------|-------------------|
| Opening balance                             |  | 10,288,319        | 9,563,698         |
| Additional provision made during the period |  | 1,173,078         | 1,636,048         |
| Amounts used during the period              |  | (707,119)         | (810,820)         |
| Unused amounts reversed during the period   |  | (91,613)          | (63,215)          |
| Change in discount and time                 |  | 816,270           | (37,392)          |
| Balance at the end of financial year        |  | <u>11,478,935</u> | <u>10,288,319</u> |

### 24 Other liabilities

|                            |  |                |                |
|----------------------------|--|----------------|----------------|
| Monies received in advance |  | 431,119        | 451,005        |
|                            |  | <u>431,119</u> | <u>451,005</u> |

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

|  | Note | 30-Jun-12<br>\$      | 30-Jun-11<br>\$      |
|--|------|----------------------|----------------------|
| <b>25 Capital</b>  |      |                      |                      |
| <b>Calculation of retained surplus:</b>  |      |                      |                      |
| Cash and cash equivalents  |      | 92,543,467           | 71,334,058           |
| Less restricted cash:  |      |                      |                      |
| Reserves (excluding the asset revaluation)   |      | (33,001,468)         | (38,577,885)         |
| Future capital works reserve   |      | (30,027,797)         | (26,911,037)         |
| Unspent loan funds   |      | (15,303,546)         | (2,868,851)          |
| Unearned revenue   |      | (431,119)            | (451,005)            |
| Cash funds allocated for future rehabilitation costs   |      | (75,000)             | (842,809)            |
| Working cash requirement   |      | (12,013,407)         | (4,662,317)          |
| <b>Retained surplus/(deficit)</b>  |      | <u>1,691,130</u>     | <u>(2,979,846)</u>   |
| <b>Capital</b>   |      | <u>1,191,064,573</u> | <u>1,159,979,067</u> |
| Total capital and retained surplus at end of financial year  |      | <u>1,192,755,703</u> | <u>1,156,999,221</u> |
| <b>Movement in capital account</b>   |      |                      |                      |
| Balance at beginning of financial year:  |      | 1,159,979,067        | 1,149,211,426        |
| Transfers from/(to) retained surplus   |      | 10,447,939           | 10,520,553           |
| Transfers from/(to) reserves   |      | 20,637,567           | 247,088              |
| Balance at end of financial year   |      | <u>1,191,064,573</u> | <u>1,159,979,067</u> |
| <b>26 Asset revaluation surplus</b>  |      |                      |                      |
| <b>(a) Movements in the asset revaluation surplus were as follows:</b>                               |      |                      |                      |
| Balance at beginning of financial year   |      | 355,083,921          | 309,889,423          |
| Net adjustment to non-current assets at end of financial year to reflect a change in fair value:     |      |                      |                      |
| Land and improvements  |      | (405,295)            | 3,612,953            |
| Buildings and structures   |      | (20,009,571)         | 10,172,390           |
| Cultural assets  |      | -                    | 17,842               |
| Roads, footpaths and bridges   |      | (24,864,322)         | (22,699,200)         |
| Stormwater drainage  |      | 10,444,276           | 27,584               |
| Sewerage infrastructure  |      | 49,468,543           | 43,349,202           |
| Water infrastructure   |      | 16,214,403           | 10,713,727           |
| Balance at end of the year   |      | <u>385,931,955</u>   | <u>355,083,921</u>   |
| <b>(b) Asset revaluation surplus analysis</b>  |      |                      |                      |
| The closing balance of the asset revaluation surplus is comprised of the following asset categories: |      |                      |                      |
| Land and improvements  |      | 25,811,240           | 26,216,535           |
| Buildings and structures   |      | 48,001,259           | 68,010,828           |
| Cultural assets  |      | 35,038               | 35,038               |
| Roads, footpaths and bridges   |      | 88,761,295           | 113,625,619          |
| Stormwater drainage  |      | 35,811,436           | 25,367,160           |
| Sewerage infrastructure  |      | 115,747,803          | 66,279,260           |
| Water infrastructure   |      | 71,763,884           | 55,549,481           |
|  |      | <u>385,931,955</u>   | <u>355,083,921</u>   |

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

|   | Note | 30-Jun-12<br>\$ | 30-Jun-11<br>\$ |
|---|------|-----------------|-----------------|
| <b>27 Retained surplus/(deficiency)</b>                                     |      |                 |                 |
| Movements in the retained surplus were as follows:                          |      |                 |                 |
| Retained surplus/(deficit) at the beginning of financial year               |      | (2,979,846)     | (3,958,278)     |
| Net result attributable to Council  |      | 33,296,825      | 27,483,551      |
| Transfers (to)/from capital account   |      | (10,447,939)    | (10,520,553)    |
| Transfer (to)/from the constrained works reserve                            |      | (17,435,806)    | (15,136,383)    |
| Retained surplus available for transfer to reserves                         |      | 2,433,234       | (2,131,663)     |
| Transfers (to)/from reserves for future capital funding purposes:           |      |                 |                 |
| Asset acquisition reserve   |      | (193,950)       | (202,763)       |
| Transport improvement reserve   |      | (17,277)        | (66,027)        |
| Fleet renewal reserve   |      | -               | -               |
| Sewerage improvement reserve  |      | (333,878)       | (435,119)       |
| Water improvement reserve   |      | (196,999)       | (144,274)       |
| Retained surplus/(deficiency) at end of financial year                      |      | 1,691,130       | (2,979,846)     |
| <b>28 Other reserves</b>  |      |                 |                 |
| <b>(a) Summary of reserves held for funding future capital expenditure:</b> |      |                 |                 |
| (i) Future capital works reserve  |      | 30,027,797      | 26,911,037      |
| (ii) Constrained works reserve  |      | 21,114,442      | 26,014,280      |
| (iii) Asset acquisition reserve   |      | 3,577,838       | 3,383,888       |
| (iv) Transport improvement reserve  |      | 251,256         | 233,979         |
| (v) Fleet renewal reserve   |      | -               | -               |
| (vi) Sewerage improvement reserve   |      | 4,924,837       | 6,009,642       |
| (vii) Water improvement reserve   |      | 3,133,095       | 2,936,096       |
|   |      | 63,029,265      | 65,488,922      |
| <b>(b) Movements in capital reserves are analysed as follows:</b>           |      |                 |                 |
| <b>(i) Future capital works reserve</b>                                     |      |                 |                 |
| Balance at beginning of financial year                                      |      | 26,911,037      | 15,005,957      |
| Transfer from retained surplus for future expenditure                       |      | -               | -               |
| Transfer from the capital account funds expended in the financial year      |      | 3,116,760       | 11,905,080      |
| Balance at the end of financial year  |      | 30,027,797      | 26,911,037      |
| <b>(ii) Constrained works reserve</b>                                       |      |                 |                 |
| Balance at beginning of financial year                                      |      | 26,014,280      | 22,342,891      |
| Transfer from retained surplus for future expenditure                       |      | 17,435,806      | 15,276,279      |
| Transfer to retained earnings   |      | -               | (139,896)       |
| Transfer to the capital account funds expended in the financial year        |      | (22,335,644)    | (11,464,994)    |
| Balance at the end of financial year  |      | 21,114,442      | 26,014,280      |

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

|  | Note | 30-Jun-12<br>\$  | 30-Jun-11<br>\$  |
|--|------|------------------|------------------|
| <b>28 Other reserves (Cont'd)</b>                                    |      |                  |                  |
| <b>(b) Movements in capital reserves are analysed as follows:</b>    |      |                  |                  |
| (iii) Asset acquisition reserve                                      |      |                  |                  |
| Balance at beginning of financial year                               |      | 3,383,888        | 3,591,621        |
| Transfer from retained surplus for future expenditure                |      | 193,950          | 202,763          |
| Transfer to the capital account funds expended in the financial year |      | -                | (410,496)        |
| Balance at the end of financial year                                 |      | <u>3,577,838</u> | <u>3,383,888</u> |
| (iv) Transport improvement reserve                                   |      |                  |                  |
| Balance at beginning of financial year                               |      | 233,979          | 167,952          |
| Transfer from retained surplus for future expenditure                |      | 17,277           | 66,027           |
| Transfer to the capital account funds expended in the financial year |      | -                | -                |
| Balance at the end of financial year                                 |      | <u>251,256</u>   | <u>233,979</u>   |
| (v) Fleet renewal reserve  |      |                  |                  |
| Balance at beginning of financial year                               |      | -                | 39,236           |
| Transfer from retained surplus for future expenditure                |      | -                | -                |
| Transfer to the capital account funds expended in the financial year |      | -                | (39,236)         |
| Balance at the end of financial year                                 |      | <u>-</u>         | <u>-</u>         |
| (vi) Sewerage improvement reserve                                    |      |                  |                  |
| Balance at beginning of financial year                               |      | 6,009,642        | 5,811,965        |
| Transfer from retained surplus for future expenditure                |      | 333,878          | 435,119          |
| Transfer to the capital account funds expended in the financial year |      | (1,418,683)      | (237,442)        |
| Balance at the end of financial year                                 |      | <u>4,924,837</u> | <u>6,009,642</u> |
| (vii) Water improvement reserve                                      |      |                  |                  |
| Balance at beginning of financial year                               |      | 2,936,096        | 2,791,822        |
| Transfer from retained surplus for future expenditure                |      | 196,999          | 144,274          |
| Transfer to the capital account funds expended in the financial year |      | -                | -                |
| Balance at the end of financial year                                 |      | <u>3,133,095</u> | <u>2,936,096</u> |

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

|  | Note | 30-Jun-12<br>\$  | 30-Jun-11<br>\$  |
|--|------|------------------|------------------|
| <b>29 Commitments for expenditure</b>  |      |                  |                  |
| <b>(a) Operating leases</b>  |      |                  |                  |
| Minimum lease payments in relation to non-cancellable operating leases are as follows: |      |                  |                  |
| Payable:   |      |                  |                  |
| Within one year  |      | 208,705          | 216,192          |
| One to five years  |      | 637,620          | 724,246          |
| Later than five years  |      | 838,563          | 968,206          |
|  |      | <u>1,684,888</u> | <u>1,908,644</u> |

Significant operating leases are held with the Department of Environment and Resource Management over land for the Finemore Caravan Park, Bargara Beach Caravan Park and Civic Arcade buildings. Lease payments are contingent on the average rental value over a three year period, as determined annually by the State.

There are no options under the current significant operating leases to renew, purchase or escalate the leases.

The lease for the Finemore Caravan Park must be used for the purpose of a caravan park.

The lease for the Bargara Caravan Park must be used for the purpose of a caravan park. There are a maximum of thirty five relocatable units allowed in designated areas and patrons are not permitted to stay longer than four months in any six month period in designated areas under the lease.

The lease for the Civic Arcade must be used for the purpose of a shopping arcade.

All other operating leases are not considered significant leases.

#### (b) Contractual commitments

Contractual commitments at balance date but not recognised in the financial statements are as follows:

|   |               |                |
|---|---------------|----------------|
| Garbage collection contract. Expires 3 October 2012 | <u>79,304</u> | <u>369,472</u> |
|   | 79,304        | 369,472        |

#### (c) Capital commitments

Commitment for the construction of the following assets contracted for at the reporting date but not recognised as liabilities are as follows:

|                               |                  |                  |
|-------------------------------|------------------|------------------|
| Property, plant and equipment | <u>6,303,546</u> | <u>1,349,645</u> |
|                               | 6,303,546        | 1,349,645        |

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

|   | Note | 30-Jun-12<br>\$ | 30-Jun-11<br>\$ |
|---|------|-----------------|-----------------|
| <b>30 Contingent liabilities</b>  |      |                 |                 |
| Details and estimates of maximum amounts of contingent liabilities are as follows:  |      |                 |                 |
| <p>Council is a defendant in a number of claims that arise as a result of the operations of Council. Council is of the opinion that the claims can be successfully defended and that no costs in excess of the recorded accruals will result. Information in respect of individual claims has not been disclosed in accordance with AASB137 <i>Provisions, Contingent Liabilities and Contingent Assets</i> on the basis that council considers such disclosures would seriously prejudice the outcome of the claims.</p>   |      |                 |                 |
| <u>Local Government Mutual</u>  |      |                 |                 |
| Council is a member of the local government mutual liability self-insurance pool, Queensland Local Government Mutual Liability Pool. In the event of the scheme being wound up or if 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 scheme members in the same proportion as their contribution is to the total scheme contributions, in respect to any year that a deficit arises. As at June 2011 the financial statements reported an accumulated surplus and it is not anticipated that any liability will arise. |      |                 |                 |
| <u>Local Government Workcare</u>  |      |                 |                 |
| Bundaberg Regional Council is a member of the Local Government Self-Insurance Scheme, Local Government Workcare. Under this scheme Council has provided a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled because of insufficient funds being available to cover outstanding liabilities. Only Local Government Workcare may call on any part of the guarantee should the above circumstances arise.  |      |                 |                 |
| Council's maximum exposure is:  |      | 2,393,028       | 2,313,070       |

### 31 Expected operating lease income

#### (a) Lease receipts

Future minimum lease payments are expected to be received in relation to non-cancellable operating leases

|   |                |                  |
|---|----------------|------------------|
| Not later than one year                           | 189,163        | 179,941          |
| Later than one year but not later than five years | 399,586        | 477,137          |
| Later than five years                             | 286,172        | 357,213          |
|   | <u>874,921</u> | <u>1,014,291</u> |

Council leases buildings, carparking sites, terminal space and land at the Bundaberg Regional Airport.

#### (b) Sub-Lease receipts

Future minimum lease payments are expected to be received in relation to non-cancellable sub-leases of operating leases

|   |                  |                  |
|---|------------------|------------------|
| Not later than one year                           | 183,405          | 190,913          |
| Later than one year but not later than five years | 766,514          | 753,177          |
| Later than five years                             | 1,667,915        | 1,864,657        |
|   | <u>2,617,834</u> | <u>2,808,747</u> |

Council subleases the Bargara Beach Caravan Park to an operator.



## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

|   | Note      | 30-Jun-12<br>\$ | 30-Jun-11<br>\$ |  |           |           |  |         |         |
|---|-----------|-----------------|-----------------|--|-----------|-----------|--|---------|---------|
| <b>32 Superannuation</b>  |           |                 |                 |  |           |           |  |         |         |
| <p>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.</p> <p>The Queensland Local Government Superannuation Board, the trustee of the scheme, advised that the local government superannuation scheme was a complying superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation.</p> <p>The 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 AASB119. Council has no liability to or interest in the ABF other than the payment of the statutory contributions as required by the <i>Local Government Act 2009</i>.</p> <p>The DBF is a defined benefit plan as defined in AASB119. 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 Council for its proportionate share of the defined benefit obligation, plan assets and costs.</p> <p>Any amount by which either fund is over or under funded would only affect future benefits and contributions to the DBF, and is not an asset or liability of Council. Accordingly there is not recognition in the financial statements of any over or under funding of the scheme.</p> <p>The audited general purpose financial statements of the Scheme as at 30 June 2011 (the most recent available) which was not subject to any audit qualification, indicates that the assets of the scheme are sufficient to meet the vested benefits.</p> <p>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.</p> <p>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 investments returns over salary increases or additional employer contributions.</p> <p>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 <i>Local Government Act 2009</i>, 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.</p> <p>The next actuarial investigation will be made as at 1 July 2012.</p> <p>The amount of superannuation contributions paid by Council to the Superannuation Fund in this period for the benefit of employees was:</p> <table><tr><td></td><td style="text-align: right;">5,832,120</td><td style="text-align: right;">5,468,737</td></tr></table> <p>Council also contributes to the scheme for the benefit of elected members. The amount of contributions paid for this benefit during the reporting period was:</p> <table><tr><td></td><td style="text-align: right;">112,209</td><td style="text-align: right;">116,220</td></tr></table> |           |                 |                 |  | 5,832,120 | 5,468,737 |  | 112,209 | 116,220 |
|   | 5,832,120 | 5,468,737       |                 |  |           |           |  |         |         |
|   | 112,209   | 116,220         |                 |  |           |           |  |         |         |

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

|  | Note | 30-Jun-12<br>\$     | 30-Jun-11<br>\$     |
|--|------|---------------------|---------------------|
| <b>33 Trust funds</b>  |      |                     |                     |
| Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities:   |      | 4,058,825           | 4,353,016           |
| <p>Council performs only a custodial role in respect of these monies, and because the monies cannot be used by Council, they are not brought to account in these financial statements.</p> |      |                     |                     |
| <b>34 Reconciliation of net result attributable to council to net cash flow from operating activities</b>  |      |                     |                     |
| Net result attributable to Council   |      | 33,296,825          | 27,483,551          |
| Non-cash operating items:  |      |                     |                     |
| Depreciation and amortisation  | 10   | 29,322,689          | 29,069,727          |
| Revaluation of investment property   | 6    | -                   | (57,099)            |
| Change in restoration provision to finance costs   | 23   | 227,481             | 252,465             |
| Current cost of developed land sold  | 16   | -                   | 70,426              |
|  |      | <u>29,550,170</u>   | <u>29,335,519</u>   |
| Investing and financing activities:  |      |                     |                     |
| Change in restoration provision  | 23   | (750,854)           | (409,460)           |
| Gain arising from recognition of assets not previously recognised  | 6    | (15,671,417)        | (6,590,736)         |
| Capital grants, subsidies, other contributions and donations   | 4    | (24,055,889)        | (25,808,550)        |
| Loss on disposal of non-current assets   | 12   | 12,637,074          | 7,623,494           |
|  |      | <u>(27,841,086)</u> | <u>(25,185,252)</u> |
| Changes in operating assets and liabilities:   |      |                     |                     |
| (Increase)/decrease in receivables   |      | 2,478,503           | (3,813,517)         |
| (Increase)/decrease in inventories   |      | (722,037)           | 26,794              |
| Increase/(decrease) in payables  |      | 2,878,760           | (448,233)           |
| Increase/(decrease) in other provisions  |      | 1,190,616           | 724,620             |
| Increase/(decrease) in other liabilities   |      | (19,886)            | (47,406)            |
|  |      | <u>5,805,956</u>    | <u>(3,557,742)</u>  |
| <b>Net cash inflow from operating activities</b>   |      | <u>40,811,865</u>   | <u>28,076,076</u>   |

## **BUNDABERG REGIONAL COUNCIL**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 30 June 2012**

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#### **35 Events after the reporting period**

##### **Carbon Pricing**

In 2011 the Australian Government introduced a Clean Energy Legislation package. One aspect of this legislation package, which may impact upon council directly and indirectly, is the introduction of a pricing mechanism for greenhouse gas emissions in the Australian economy.

The pricing mechanism commences on 1 July 2012 and sets a fixed price path for the first three years (\$23 per tonne of CO<sub>2</sub>-equivalent emissions adjusted in real terms by 2.5 percent per annum) before moving to a flexible price mechanism from 1 July 2015. It proposes a framework for setting a cap on greenhouse gas emissions by capping the number of carbon units available once the flexible price period commences, which can be adjusted over time to ensure that the government's reduction targets are met.

Council's technical staff, in conjunction with Queensland Treasury Corporation and industry experts, have calculated that emissions from the community's waste and landfill facilities will fall below the threshold for major emitters of carbon dioxide.

Council is planning to mitigate its possible future liability by installing a gas flaring system at both the Cedars Road and University Drive sites to dramatically reduce emissions from these landfill facilities. Council is hopeful this initiative will be cost neutral to the community. It is not expected that gate fees will be affected by this.

The impact resulting from the carbon dioxide tax on other areas of Council will be felt indirectly, through the increased costs of materials and services and increased electricity pricing. Major areas of electricity consumption include the treatment and pumping of water and sewerage and street lighting. Increased fuel pricing due to the carbon dioxide tax is also likely to impact on Council's cost of material and services and capital projects.

Council believes that the carbon pricing mechanism will result in an increase in asset valuations. The impact has not been determined, however Council will review its assets in 2013 to ensure they are recorded at fair value.

##### **Isis De-Amalgamation**

On 18 September 2012, the Local Government Minister announced that the former Isis Shire Council was successful in its bid to have its request for de-amalgamation from the Bundaberg Regional Council considered by the Queensland Boundaries Commission. The proposal will be assessed against a set of financial, social and economic criteria.

Should the Commissioner recommend in favour of the proposal, it will proceed to a local referendum which is expected at this stage to be held prior to 31 March 2013, to gauge whole-of-community support.

Should the poll be successful and the Minister for Local Government approves de-amalgamation, transitional work will be undertaken to prepare the proponent council and the Bundaberg Regional Council for de-amalgamation.

De-amalgamation will proceed on the basis of Isis Shire Council's 2008 pre-amalgamation local government boundaries. All costs will be the responsibility of the de-amalgamating council and not Bundaberg Regional Council. If successful the deamalgamation is expected to be undertaken in the 2013-14 financial year.

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

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#### 36 Financial instruments

Bundaberg Regional 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 Council. 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. Council does not invest in derivatives or other high risk investments.

When Council borrows, it only borrows from the Queensland Treasury Corporation. Borrowing by Council is constrained by the provisions of the *Statutory Bodies Financial Arrangements Act 1982*.

Bundaberg Regional Council measures risk exposure using a variety of methods as follows:

| <b>Risk exposure</b> | <b>Measurement method</b> |
|----------------------|---------------------------|
| Interest rate risk   | Sensitivity analysis      |
| Liquidity risk       | Maturity analysis         |
| Credit risk          | Ageing analysis           |

##### (i) Credit risk exposure

Credit risk exposure refers to the situation where 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, Council has the power to sell the property to recover any defaulted amounts. In effect this power protects Council against credit risk in the case of these debts.

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

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

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

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the gross carrying amount of those assets inclusive of any provisions for impairment. These are disclosed in Note 13 and 14. The maximum exposure to credit risk in relation to the bank guarantee provided to Local Government Workcare is disclosed in Note 30.

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

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

#### 36 Financial instruments (Cont'd)

##### Past due or impaired

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

Included within Council's receivable balance are debtors past due date for which Council has not provided against as there has been no significant change in credit quality and amounts are still considered recoverable.

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

|                  | Fully performing<br>\$ | Past due                |                     |                     |                    | Impaired<br>\$ | Total<br>\$ |
|------------------|------------------------|-------------------------|---------------------|---------------------|--------------------|----------------|-------------|
|                  |                        | Less than 30<br>days \$ | 31 to 60 days<br>\$ | 61 to 90 days<br>\$ | Over 90 days<br>\$ |                |             |
| 2012 Receivables | 3,727,269              | 672,940                 | 715,780             | 34,942              | 7,594,541          | 35,578         | 12,709,894  |
| 2011 Receivables | 7,689,000              | 396,605                 | 35,123              | 31,778              | 7,096,140          | 161,637        | 15,087,009  |

##### (ii) Liquidity risk

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

Council manages its exposure to liquidity risk by maintaining sufficient cash reserves to cater for unexpected volatility in cash flows.

The following table sets out the liquidity risk of financial liabilities held by Council in a format as it might be provided to management. The amounts disclosed in the maturity analysis represent the contractual undiscounted cash flows at balance date:

|                          | 0 to 1 year<br>\$ | 1 to 5 years<br>\$ | Over 5 years<br>\$ | Total<br>\$       |
|--------------------------|-------------------|--------------------|--------------------|-------------------|
| <b>2012</b>              |                   |                    |                    |                   |
| Trade and other payables | 10,156,921        | -                  | -                  | 10,156,921        |
| Loans - QTC              | 9,505,557         | 37,737,069         | 41,723,830         | 88,966,456        |
|                          | <u>19,662,478</u> | <u>37,737,069</u>  | <u>41,723,830</u>  | <u>99,123,377</u> |
| <b>2011</b>              |                   |                    |                    |                   |
| Trade and other payables | 6,708,428         | -                  | -                  | 6,708,428         |
| Loans - QTC              | 7,974,595         | 28,347,447         | 42,251,464         | 78,573,506        |
|                          | <u>14,683,023</u> | <u>28,347,447</u>  | <u>42,251,464</u>  | <u>85,281,934</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.

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

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#### 36 Financial instruments (Cont'd)

##### (iii) Interest rate risk

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

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

Council does not undertake any hedging of interest rate risk.

##### Interest rate sensitivity analysis

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

|                       | Net carrying amount |              | Profit    |           | Equity    |           |
|-----------------------|---------------------|--------------|-----------|-----------|-----------|-----------|
|                       | 2012                | 2011         | 2012      | 2011      | 2012      | 2011      |
|                       | \$                  | \$           | \$        | \$        | \$        | \$        |
| Financial assets      | 92,050,000          | 70,650,000   | 920,500   | 706,500   | 920,500   | 706,500   |
| Financial liabilities | (65,291,120)        | (54,679,860) | (652,911) | (546,799) | (652,911) | (546,799) |
| Net total             | 26,758,880          | 15,970,140   | 267,589   | 159,701   | 267,589   | 159,701   |

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

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#### 37 National competition policy

##### Significant Business Activities to which the Full Cost Pricing Model is applied

Section 43(4) of the *Local Government Act 2009* defines a significant business activity as a business activity of a local government that:

- (a) Is conducted in competition, or potential competition, with the private sector (including off-street parking, quarries, sporting facilities, for example); and
- (b) Meets the threshold prescribed under a regulation.

A review of the appropriate application of National Competition Policy (NCP) reforms across Bundaberg Regional Council has identified two business activities as having reached the expenditure threshold for recognition as financially significant Type 2 Business Activities. In accordance with section 9 of the *Local Government (Beneficial Enterprises and Business Activities) Regulation 2010* this threshold is \$11.8 million for Water and Sewerage activities and \$7.9 million for other activities.

Council's significant Type 2 Business Activities are:

- (a) Council's combined Water and Sewerage activities; and
- (b) Waste Management activities.

A Public Benefit Assessment was undertaken in accordance with the *Local Government Act 2009* which determine that the adoption of full cost pricing was the most appropriate business model to be applied to these activities.

##### Activities to which the code of competitive conduct is applied

Section 47 of the *Local Government Act 2009* requires that the code of competitive conduct (CCC) be applied to competitive roads business activities and building certification business activities.

A roads activity is a business activity that involves:

- (a) 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;
- (b) The submission of a competitive tender for construction or maintenance on the local government's roads which the local government has put out to tender, or called for by another local government.

A building certifying activity is a business activity that:

- (a) Involves performing building certifying functions (within the meaning of the *Building Act*, section 8); and
- (b) Is prescribed under a regulation.

Council may also apply the CCC to any other business activity, referred to as type three activities, which may be defined as:

- (a) Trading in goods or services to clients in competition with the private sector; or
- (b) 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 library services and any activity (or part thereof) prescribed by legislation.

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.

It is no longer proposed that the Other Roads activity be considered a 'competitive' business for the purposes of formally applying NCP reforms, given that it essentially provides an internal service to Council operations and meets the requirements of Main Roads under sole supplier arrangements. Furthermore, no competitive road works activity is deemed to exist given that Council does not competitively tender nor actively seek out private road works.

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 was to make a profit. 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 Council.

## BUNDABERG REGIONAL COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

#### 37 National competition policy (Cont'd)

The following table summarises the financial performance of Council's activities subject to competition reforms:

##### Financial performance of activities subject to competition reforms:

|   | Water Supply | Sewerage     | Waste Management |
|---|--------------|--------------|------------------|
|   | 2012         | 2012         | 2012             |
|   | \$           | \$           | \$               |
| Revenue for services provided to Council          | 906,728      | 336,233      | 234,252          |
| Revenue for services provided to external clients | 20,787,412   | 20,265,212   | 13,591,403       |
| Community service obligations                     | 219,576      | 375,001      | 1,838,093        |
|   | 21,913,716   | 20,976,446   | 15,663,748       |
| Less: Expenditure                                 | (13,525,125) | (13,181,183) | (13,593,711)     |
| Surplus/(deficiency)                              | 8,388,591    | 7,795,263    | 2,070,037        |

|   | Caravan Parks | Bundaberg Airport | Building Services |
|---|---------------|-------------------|-------------------|
|   | 2012          | 2012              | 2012              |
|   | \$            | \$                | \$                |
| Revenue for services provided to Council          | -             | -                 | -                 |
| Revenue for services provided to external clients | 2,386,556     | 2,003,135         | 230,156           |
| Community service obligations                     | -             | -                 | -                 |
|   | 2,386,556     | 2,003,135         | 230,156           |
| Less: Expenditure                                 | (2,035,493)   | (2,113,172)       | (653,290)         |
| Surplus/(deficiency)                              | 351,063       | (110,037)         | (423,134)         |

##### Description of CSO's provided to business activities

| Activities       | CSO description  | Actual    |
|------------------|--|-----------|
|                  |  | \$        |
| Water            | Provision of water allocations to unlicensed sporting clubs free of charge | \$85,807  |
|                  | Pension remissions   | \$133,769 |
| Sewerage         | Providing pedestal discount for community and aged care facilities         | \$208,397 |
|                  | Clearance of private sanitary drains                                       | \$10,510  |
|                  | Pension remissions   | \$156,094 |
| Waste Management | Provision of wheelie bins and waste disposal for Community Events          | \$21,860  |
|                  | Provision of wheelie bins and waste disposal for public spaces             | \$137,680 |
|                  | Unrecovered costs incurred in operating Rural Transfer Stations            | \$400,704 |
|                  | Waste disposal - internal liability of other Council departments           | \$962,017 |
|                  | Free waste disposal days   | \$46,696  |
|                  | Waste levy - internal liability of other Council departments               | \$123,572 |
|                  | Pension remissions   | \$145,564 |



**BUNDABERG REGIONAL COUNCIL**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 30 June 2012**

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**Management Certificate**

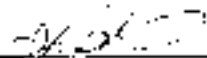
These general purpose financial statements have been prepared pursuant to Section 102 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* (the Regulation) and other prescribed requirements.

In accordance with Section 107 of the Regulation we certify that these general purpose financial statements:

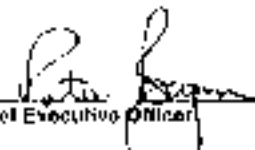
- (i) have been prepared in accordance with the relevant accounting documents; and
- (ii) accurately reflect the local government's financial performance and position for the financial year.

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 49, have been prepared in accordance with Australian accounting standards (including Australian Accounting Interpretations and other authoritative pronouncements issued by the Australian Accounting Standards Board) and
- (iii) the general purpose financial statements present a true and fair view of Council's financial position as at 30 June 2012 and of its financial performance and cash flows for the financial year ended on that date.

  
\_\_\_\_\_  
Mayor

Date 10 July 2012

  
\_\_\_\_\_  
Chief Executive Officer

Date 10 July 2012

## INDEPENDENT AUDITOR'S REPORT

To the Mayor of Bundaberg Regional Council

### Report on the Financial Report

I have audited the accompanying financial report of Bundaberg Regional Council, which comprises the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and certificates given by the Mayor and Chief Executive Officer.

#### *The Council's Responsibility for the Financial Report*

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

#### *Auditor's Responsibility*

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

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

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

#### *Independence*

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

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

#### Opinion

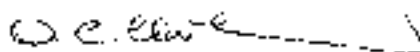
In accordance with s.40 of the Auditor-General Act 2009

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion -
  - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
  - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the financial performance and cash flows of Bundaberg Regional Council for the financial year 1 July 2011 to 30 June 2012 and of the financial position as at the end of that year

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

This auditor's report relates to the financial report of Bundaberg Regional Council for the year ended 30 June 2012. Where the financial report is included on Bundaberg Regional Council's website the Council is responsible for the integrity of Bundaberg Regional Council's website and I have not been engaged to report on the integrity of Bundaberg Regional 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 hyper-linked 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 prescription of the audited financial report in other electronic media including CD Rom.



O C CLARE FCPA  
(as Delegate of the Auditor-General of Queensland)



Queensland Audit Office  
Brisbane



FEEDBACK



towards  
**2031**

vibrant  
progressive  
connected  
sustainable

## Feedback

So we can better meet reader expectations in the future, Bundaberg Regional Council welcomes feedback on this Annual Report.

Firstly, which stakeholder group do you belong to?

|  |   |
|--|---|
| <input type="checkbox"/> Community member    | <input type="checkbox"/> Community group representative |
| <input type="checkbox"/> Employee of Council | <input type="checkbox"/> Non-government organisation    |
| <input type="checkbox"/> Government agency   | <input type="checkbox"/> Contractor / Supplier          |
| <input type="checkbox"/> Other Council       | <input type="checkbox"/> Media                          |
| <input type="checkbox"/> Other _____         |   |

In your opinion, how did the 2011/12 Annual Report rate in accordance with...

|                                  | Excellent | Good | Average | Limited | Poor |
|----------------------------------|-----------|------|---------|---------|------|
| Layout, design and functionality |           |      |         |         |      |
| Level of detail provided         |           |      |         |         |      |
| Range of information provided    |           |      |         |         |      |
| Usefulness of this report        |           |      |         |         |      |
| Summary of Council achievements  |           |      |         |         |      |
| Readability of Financials        |           |      |         |         |      |

What do you believe was the most interesting or relevant part(s) of the report?

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What do you believe was the least interesting or relevant part(s) of the report?

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Do you have any other comments you'd like to provide?

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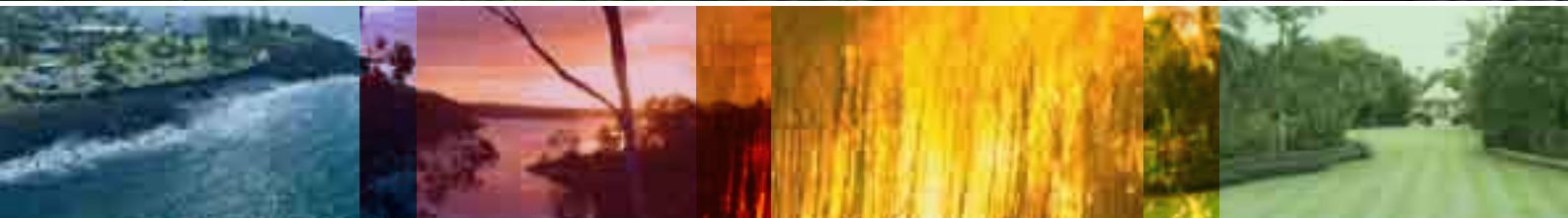
Would you like to provide us with your contact details so we can stay in touch? (OPTIONAL)

|                              |               |
|------------------------------|---------------|
| Name _____                   | Address _____ |
| Organisation _____           | _____         |
| Position (if relevant) _____ | _____         |
| Telephone _____              | Email _____   |

### Your Privacy and Personal Information

The voluntary supply of personal details on this form are being collected for the purposes of obtaining community input into the Annual Report. This form will be retained at Council's Offices, and will be stored in Council's electronic document management system. Further information about our approach to privacy is available by visiting [www.bundaberg.qld.gov.au](http://www.bundaberg.qld.gov.au).

Please pass on your comments - or request for additional copies of the report - to Council's Stakeholder Engagement team on 1300 883 699, email [communications@bundaberg.qld.gov.au](mailto:communications@bundaberg.qld.gov.au) or write to PO Box 3130, Bundaberg, Qld, 4670. Council's annual report is available online at: [www.bundaberg.qld.gov.au](http://www.bundaberg.qld.gov.au)



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