



# 2007/2008



## Wondai Shire COUNCIL ANNUAL REPORT



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### About Our Report

Council is proud to report our performance to our community in the 2007/2008 Annual Report. This Report had been produced entirely in-house and Council would like to take this opportunity to acknowledge the contributions made by staff. This Annual Report will be printed in-house and available on disc or to download from the website [www.southburnett.qld.gov.au](http://www.southburnett.qld.gov.au).

### End of an Era

Local government reform is bringing an end to our local government service spanning over 90 years and as a region our journey is taking on a new direction. Our 2007/2008 Annual Report reports on our performance from July 2007 to 15 March 2008 when Wondai Shire Council will merge with the Kingaroy, Nanango and Murgon Shire Councils to form the new South Burnett Regional Council. Although it is not mandatory for Queensland Local Governments to include all information displayed throughout our report, we felt it was beneficial both to our community and for historical purposes to compile as much information as possible for our last Annual Report.

### Target Audience

This Report is primarily produced for our community, however it also provides important information to others such as local businesses, non-government organisations, potential funding bodies and sponsors, and the State and Federal Government. The report highlights our performance, the challenges we have faced and the future initiatives we have planned. It also provides Council staff with a reflection on the working year, our progress and achievements and the valuable contribution they have made to the community and our shire.

### Feedback

Your comments and feedback on the content, structure and readability of our Annual Report is important to our organisation. Should you wish to comment on the new format please complete the Feedback form in the back of this report.

## WE ARE A SHIRE THAT VALUES **COMMUNITY SPIRIT**

By working together with residents and other Government Organisations, Wondai council is helping to create a great community in which to live and work.



**Welcome** to Wondai Shire Council's Annual Report for 2008/2008, in which we identify our performance and achievements for the past financial year. Our Report also identifies some of the challenges we faced and initiatives developed to meet these challenges.

Wondai Shire Council has long adhered to a mandate of organisational and reporting transparency, believing that accountability to its community is of vital importance to both Council and the residents of the Shire. This view is supported through the requirements of the Local Government Act, which places on Councils the obligation to report in detail on their performance over the term of 12 months.

This will be the final Annual Report produced by Wondai Shire Council in face of local government amalgamations on 15 March 2008. We are proud of the position that our community holds in the South Burnett region, and while we approach the merger of our Council with others in the South Burnett region with some sadness, we also look to future with a sense of excitement and anticipation of even greater things to come.





## Together Today,

On 17 April 2007, the State Government announced the Local Government Reform program in Queensland. The Queensland Government committed to allowing local councils to lead the change process, and the formation of a Local Transition Committee and appointment of an Interim Chief Executive Officer occurred in the latter part of 2007.

Wondai Shire Council has enjoyed excellent working relationships with other councils in the region, primarily through its membership of the South Burnett Local Government Association. Our community of interest has ensured that South Burnett councils work together for mutual benefit, and through the Size, Shape and Sustainability process, had considered resource-sharing opportunities.

As we approach local government elections on 15 March 2008, it is timely that we look back on our past of rich heritage and strong community identity, and be proud of our achievements. The future of the South Burnett region relies on the cooperation of our communities, on the innovation and vision of our council leaders and the continued dedication of our staff.

The merging of four shire councils into a single organisation marks the end of an era, and the establishment of a new local government authority, in the South Burnett Regional Council. The sadness associated with losing traditional shire borders is tempered by a sense of excitement as we prepare for the challenges ahead.

South Burnett Local Transition Committee  
Local Transition Committees (LTCs) were the body responsible for overseeing the local level change processes required to successfully transition existing councils to new councils in the lead up to the March 15 2008 local government elections.

Membership of the South Burnett LTC was as follows:

Cr Roger Nunn  
Cr Cheryl Dalton  
Cr Reg McCallum  
Cr Roslyn Gregor  
Cr Peter Angel  
Cr Raelene Dennis  
Cr David Carter (Chairman)  
Cr Wayne Kratzmann

Kingaroy Shire Council  
Kingaroy Shire Council  
Nanango Shire Council  
Nanango Shire Council  
Murgon Shire Council  
Murgon Shire Council  
Wondai Shire Council  
Wondai Shire Council

Mr Danny Reeves  
Ms Maree Duffy  
Mr Rohan Crotty

Australian Workers Union  
Australian Workers Union  
Queensland Council of  
Trade Unions

The Local Transition Committee's role was to transition existing Councils towards new arrangements up until the conclusion of the Local Government election on 15 March 2008. The South Burnett Local Transition Committee developed and agreed to a number of transition principles as follows:

- » Building future capacity
- » Maintain and improve existing services
- » Our people / staff are important
- » Each council and worksite is equally important
- » Working towards a shared vision
- » Red tape reduction
- » Community and staff engagement is important
- » Respect for communities and each other
- » Preserve communities identity and signature events
- » Our communities are important

The committee appointed Mr Shane Gray to the position of Interim CEO to manage the transition together with drafting and implementing the Transition Action Plan (TAP). The transition planning process commenced with the scope of identifying operational arrangements required to ensure operational capability and service delivery from the changeover day, and strategic priorities that may require interim consideration. The TAP was designed to provide a guide to ensuring business as usual at the conclusion of the election.

Staff working groups have mapped key information and identified the actions necessary to achieve the required and recommended key deliverable as required by the Local Government Reform Transition Action Plan guidelines. The substantial amount of data collected by the working groups has created a framework for the executive team of the South Burnett Regional Council to transition to a shared vision of one Council, one region, building on valued traditions.

for a **STRONGER TOMORROW...**





The Wondai Shire lies at the geographic and business heart of the South Burnett. Wondai is located 240 km north west of Brisbane on the Bunya Highway.

## About WONDAL

### Our Elected Council

Our Mayor and nine Councillors, are elected for four year terms. Meetings are held on the every third Wednesday.

### Our Budget

In 2007-2008 the Council's operating budget totalled \$6.7 million, with a capital budget of \$1million.

	2007-08
Assets	\$90 million
Revenue	\$7.8 million
Expenditure	\$6.7 million
Depreciation	\$2 million
Reserves	\$1.4 million

### Our History

Wienholt Shire was constituted from the shires of Kilkivan, Nanango, Rawbelle and Wambo with Wondai as its centre in 1910. Wienholt Shires name changed to Wondai shire in 1914. In the same year the number one division of Wienholt Shire was annexed into Murgon. The new Wondai Shire was now an area of 1370 square miles.

### Our Staff

Wondai Shire Council employed ?? personnel in 2007-2008 including nine elected representatives.

	2007-08	2006-07
Elected Representatives	10	10
Administrative Staff	16	15
Depot & Outdoor Staff	41	43

### Our Volunteers

Volunteers contribute enormously to the success of various functions of Council. Without their generosity, our range of services offered in these areas would be limited and we offer our thanks for their community spirit. Council have volunteers contributing to the operations of the Visitor Information Centre, State Emergency Services and Library services.

### Significant Legislation in Local Government

Council must comply with a great deal of legislation, all of which is aimed at providing better corporate governance outcomes for the community. These include:

- » Local government Act 1993 (Queensland)
- » Freedom of Information Act
- » Crime and Misconduct Act
- » Judicial Review Act
- » Public Sector Ethics Act
- » Trade Practices Act
- » Environmental Protection Act
- » Integrated Planning Act
- » Transport Infrastructure Amendment Act
- » Health Act
- » Food Act and Regulations
- » Dangerous Goods (Safety Management) Act and Regulations
- » Land Protection (Pest and Stock Route Management) Act







# MAYORS MESSAGE



This will be the last Annual Report of the Wondai Shire Council. Amalgamation has seen our shire combined with those of Nanango, Kingaroy and Murgon into a new South Burnett Regional Council.

Wondai Shire has much to be proud of and I believe that its Councils over the years have served the region very well. By working together with residents and other government organisations, Wondai Council has helped create a great community in which to live and work.

The illustrious history of our shire has been encapsulated in the two volumes, "Heartbreak, Hope and Harmony", researched and compiled by Dr Tony Matthews and launched prior to the local government elections in March 2008. A competition was held, in conjunction with the Wondai Art Gallery, to produce the front and back covers for this publication and the finished product is certainly a fitting memento of our shire's past.

Over \$1 million was allocated in the budget for capital works on Council roads, including a \$407,000 grant from the Australian Government under the Auslink Roads to Recovery program. The new wheelie bin service has been well received. Major plant replacements and improvements to meet our workplace health and safety requirements have been implemented. The Industrial Estate has continued to grow. These initiatives are indicative of a strong, focused Council ready to face the challenges of the future.

Following a sod-turning ceremony in March 2008, construction of the Proston Community Hall is underway, with an estimated completion date of October/ November 2008. This is another example of Council and community working together, with the people of Proston continuing to fund raise to outfit the completed hall.

Council has continued to encourage and participate in the development of cultural activities and community services and the provision and maintenance of parks, sporting and recreation facilities. Financial and in-kind support continued for the Art Gallery, Heritage Museum, Timber Museum and Boondooma Homestead. The Homestead provided a magnificent setting for part of this year's Australia Day celebrations. Council maintained its support of community groups and signature events such as the Wondai Garden Expo and Boondooma Fishing Competition.

Tourism too has been a focus, with Wondai leading the way in South Burnett participation at Country Week, held at the Brisbane Convention Centre in July 2007. Visitors were keen to find out more about the area and its facilities. Lake Boondooma continues to attract large

numbers of visitors with considerable interest shown in the residential allotments for sale there. The 2007 Fraser Coast South Burnett Tourism Awards for Excellence were held in Wondai, with local enterprises, including the Timber Museum, receiving awards.

The Council workforce deserves special mention. Despite the increased work load and added pressures imposed by amalgamation, they have continued to provide first class service and assistance to the residents. Council often receives letters, emails and phone calls commenting on their cooperative and positive actions and I wish to personally thank them for their dedication and support. I must also acknowledge and pay tribute to our wonderful volunteers who are an integral part of our organisation. Together, we make a great team!

As we look forward to the future as part of the amalgamated South Burnett Regional Council, we can be proud of what the Wondai Shire has achieved and the contribution made to this new entity.

David Carter  
Mayor

Wondai Shire has much to be proud of and  
I believe that its Councils over the years  
have served the region very well.





# CHIEF EXECUTIVE OFFICER'S REPORT

The amalgamation of Wondai Shire Council on the 15 March 2008, with Murgon, Kingaroy and Nanango Shire Councils, means that this will be the last annual report for Wondai Shire Council.

The resignation of Council's Chief Executive Officer Peter O'May in early January, to take up a position as CEO at Boulia gave me the opportunity to act as the Chief Executive Officer for Wondai Shire Council up until the amalgamation occurred in March 2008. I feel very privileged to have been the last CEO for Wondai Shire Council (albeit in an acting capacity) and to be able to write the last Chief Executive Officer's report.

The time leading up to the amalgamation was not an easy one for our community. The general community made their feelings known to the State Government by voting resoundingly against the amalgamation of our Council. The result of voting for Wondai Shire was 166 for and 2006 against amalgamating with other Council areas

Staff also joined the fight against amalgamations by participating in the 'Bleeding the bush' protest day held in late June 2007. Staff have had the unenviable task of having to work towards making sure the amalgamation works whilst still protesting against the forced nature of the amalgamation. Their professional approach to this process is to be commended.

This year also marked the end of another era with the retirement of Council's Engineer Ashley Knight. Ashley's dedication and commitment to the residents of the Shire was second to none and his expertise and approach to his work has been sadly missed since he finished on 21 December 2007.

Other long serving staff who finished their careers with Council this year include Geoff Dennien ( 27 Years) and Alan Trunks, (11 Years). With a combined service of over 38 years, Geoff and Alan's contribution to the community are evident by the way our gravel quarry was run and in the wonderful presentation of our parks and gardens. Another major project commenced this year was the construction of the Proston Hall. Again this project has been a couple of years in the planning and with final completion scheduled for December 2008, it will provide a valuable asset to the residents of Proston and the broader South Burnett Regional community.

Another achievement this year was the launch of the story of Wondai Shire – Heartbreak, Hope and Harm Another achievement this year was the launch of the history of

Wondai Shire – Heartbreak, Hope and Harmony. The writing of this book by Dr Tony Matthews, has been a two year project and culminated in a gala launch on 13 March 2008, just two days before the amalgamation occurred. Who would have predicted when the history project was commissioned, that it would indeed be the full history, including the end of the Wondai Shire as we knew it!

To all staff, both past and present, thank you for your contribution in making Wondai Shire such a great place to work live and play. To those present staff, you are in a position to ensure that as we move into a new era for local government, that the values and beliefs we hold in the Wondai Shire can be upheld in the newly created Council. I wish you all well in the newly created South Burnett Regional Shire.

Eleanor Sharpe  
Acting Chief Executive Officer

*As we move into a new era for local government, the values and beliefs we hold in the Wondai Shire can be upheld in the newly created Council.*

## What we have ACHIEVED

- ✓ Launch of the Wondai Shire History Book, 'Heartbreak, Hope and Harm' written by Dr Tony Matthews at a Gala Lunch on 13 March 2008.
- ✓ Water Quality Monitoring Program funding application with BMRG successful
- ✓ Continued joint project work on aquatic weed control within Barambaah Creek in conjunction with Murgon Shire Council and Burnett Catchment Care Association
- ✓ Commenced development of a new Sport and Recreation Plan
- ✓ Commenced construction of a new Community Hall at Proston.
- ✓ Concept plan for Stage 3 Wondai Industrial Estate under consideration.
- ✓ Attended the Country Week Expo to promote Wondai shire.
- ✓ Timber Museum won the Regional Attraction Award at the 2007 Fraser Coast South Burnett Tourism Awards.
- ✓ Boondooma Homestead Committee received an honourable mention in the Regional Festivals and Special Events category at the 2007 Fraser Coast South Burnett Tourism Awards.
- ✓ Commenced preparation of a System Leakage Management Plan and a Drought Management Plan.
- ✓ Financial statements audited unqualified by the Auditor General, Queensland Audit Office.
- ✓ Changeover to new finance software Practical Computer Systems completed.

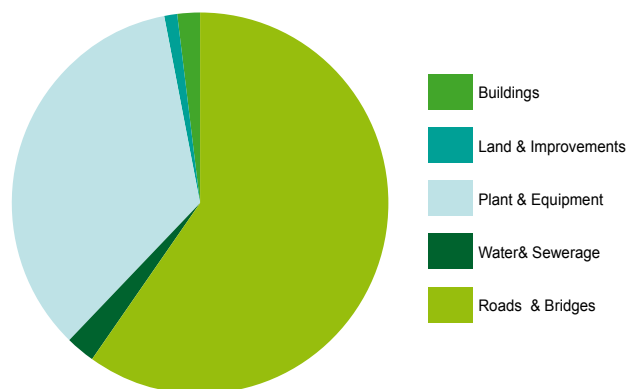
At a GLANCE

## Our Financial SNAPSHOT

With the announcement of amalgamations commencing on the 15 March the financial statements contained in this report are only for the period 1 July 2007 to 14 March 2008 and therefore not a normal twelve month financial reporting year. Due to the shorter financial reporting period for 2007/08, the comparative financial information provided throughout this report will be slightly distorted.

	07/08 \$	06/07 \$
Operating Revenue	6,102,783	8,178,985
Capital Revenue	439,072	676,809
Operating Expenditure	5,826,356	8,734,004
Capital Expenditure	1,094,990	3,145,321
Net Results from Ordinary Activities	715,499	121,790
Total Assets	82,106,938	81,912,638
Total Liabilities	1,979,604	2,500,979
Total Equity	80,127,334	79,411,659
Cash Balances	3,332,015	2,592,078
Depreciation	1,672,785	2,539,248
Reserves	1,678,773	1,678,773
Debt Balances	1,452,335	1,669,387

### Capital Works Projects 2007/08







OUR SHIRE



## At a Glance



## About WONDAL SHIRE

### Demographics:

Shire Population:	4,399
Shire Area:	3,574 sq. km
People of Indigenous Origin:	181
Birthplace of Respondents:	3,822 Australian born
English as only language at home:	4,142
Median Weekly Household Income:	\$500 - \$649

\*Source: Australian Bureau of Statistics

Wondai is located 240km northwest of Brisbane on the Bunya Highway and is 160km from the Sunshine Coast.

The Wondai Shire lies at the geographic and business heart of the South Burnett, a substantial industrial and agricultural region in South East Queensland. The Shire's economy is dominated by agriculture and timber, though it now has a growing tourism sector.

The South Burnett's Regional Economic Development Strategy identified Wondai as a residential area for neighboring Kingaroy and as a local primary industry service area.

The Shire is well serviced by sporting facilities including golf courses, tennis courts, rifle range, squash courts, lawn bowling rinks, sporting ovals for cricket, soccer and rugby league and swimming pools.

Boondooma Dam, located within the Wondai Shire approximately three hours from Brisbane, provides a great tourist destination with camping and recreation activities.

1902	The release of the Local Government Act.
1905	In October the Wondai Farmers Progress Association was formed and from this association a New Shire Committee was elected. This Committee succeeded in obtaining gazettal of the Wondai area as a third division of the Kilkivan Shire.
1910	Wienholt Shire was constituted from the shires of Kilkivan, Nanango, Rawbelle and Wambo with Wondai as its centre. The first elections were held on 28 January, 1910.
1910	Wienholt Shire held its first meeting of the council in Hodge's Hall, Wondai.
1914	Wienholt Shire's name was changed to Wondai Shire, from a choice of Mondure or Wondai. In the same year the Number One Division of Wienholt Shire was annexed into Murgon Shire. The last meeting of Wienholt Shire Council took place on 29 July 1914 with the new Wondai Shire now an area of 1370 square miles.
1927	All shire divisional boundaries and amalgamation in Queensland was being considered by the Royal Commission who met in Kingaroy on the 26 July. Cr. JA Less, Mr John Darley and Cr. WE Houston were among members who provided evidence and objected to the amalgamation of shires.
1936	The new Local Government Authorities Act was gazetted.
1946	Councillors from the Shire Councils of Wondai, Nanango, Kingaroy and Murgon attended the first meeting of the South Burnett Local Authorities Association, in Nanango.
2006	The Size, Shape and Sustainability process, aimed at streamlining local government commenced across Queensland.
2007	On the 17 April State Government announced a program of Local Government Reform in Queensland.
2007	On the 27 July the Local Government Reform Commission announced recommendations to the Minister for Local Government, Planning and Sport on the name, class, boundary and electoral arrangements for each new local government.
2007	On the 27 July, 2007 the Local Government Reform Commission announced recommendations to the Minister of Local Government, Planning and Sport on the name, class, boundary and electoral arrangements for each new local government.
2007	Parliament resolved new local government areas in August.
2007	The South Burnett Regional Council Local Government Local Transition Committee was established to guide reforms and in September, Mr Shane Gray was appointed as the Interim Chief Executive Officer to manage the amalgamation process.
2008	On the 15 March Queenslanders will vote at the Local Government elections.
2008	As of 15 March, transition to South Burnett Regional Council commences.



# Our Rich HISTORY

The Wondai Shire area was first administered by the Barambah Divisional Board in 1879. From 1888 three other governing bodies, namely Kilkivan Divisional Board, Kilkivan Shire Council, and the Wienholt Shire Council, were responsible for the administration of the area now covered by the Wondai Shire. The original area of the Wienholt Shire was reduced by areas being excised for the Kingaroy Shire in 1912 and the creation of the Murgon Shire in 1914.

On the 1st August 1914, an Order in Council was made altering the name of the Shire of Wienholt to the Shire of Wondai. These are our communities stories....

## Wondai Hospital

The Wondai hospital was built with funds raised and arranged through the Weavers Group, the predecessor's of the Ladies Auxiliary. Together they raised monies and provided the hospital with linen and a variety of other necessities. It was officially opened in March 1915 by Governor of Queensland, Sir Hamilton Johan Goold-Adams, a modest building with 14 available beds and a staff of four including the first medical officer Dr. McQueen, Matron Atherton, a nurse and a probationer.

People were very appreciative of the medical aid that was available at the Wondai hospital, this is evident from the committees monthly report of January 1926 which had recorded that Wondai and district residents had donated a lot of produce to the hospital including onions, tomatoes, beans, vegetables, fowls, cream, parsley, jam and eggs. By February 1926 the hospital committee had decided to build a new ward as they had received many monetary donations and produce at this time.

By 1930 the hospital had grown to a remarkable extent, situated on the highest part of the town, the grounds took up 6 acres with separate nurses quarters. The building incorporated eight private wards, two men's wards, a general and a women's ward. The equipment had been improved and the staff now included 2 sisters, 4 nurses, a domestic staff of 5 and was managed by Dr. HA Sundstrup and Matron M Drinkwater. Daily the average number of patients treated was around 22, with 28 beds available for use. The hospital however could accommodate 40 patients if an emergency occurred.

The Wondai Hospital celebrated its jubilee on 2 April, 1966, (a year late) and past patients and staff recalled its early years as a 14 bed institution that had grown to 110 beds more than fifty years later. Mr Phillips of

Maryborough was a guest of honour, as a small child he had been kicked by a horse and subsequently admitted to the new institution being the first patient of the Wondai Hospital.

## Boondooma Station

Weathered by time and wind, the Station homestead still stands today, a rather neglected relic of its former glory. In the front yard there is a lone grave, that of a Scottish station manager named George Munro who died there in 1895.

The original Boondooma homestead was erected about 1850 and was destroyed in a wind storm in 1923. In addition to the stone house which still stands today, two homesteads were built, the main builder was a German migrant by the name of Moules. The homestead roofs were covered with a recorded 25,000 split wooden shingles, built side by side with a common detached kitchen, connected to the dining room by a covered way. Some of the outbuildings that would have been built at this time would have included the meat-house, dairy, post office and jail.

The station employed labourers from various nationalities and functioned profitably for most of its years.

## Mr Boynton's Cafeteria

Mr GTM Boynton opened the first cafeteria in Proston and this was the town's sole supplier of electricity until 1956 when the system was superseded by the Wide-Bay Electricity Board.

Long time Brigooda resident George Rankin could recall patrons being able to purchase a three course meal for just 1/6d or tea and sandwiches for 9d at the cafeteria. It has also been reported that Mr Boynton later constructed a garage, a movie theatre and many other buildings in the heart of Proston, installing electric lighting in Miss Gray's cafe, the post office, garage and the butchery premises of Mr J French.

This supply was later extended to serve a wider section of the community and three years later, the press had claimed 'Mr GTM Boynton is installing two 70 hp Lister engines on his property opposite the post office. He had obtained permission to supply electric current within a radius of 300 yards of his engines'. He played a large role in the establishment of the region and in the growth of the Proston community.





CORPORATE GOVERNANCE



# What is CORPORATE GOVERNANCE

Corporate Governance is the way Wondai Shire Council is managed and directed. It is how Council ensures it is working effectively for all our stakeholders.

Corporate Governance includes the practices, processes and controls that Council adopts to protect and promote the interests of our ratepayers.

For Wondai Shire Council, this means having:

- » a supportive management environment;
- » strong leadership;
- » effective risk management processes; and
- » proper accountability, evaluation and monitoring of our performance.

## A Supporting Management Environment

### **Planning**

The Corporate Plan 2004-08 guides all Council's actions. The Corporate Plan is developed with Council's Vision and Goal as the focus of what we want to achieve.

Each year, Council develops an Operational Plan that shows in detail those particular goals Council is focusing on in that 12 month period.

Both the Corporate and Operational Plans are available on Council's website.

The Council's yearly budget is linked directly to the goals and strategies developed in the Operational Plan. Council tables a preliminary budget in April/May each year for the next financial year. A finalised budget is then tabled in July.

## Strong Leadership

### **The Chief Executive Officer**

Alan Keates OAM was replaced after 42 years of service by Peter O'May who was previously the Manager of Corporate and Community Services.

The CEO is supported in his role by various levels of management. After each Council Meeting, middle and senior management meet to discuss the progression of the goals in the current Operational Plan.

The senior management team for 2006/07 is shown in the organisation structure chart below.

### **Councillors**

Under the Local Government Act 1993, councillors are responsible for representing the overall public interest of the shire. They decide the overall vision of Council and subsequently the goals of Council, which then govern the type of facilities and services Council provides for our ratepayers. Details of our current Councillors can be found on page 18.

### **Staff**

As the most important resource in any business, Council is committed to ensuring our workforce are provided with appropriate training to ensure they are able to perform their duties safely and to a high standard. All new staff undertake a general induction program when they commence work, as well as the construction safety induction course if they are required to work in this area.

All employees of Council are bound by our Code of Conduct. This document is provided to all employees during their induction and is a statement of principles to guide employees' behaviour.

Council and employees have worked collaboratively as part of the enterprise bargaining process to improve productivity and efficiencies in the workplace. Details of our current workforce can be found on page ???.

## Effective Risk Management Processes

### **Disaster Management**

Council has developed a new Natural Disaster Mitigation Plan, which identifies potential risks and implements steps to prevent or minimise disasters actually occurring (eg ensure new developments are not built in flood prone areas).

A Local Disaster Management Plan is being developed in conjunction with other councils in the South Burnett. It will provide guidance in being prepared for and managing a disaster after it occurs (eg bush fires or severe storms).

Council has also developed a Strategic Information Technology Plan which details what needs to be done in the event of a disaster within the council chambers (eg fire). This ensures that disruptions as a result of a disaster are minimised.

### **Health and Safety**

Council is a member of Local Government Workcare, which is a self insurance scheme for workers' compensation claims. As a requirement of this scheme, Council has implemented a Health and Safety Management System called "Safe Plan".

Council is also upgrading a number of our work locations to ensure the requirements of the Workplace Health and Safety Act are met.

Council currently employs a part-time Workplace Health and Safety Officer.

### **Financial Risk**

Council is required to insure its assets in accordance with the Local Government Act 1993.

An Accounting Manual and Purchasing Policy have been developed to guide staff in the performance of their jobs. Financial Reports are also provided monthly to Council and detail our financial position and performance against projected budgets. Council is also audited once a year, with this year's auditors being the Queensland Audit Office.

## Proper Accountability, Evaluation and Monitoring of our Performance

### Reporting

A report showing our performance against the goals in our Operational Plan is provided to Council on a quarterly basis. In addition, financial reports are tabled at council meetings each month.

An Annual Report (this document) is produced yearly to show the community and other stakeholders how we have performed against our goals and objectives in the Corporate and Operational Plans.

### Quality Assurance

Council is also a Quality Assured Supplier, meeting the standards required by AS/NZS ISO 9002:1994 for all road works.

### Registers and Delegations

The Chief Executive Officer maintains a register of personal interest for all councillors and senior officers. The Chief Executive Officer is also responsible for delegating authority to staff and maintaining a register of this delegation.



Council's **VISION** is to build a better community by working in partnership with residents and regional organisations of Local, State and Federal Governments.

Council's **GOAL** is to support the sustainable development of Wondai Shire's economy, which will encourage business opportunities and employment.

Council's **VALUES** are leadership, communication, teamwork, achieving the vision, quality service, innovation and equity.





WORKING TOGETHER



### Cr David Carter - Mayor

Cr David Carter is married with 2 children and lives at Boondooma in the west of the Shire. He's a duboisia grower and director of his own family company. He was elected to Council in 1994, became Deputy Mayor in 1995 and was elected Mayor in 2004. He's key interests include the economic and social development of the Shire and has a keen interest in many organisations that cover not only Wondai Shire but also the wider Burnett region. Roads are of major importance to our rural community and David supports the continued need to upgrade this essential infrastructure. David is Chairman of the Burnett Inland Economic Development Organisation and was instrumental in the creation and operation of Burnett.net.au, the region's community-based Internet Service Provider. He's the chairman of the Burnett Inland Information Technology Strategy, Chairman of the Boondooma Co-op, Chairman of Boondooma Water Board and is a member of numerous committees in the Shire. Achieving outcomes is very important to David and he's been very committed to the responsibilities and projects that Council has seen as important.

## Our COUNCILLORS



### Cr Wayne Kratzmann - Deputy Mayor

Wayne was elected to Council at the March 2004 elections and elected Deputy Mayor the same year. Until 2002 he formerly worked as Wondai Shire Council's Deputy CEO, but left to pursue interests in hospitality and mass media. Today he is chairman of the Crow-FM radio broadcasting network (which is headquartered in Wondai but provides coverage across most of the South Burnett) and owner of the historic Tingoora Hotel, a well-known Wondai Shire tourist attraction. Because of his long involvement with Council, Wayne has an extensive knowledge of local government issues facing the Shire and its residents. He also has a keen interest in the growth and expansion of the Shire's tourism industry.



### Cr Maureen (Trish) Bird

Maureen Patricia Bird (known as "Trish") was born in 1950. Her husband Malcolm's family have farmed in the Cushnie-Tingoora area for many years. Malcolm's brother Des and his grandfather were both Wondai Shire Councillors. Trish has 3 children and most of her community work has been focussed around her children's activities. She was president of the Wondai Kindergarten; Secretary, Vice President and President of the Tingoora P & C Association; and Secretary and President of the Cushnie-Tingoora-Wondai Bus Conveyance Committee. She's also been a Sunday School teacher and has helped out at the Tingoora State School with reading and maths. She now does tuckshop at Wondai State School. Trish has previously worked at Meals on Wheels and now works as a volunteer at the Wondai Shire Art Gallery. Trish has always been interested in her local area and hopes to be known as a friendly and approachable Councillor who listens to people and does her best for the community.



### Cr Kathy Duff

Kathy was elected to Wondai Shire Council in March 2004. She's lived in the Shire all her life and is a fourth generation grazier. She's Company Secretary/Director for JP Duff and Sons on the property known as "Di Di" as well as running her own cattle business. "Di Di" was an outstation of the historic Boondooma Homestead and her grandfather - who also served as a Councillor for the Shire - selected the property in 1916. Kathy is also President of the Proston Sports Reserve Committee and has been Secretary of the Proston Golden Spurs Campdraft Committee for 13 years. She works on the Proston Show Society in the Beef Section and runs the Campdraft and Challenge events. In addition to these things, she's also a member of the South Burnett Stock Horse Society and judges hacks at the local show. Her hobbies include silver-smithing, tennis and campdrafting. She's the Boondooma Homestead Council representative and also on Council's Sports and Recreation Committee. Kathy sees her Council role as making people's lives better by focusing on grass-root issues, listening to the people and concentrating on basic needs and services.



### Cr Paul Fletcher

Paul was born in Kingaroy in 1957 and attended Proston State School. After leaving school he worked on the family property before joining the Queensland Police Service for approximately 3 years. He then returned to the family property situated 20 kms west of Proston. He and his wife Kaye operate a cattle breeding and fattening enterprise on their properties in the area in conjunction with their children. Paul has been involved with the Proston P&C Association, Proston Rodeo Committee, Proston Neighbourhood Watch and School Bus Conveyance Committees. He's interested in the economic and social development of the Shire and believes the upgrading of the Shire's roads should be something the Council has as a priority. This will also benefit the growth of tourism within our Shire as we have many unique attractions for visitors to see.



### **Cr Gil Smith**

Cr Gil Smith was elected to Wondai Shire Council on the 8 June, 1995. He attended Primary School at Wondai State School until grade 8 where he went on to complete his senior schooling at Kingaroy State High School. He has three children and proudly contributes to numerous community organisations including the current President of the Wondai AP & I Society Inc, the Wondai Branch of Liberal National Party (LNP) and patron of Wondai Kindergarten since 2000. He continues to participate in a number of other community organisations and is licenced as a general and house building inspector.



### **Cr Robert (Bob) Mitchell**

Bob, a retired teacher, is the Wondai-Mt. McEuen mail contractor. He chose to make his home in Wondai with his wife and their two children in 1983, and has taken an active interest in the Shire since then by becoming involved in a number of community organizations. Having chosen Wondai as a place to live, he's keen to see that - as the Shire develops - the infrastructure and services will improve and that residents will continue to enjoy the lifestyle to which they've become accustomed. Bob has a keen interest in tourism and a strong belief in the benefits that it can bring to a community. When he's not involved with Council work, Bob helps operate the award-winning Dimities Cottage restaurant in central Wondai.



### **Cr Kevin Polzin**



### **Cr Peter Seiler**

Peter has been living at Boondooma in the west of the Wondai Shire all his life. The family property "Killara". Has been a cattle/crops/pasture seed family business since 1918. Peter is married to Lynnelle and they have three sons and one daughter. Peter has always been heavily involved in community organisations such as P & C, Hall Committee and Burrandowan Campdraft. He's also been President of Leichhardt House, a student hostel for remote area high school students for 11 years. He's committed to seeing the Shire progress and is particularly keen to see that the interests of all residents from the whole Shire are catered for.

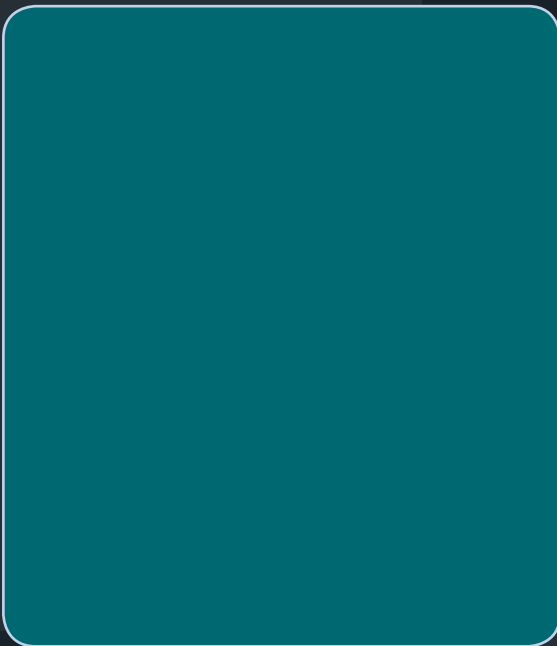
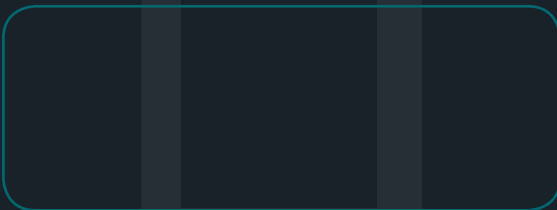


### **Cr Gregory Boyle**

Cr Gregory Boyle was born in Nambour and educated in Brisbane. For the last 31 years he has been farming at Mondure. He is a Director of his own company, Boyle Country Pty Ltd and operates an irrigated agricultural farm. He has been a member of the Mondure State Schools P & C Association, chairman of the schools Diamond Jubilee celebrations and member of the Murgon Rotary Club. Cr Boyle has an extensive knowledge of the topography of the shire.







OUR PERFORMANCE



# Our PERFORMANCE REVIEW

The following section highlights our performance and achievements for the 2007/08 financial year. Each section reports directly against our Corporate Plan detailing our goals, strategies and outcomes for this year and our plans for the future.

Our Performance Review demonstrates our commitment to transparency, honest disclosure and good governance, ultimately informing readers and our community of our activities, achievements and challenges throughout the 2007/08 year.

## Program Reports

The Corporate Plan is the document that drives Council. There are seven programs in our Corporate Plan. They are:

- » Environmental Management and Health Services
- » Cultural, Community, Sport and Recreation
- » Economic Development and Tourism
- » Engineering
- » Town Planning and Development
- » Water and Waste Water Management
- » Corporate Services

## How it all fits together





# Environmental Management & Health Services

*Goal: To provide a range of environmental health services to the residents of the Wondai Shire which are of high quality relevant to hanging community needs and expectations.*

## Public Health

### STRATEGIES FOR THIS YEAR

- Continue to produce articles for inclusion in the Barambah Bulletin.
- Undertake monthly water samples at Ficks Crossing and Stuart River to support Burnett Mary Regional Group (BMRG) catchment data collection.
- Continue to monitor the quality of reticulated water.
- Continue to undertake inspections as required to meet requirements under any applicable legislation.
- Continue to undertake maintenance as necessary and monitor any feedback received from clients at major public facilities.

### OUTCOMES FOR THIS YEAR

- A combined quarterly South Burnett Food Newsletter was sent out to all food businesses in the Shire.
- Articles were submitted to and published in the Barambah Bulletin regarding Pest Weeds, Animal Control and Waste Management.
- Monitoring of water quality confirms that supply continues to comply with relevant standards.
- Maintenance on public facilities was undertaken when necessary. Feedback from the community and public indicated that facilities were maintained at a very high standard.
- Food, Dangerous Goods and Environmentally Relevant Activity inspections were undertaken to ensure compliance with current legislation.
- A Water Quality Monitoring Program that Council submitted to BMRG for funding was approved.

## Animal and Pest Management

### STRATEGIES FOR THIS YEAR

- Reviews to be undertaken on the Pest Management Plan.
- Maintenance of animal control in accordance with local laws.
- Undertake a dog registration survey program in the township areas of Wondai, Proston, Tingoora, Mondure and Hivesville.
- Provide funding and in kind support to coordinate a South Burnett Aquatic Weed Management Program.

### OUTCOMES FOR THIS YEAR

- Council worked in conjunction with Murgon Shire Council and Burnett Catchment Care Association to continue aquatic weed control within Barambah Creek.
- Council implemented charges required under the Land Protection (Pest and Stock Route Management) Act 2002 for stock agistment and stock travel permits.

- Two quadrants have been sprayed at the African Boxthorn trial site on Eric Radunz's property in Tingoora. Quadrants for the African Lovegrass project have been mapped out at the Dulong landfill.
- New software for recording dog registration and overgrown land data in the field was purchased for the two existing PDA's.
- Funding was obtained through the Burnett Mary Regional Group to conduct two weed control trial sites. One site along the Bunya Highway has been selected to trial different methods in controlling African Lovegrass, and the other site out at the Dulong landfill has been selected to trial different methods in controlling African Boxthorn.
- The South Burnett Aquatic Weed Officer in conjunction with the Wondai Shire Council Land Protection Officer have been undertaking an extensive spraying exercise on the Barambah Creek.
- The second leg of a coordinated wild dog-baiting program was conducted on the 12 and 13 September.

## Waste Management and Recycling

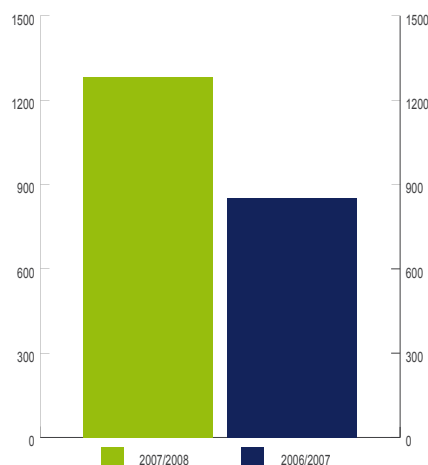
### STRATEGIES FOR THIS YEAR

- Continue to review and update Council's Integrated Environmental Management System
- Prepare site based management plans for all Environmental Protection Agency (EPA) licenced quarries and landfills.
- Undertake ongoing public education programs for the disposal of waste within Wondai Shire.

### OUTCOMES FOR THIS YEAR

- Recycling at all landfills and Home Creek Transfer Station has continued. The scrap metal area at Home Creek Transfer Station has been closed due to users dumping a large amount of material other than scrap metal on site.
- A collection site for drumMUSTER was set up at Dulong and Wondai Works Depot in November. In total, 1282 containers were collected.
- Two large garbage bags full of used printer cartridges was sent to Planet Ark Printer Cartridge Recycling.
- Recycling at all landfills and Home Creek Transfer Station has continued.

### Comparison of drumMuster Collection







# Cultural, Community, Sport & Recreation Services

*Goal: To encourage and participate in the continuing development of cultural activities and community services and to provide and maintain parks, sporting and recreational facilities.*

## Arts and Cultural Activities

### STRATEGIES FOR THIS YEAR

- Administer the Regional Arts Development Fund.
- Maintain administrative and financial support for the operation of the Art Gallery.
- Maintain funding levels to provide maintenance of museum buildings and to improve the working environment for volunteer staff.
- Provide an additional storage shed at the Wondai Shire Heritage Museum.
- Maintain funding to support the position of a caretaker and support ongoing conservation works by Boondooma Homestead Committee.
- Maintain administrative and financial support for the operation of the Timber Industry Museum and Woodcrafters' Workshop.

### OUTCOMES FOR THIS YEAR

- The Regional Arts Development Fund Committee has continued to make recommendations to Council for the administration of funds under the RADF program.
- The RADF program annual report for 2006/2007 was completed and submitted to Arts Queensland.
- Council provided financial and in kind support to the Wondai Shire Art Gallery, Wondai Heritage Museum, Boondooma Homestead and South Burnett Timber Industry Museum.
- Two air-conditioning units at the Wondai Art Gallery were replaced.

## Libraries

### STRATEGIES FOR THIS YEAR

- Provide and plan regular school activities.
- Continue to provide free internet access to shire residents and apply minimal internet usage charges to visitors and tourists.
- Investigate the introduction of an online public access catalogue at the Shire Libraries.
- Review websites and consider establishment of separate Col Morris Public Library Website.
- Provide disabled access to Proston Public Library.

### OUTCOMES FOR THIS YEAR

- Investigations into the introduction of an online public access catalogue was postponed due to impending amalgamations.



## Community Halls

### STRATEGIES FOR THIS YEAR

- Construct a new Community Hall at Proston.
- Commence upgrades to the Tingoora Public Hall.
- Review the level of service for community halls in the shire.
- Undertake necessary maintenance to Shire Halls as required.

### OUTCOMES FOR THIS YEAR

- Commenced construction of a new community Hall at Proston.
- Council requested a report to be prepared on the public halls located in the shire to determine compliance with the Building Code of Australia and Fire Safety regulations. This report will be presented to Council following inspection by the Queensland Fire & Rescue Authority.

## Parks, Sporting and Recreation Facilities

### STRATEGIES FOR THIS YEAR

- Continue development of a new park area within Parkside residential development.
- Continue development of the Bore paddock park area.
- Review and update the Shire's recreation and open space study in conjunction with a consultant.

### OUTCOMES FOR THIS YEAR

- Tenders were called for the development of a new Sport and Recreation Plan for the Wondai Shire. Nine tenders were received and Ross Planning was awarded the contract. Council received a grant of \$30,000 from Sport and Recreation Queensland towards this project.
- The park area at Parkside Estate has been completed. Pathways have been installed and a large number of native trees have been planted around the site.
- Undertook extensive community consultation meetings as part of the Sport and Recreation Plan project. Individual interviews with selected groups were undertaken and public meetings were held in November in Wondai and Proston. In addition, an X-treme BMX Demonstration and Youth Engagement activity was undertaken in December to encourage input into the plan by younger residents. A draft plan is being prepared.



## Economic Development & Tourism



*Goal: To provide opportunities for new and existing businesses and industries to develop and expand, and to actively promote tourism which will enhance employment opportunities and provide a strong economic base for the shire.*

### Economic Development

#### STRATEGIES FOR THIS YEAR

- Develop a marketing strategy for sale of land at the Wondai Industrial Estate.
- Develop a marketing strategy for sale of the residential allotments at Boondooma Dam.
- Continue regional cooperation and funding to enhance industry development in the South Burnett.
- Participate in Queensland's Country Week Expo promoting the benefits of living and working in rural areas.

#### OUTCOMES FOR THIS YEAR

- Interest continues to be strong in the Wondai Industrial Estate with more parcels of land being sold during 2007/2008. The demand for industrial land continues with only 2.7 ha of land available in stage 2 of the industrial estate.
- A concept plan for stage 3 has been discussed with Council's surveyors and once received, costings on this stage will be developed. Interest in the third stage has already been positive.
- Council representatives attended the Country Week Expo over 6-8 July 2007. Brochures on the Wondai

industrial Estate, Lake Boondooma Residential Land Sales and a generic Wondai Shire Brochure were distributed at the Expo.

- Construction commenced on a private rural residential subdivision at the entrance to Wondai adjacent to Dingo Creek Park.

### Tourism

#### STRATEGIES FOR THIS YEAR

- Maintain funding to support the ongoing operations of Council owned tourist facilities in the Shire.
- Continue funding for regional tourism promotion.
- Coordinate the running of the Wondai Garden Expo and Spring Garden Festival including the provision of financial and in kind support.

#### OUTCOMES FOR THIS YEAR

- Council provided significant financial and in kind support towards the Wondai Spring Garden Festival which was a huge success with approximately 2,000 people through the gates.
- Visitor numbers at Lake Boondooma have increased slightly and feedback on the new managers has been very positive.
- The Fraser Coast South Burnett Tourism Awards Presentation night was held in the Wondai Memorial Hall on Saturday 27 October 2007. The night was a huge success. There were four entries for Council owned facilities - Lake Boondooma, Boondooma Homestead, Wondai Shire Art Gallery and the Wondai Timber Museum. The Timber Museum won the Regional Attraction award and Boondooma Homestead Committee received an honourable mention in the Regional Festivals and Special Events category.



## Engineering Services

*Goal: To provide, maintain and develop a safe and functional road and drainage system to service the needs of the community now and in the future.*

### Roads

#### STRATEGIES FOR THIS YEAR

- Establish programs for the construction and maintenance of the Council Road Network.
- Undertake work on State controlled roads in accordance with RPC and RMPC's.
- Continue works approved under the Transport Infrastructure Development Scheme (TIDS).
- Develop a program for works on Local Roads of Regional Significance (LRRS).
- Investigate options for running of Council Quarry including the purchase of additional land.
- Maintain Council plant and implement a plant replacement program.
- Investigate options for site office at the Wondai Depot for the Works Coordinator and a mobile site office for other jobs.

#### OUTCOMES FOR THIS YEAR

- Routine and programmed maintenance was undertaken on declared roads and Council roads when defects reached agreed intervention levels.
- A project to reconstruct a concrete invert on Campbells Road was undertaken.
- Widening of road pavement and seal of Proston-Boondooma Road was completed as a bulk maintenance initiative project with Main Roads.
- A Roads to Recovery project to clear, form and gravel approximately 1.3 km of road pavement on Old Wondai Road was completed.
- Work was undertaken to relocate the bus stop, widen, gravel and seal a bus turnaround in Main Street Tingoorra
- A project to widen, pave and seal a section of .8km of Mondure Wheatlands Road was undertaken as part of the Transport Infrastructure Development Scheme (TIDS).
- A project to rehabilitate and widen a length of 2800 metres of the Mundubbera – Durong Road was completed under a Roadworks Performance Contract with the Main Roads Department.
- A length of 1200 metres of Mt. Mc Euen Road was reconstructed and bitumen sealed under Council's Capital Works Program.
- A project to reconstruct and widen a length of 800 metres of Fairdale Road was commenced under the Capital Works Program.
- Rehabilitation of deformed sections of road pavement on West Boondooma Road; Shellytop Road and Woolletts Road were commenced under the Roads to Recovery Program.
- An area of 32450 square metres of bitumen roads were resealed.
- A road construction and maintenance program was developed and approved by Council.



### Street Lighting

#### STRATEGIES FOR THIS YEAR

- Develop a plan in conjunction with Ergon Energy to upgrade the level of street lighting in the towns of Proston, Hivesville, Durong and Mondure.

#### OUTCOMES FOR THIS YEAR

- Only minimal improvement in street lighting intensity was achieved.





## Planning & Development



*Goal: To maintain appropriate planning and development controls that will enhance the lifestyle of existing and future residents of the Shire.*

### Planning Scheme

#### STRATEGIES FOR THIS YEAR

- Ongoing reviews of the current Development Approval Process and identify options for improvements.
- Implementation of a Town Planning Register.

#### OUTCOMES FOR THIS YEAR

- A standing committee continued to consider planning and development matters relating to outbuildings in excess of 54m<sup>2</sup> was formed, with the committee given delegated authority to make decisions in relation to planning approval for such outbuildings.
- A Town Planning Register was maintained to record development applications and approvals. This was further expanded over the year to include material change of use applications for previous years.
- Applications for development approval for a material change of use or reconfiguration were assessed against the requirements of Council's Planning Scheme and all other relevant State Legislation.
- Assistance with Town Planning applications was provided by consultant town planners where required.

### Building Development

#### STRATEGIES FOR THIS YEAR

- Timely processing of Building Development applications.
- Review options for the continued delivery of in-house Building Certification services.
- Undertake inspections when breaches are made known to Council.

#### OUTCOMES FOR THIS YEAR

- All properly made applications for assessment by Council's building certification unit were decided within the statutory period required under the Integrated planning Act.
- Inspections of building work and plumbing and drainage work were undertaken in compliance with the requirements of the Building Act and the Plumbing and drainage Act and notices issued where legislative requirements were not met.



# Water & Wastewater Management

*Goal: To ensure that existing water supply and sewerage systems are maintained and upgraded to meet the future needs of the community.*

## Water

### STRATEGIES FOR THIS YEAR

- Manage the maintenance and operation of the water systems.
- Upgrade and maintain delivery mains, pump stations and reservoirs to meet community demands for water.
- Preparation of a System Leakage Management Plan.
- Preparation of a Drought Management Plan.
- Preparation of an Annual Report on Council's Strategic Asset Management Plan (SAMP) and Customer Service Standards (CSS).
- Review Council's Strategic Asset Management Plan (SAMP).

### OUTCOMES FOR THIS YEAR

- Management of the maintenance and operation of water systems has produced an acceptable level of customer satisfaction.
- Monitoring of water quality confirmed that the supply continued to comply with relevant standards throughout the year.
- Continuing drought conditions have necessitated regular reviews of the level of water restrictions in all water schemes.
- Work was commenced on the preparation of a System Leakage Management Plan and a Drought Management Plan to comply with the requirements of the Water Act 2000.

## Sewerage

### STRATEGIES FOR THIS YEAR

- Manage the maintenance and operation of the sewerage system.
- Develop capital, maintenance and operational management programs to effectively maintain the service level of the sewerage network.
- Prepare Recycled Water Agreements with the Wondai and Proston golf clubs.



### OUTCOMES FOR THIS YEAR

- Management of the maintenance and operation of sewerage systems produced an acceptable level of customer satisfaction during 2007/2008.
- Work continued on routine and programmed maintenance activities on all sewerage schemes.
- Customer Service Standards for water supply and wastewater services were in accordance with the requirements of the Water Act and have been assessed by the Department of Natural Resources as meeting the requirements of Section 425 of the Act.
- Applications for the installation of on – site sewerage facilities were approved in accordance with the requirements of section 96 of the Plumbing and Drainage Act 2000 subject to compliance with the performance requirements of Part I of the Queensland Plumbing and Wastewater Code.
- Monitoring of the quality of effluent produced by the new sewage treatment plant servicing the Lake Boondooma Residential Estate has continued.



# Corporate Services

*Goal: To provide cost efficient management of the Council and obtain optimum benefits from available financial resources.*

## Financial Management

### STRATEGIES FOR THIS YEAR

- Continue development of Council's Road Asset Management Database to produce a usable Road Asset Management System.
- Assess the suitability of the maintenance module of confirm software for road maintenance recording and reporting.
- Review and update the current Chart of Accounts.
- Training days to be organised for the Confirm Asset Management Program - especially to cover the Asset Valuation function.
- Continued implementation of the LG Asset program.

### OUTCOMES FOR THIS YEAR

- Undertook an analysis of Council's filing and records keeping system to investigate the options and costs of introducing an electronic records management system. This work will not be commenced at this time as it will be an issue which will have implications for the new South Burnett Regional Council.
- Confirm (asset system for roads management data) training was undertaken by three staff members. This training unlocked many aspects of the Confirm software.
- Licensing arrangements for our Office suite of programs and our existing network used throughout the Shire Council computers are being reviewed under the information communication technology workgroup as part of the transition planning for amalgamation.
- Financial Statements audited unqualified by the Auditor General, Queensland Audit Office

## Human Resources

### STRATEGIES FOR THIS YEAR

- Implement recommendations of Workplace Health and Safety Committee and address risks identified through the implementation of the "Safeplan".
- Progress the implementation of Workchoices legislation in conjunction with the development of a new Enterprise Bargaining Agreement.
- Development of a workforce Training Policy.
- Review and develop employee position descriptions and classifications.
- Develop a modern Equal Employment Opportunity Plan.

### OUTCOMES FOR THIS YEAR

- Training was conducted by the Workplace Health and Safety Officer on Work Method Statements.
- Work continued on implementing new position descriptions for all staff.
- Negotiations for a new enterprise bargaining

agreement will not be undertaken due to amalgamation. Work on a workforce training policy, training plan and new Equal Employment Opportunity Plan will also not be undertaken.

## Information Technology

### STRATEGIES FOR THIS YEAR

- Review Council's current IT support arrangements.
- Investigate the costs of introducing an electronic records management system.
- Investigate the installation of various infrastructure details on Council's Map Info System.

### OUTCOMES FOR THIS YEAR

- Due to the impending amalgamation of Council, the investigation of an electronic records management system has been placed on hold.
- Updating infrastructure details on Map Info was placed on hold pending decisions on council amalgamations. The Map Info system software requires a new version of software. Investigations with surrounding Councils indicated no Council was purchasing an upgrade or undertaking training until amalgamation decisions were finalised.
- Due to amalgamations, Wondai has adopted the Practical software program as its finance system.

## Disaster Management

### STRATEGIES FOR THIS YEAR

- Development of a combined Local Disaster Management Plan in partnership with the Shires of the South Burnett.
- Maintain a risk based annual operational plan for timber bridge, culvert and drain maintenance/replacement.
- Identify and develop early warning initiatives for the Barker/Barambah Creek and Boyne/Stuart Rivers.
- Establish a formal location history register of critical natural disaster events.
- Reduce debris and flammable material in and around rivers/creeks and flood and bush fire prone areas.
- Identify extent of equipment and personnel that may be used in emergency situations.

### OUTCOMES FOR THIS YEAR

- Council continued its support of Emergency Services within the shire with funding provided to the shires Rural Fire Brigades and local State Emergency Services.
- Limited work has been completed by the consultant engaged to prepare Local Disaster Management plans for the South Burnett shires. Given the impending amalgamation the focus of plan will switch to preparation of a plan covering the South Burnett Regional Council area.





# COMMUNITY FINANCIAL REPORT



# Community FINANCIAL REPORT

## What happened to the money?

If you find the financial statements a little bit confusing, then read on.

The next few pages provide a simple explanation on what the financial reports actually mean and what the major financial implications are for Council.

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

- Cashflow Statement
- Income Statement
- Balance Sheet

Below is a diagram which shows how they fit together:





## Cashflow Statement

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

This statement only reports on cash and shows:

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

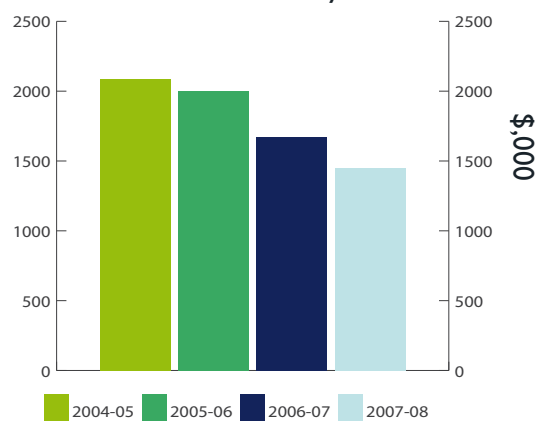
As can be seen by the summary below, we started the year with \$2.6 million and ended the year with \$3.3 million.

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

Snapshot	2008 \$'000	2007 \$'000	2006 \$'000	2005 \$'000	2004 \$'000
Opening Cash Balance	2,592	3,500	2,856	1,502	629
Net Cashflow from Operating Activities	1,722	2,255	2,382	3,164	2,208
Net Cashflow from Investing Activities	(1,237)	(2,833)	(1,653)	(1,534)	(1,194)
Net Cashflow from Financing Activities	255	(330)	(85)	(276)	(141)
Closing Cash Balances	3,332	2,592	3,500	2,856	1,502

## Councils Loan Borrowings and Repayments

Debt Balances - 4 Year Analysis



Councils policy is to ensure the current generation does not pay now for facilities and services that will be used by future generations. In 2007/08 Council did not take out any new loans and repaid \$217,052 in existing loans.

## Conclusion

Council's future direction was to maintain a solid cashflow position, with the aim of reducing outstanding loans, and improving revenue and expenditure management.





## Income Statement

This statement shows if we have made a profit or a loss. Whilst the cashflow statements show how much money goes in and out of your bank account, what if you had a bill for painting your house and you had just not got around to paying it by the end of the year?

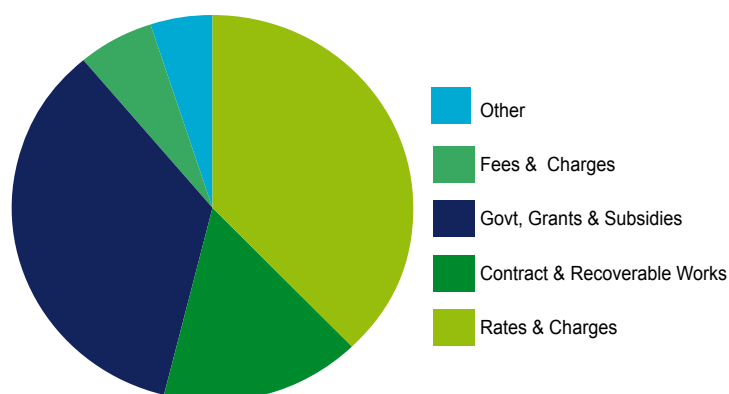
The Income Statement takes into account things like the painting bill that really relate to this year, but you won't actually pay it until next year. It shows both cash transactions and non-cash transactions such as depreciation. These figures are based on accrual accounting principles. For example, all rates issued are included as income even though some ratepayers have not paid.

The amount not paid would show in the Balance Sheet as an amount owed to Council.

Snapshot	2008 \$'000	2007 \$'000	2006 \$'000	2005 \$'000	2004 \$'000
Revenue (R)	6,542	8,856	8,529	8,080	9,583
Expenses (E)	(5,826)	(8,734)	(8,192)	(7,568)	(8,443)
Operating	715	122	337	512	1,140

### Where the money came from?

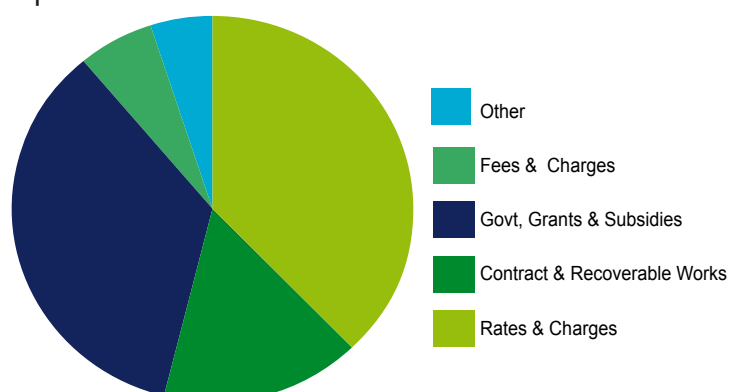
Revenue



2007/2008 saw grants and subsidies accounting for 35% of revenues, with rates revenue being 38%. Recoverable works for 2007/2008 was 16% of revenue and user fees and charges accounted for 6%.

### Where the money was spent?

Expenditure



Employee costs for 2007/2008 accounted for 44% of our expenses compared to 32% last financial year. Materials and services decreased from 30% to 26%. Depreciation is still a major expense, accounting for 29% of total expenditure.



## Balance Sheet

The future overall financial position of Council is strong and this will continue to strengthen as strategies to reduce existing loans, build reserves and manage infrastructure assets are maintained.

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

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

Snapshot	2008 \$'000	2007 \$'000	2006 \$'000	2005 \$'000	2004 \$'000
Assets (A)	82,107	81,913	82,384	63,400	54,737
Liabilities (L)	(1,980)	(2,501)	(3,358)	(3,047)	(3,326)
Equity (E)	80,127	79,412	79,026	60,353	51,411

### Current Ratio

(Current Assets divided by Current Liabilities)

The current ratio measures Council's ability to meet its short-term commitments. A good ratio is considered to be around 1.5:1. Currently, Council's ratio is 8:1, which means that we can pay all of our current bills when they fall due.

### Total Loan to Pay

(\$,000)

Over the next 4 years, Council will be working towards reducing the amount of money we borrow each year as well as gradually reducing the overall amount we still owe. Refer to Council's Borrowing Policy on page ?? for details on the current loans Council has in 2006/07.

### Equity Reserves

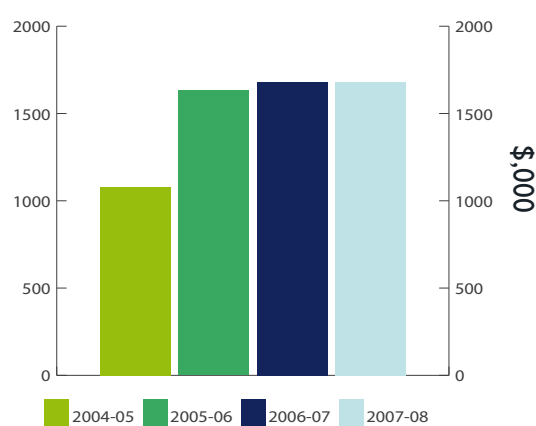
(\$,000)

Council has set up a number of reserves to assist in funding replacement of assets.

Details of each reserve can be found on page ? of the full Financial Report. In 2006/07 Council transferred an additional \$48,080 into our reserve accounts.

Through the budget process, Council will continue to build on these reserves to ensure we are adequately prepared for long term equipment, facilities and infrastructure replacement.

#### Equity & Reserves - 4 Year Analysis





	2007/2008	2006/2007	2005/2006	2004/2005	2003/2004
Rate Charges					
Minimum General Rate	\$410	\$380	\$360	\$340	\$320
Rate in the Dollar – Urban	\$0.804	\$0.075	\$0.0119	\$0.0268	\$0.0260
Rate in the Dollar – Rural	\$0.0131	\$0.0125	\$0.0168	\$0.0240	\$0.0233
Rate in the Dollar - Rural Home-sites	\$0.010827	\$0.0101	\$0.0135		
Rate in the Dollar – Other	\$0.0134	\$0.0125	\$0.0168	\$0.024	\$0.0233

Sewerage	\$270	\$255	\$245	\$225	\$215
Effluent Drainage (Proston Scheme)	\$230	\$230	\$230	\$230	\$230

Garbage	\$120	\$110	\$100	\$85	\$82
---------	-------	-------	-------	------	------

Water Access	\$220	\$196	\$175	\$155	\$130
Water Consumption–Wondai/Tingoora (per kilo litre)	\$0,90	\$0.85	\$0,80	\$0.74	\$0.70
Water Consumption–Proston (per kilo litre)	\$0.90	\$0.83	\$0.78	\$0.72	\$0.68

Rate Revenue Ratio	38 %	31.29 %	30.96 %	30.34 %	27.18 %
--------------------	------	---------	---------	---------	---------

This means that in 2007/08 rates and charges\*\* made up 31% of Council's recurrent\*\*\* revenue

Debt Servicing Ratio	4.3 %	5.34 %	5.05 %	9.06 %	9.03 %
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This means that in 2007/08 Council used 5.34% of its recurrent\*\*\* revenue to pay for loan interest and principal repayments. Council's aim is to steadily reduce our loan commitments and build our cash reserves, which are used to replace our assets in the future.

Borrowing Ratio	24 %	20.41 %	25.33 %	27.15 %	29.40 %
-----------------	------	---------	---------	---------	---------

This shows the total money Council borrows for capital purposes as a percentage of recurrent\*\*\* revenue

Rates Arrears Ratio	6.73 %	6.73 %	9.38 %	9.53 %	8.33 %
---------------------	--------	--------	--------	--------	--------

This shows that in 2007/08 Council had outstanding rates totalling 6.73% of the amount that was billed in that year. Council's aim is to continue to reduce this percentage whilst still being mindful of environmental and economic issues which impact on ratepayers' ability to pay.

Current Ratio	8.05:1	4.48:1	2.93:1	3.39:1	2.22:1
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This shows Council's ability to meet its current liabilities. (A ratio of 1.5:1 is the accepted norm) Council has worked hard to improve this ratio.





## STATUTORY INFORMATION



## Joint Arrangement for Refuse Collection

Council is party to a joint arrangement under Section 59 of the Local Government Act 1993, for the purpose of administering the collection and management of refuse within the shire areas of Kilkivan, Murgon and Wondai. A contract commencing 1 March 2006 was awarded to JJ Richards for a period of 7 ½ years for the provision of refuse collection services within Kilkivan, Murgon and Wondai Shires.

## Special Charge

A special charge for the purpose of defraying the costs of the supply of an electricity service was levied on land described as Lots 36 to 39, Lots 41 to 48, Lots 50 to 52 and Lot 59 on RP202225. Council was of the opinion that the above land will specially benefit from the provision of an electricity service, which involves the erection of an 11,000 volt backbone feeder line. Landowners were given the option of a once only payment or repay the cost of the service over a period of five years.

## Rebates and Concessions

### Pensioners

It is Council's policy to provide assistance by way of a remission of rates to pensioners who meet the administrative guidelines for the Queensland Government pensioner rate subsidy scheme. The Council rebate is in addition to the State Government approved pensioner rate subsidy.

### Other Remissions and Deferrals

Other remission requests or rate deferral requests were assessed on a case by case basis.

### Discounts

To encourage the prompt payment of rates and charges, a discount was allowed on all rates and charges levied (excluding interest charges, fire levy, water consumption and special charge for electricity) if all current and outstanding rates and charges were paid within 30 days after the issue of the rate notices. The discount rate of 15% was determined by resolution at the budget meeting. Approximately 90% of ratepayers paid their rates before the due date.

### Other Benefits for Prompt Payment of Rates

In accordance with section 1023 of the Local Government Act 1993, the Council offered a benefit (other than a discount) as an inducement for the prompt payment of rates. All ratepayers who paid prior to the due date were entered into a draw to win one of 100 "Landscapes of Change" books.

## Payment by Arrangement

Council allowed property owners who were unable to pay their rates by the due date the opportunity to enter into an arrangement to make regular payments according to an agreed schedule. No recovery action was taken while the arrangement was being maintained. There were 80 arrangements entered into during the year. Of the total arrangements made, by the end of the year 45 were completed and paid in full and 35 arrangements were breached.

## Changes to tenders

No tenderers were invited to change their tender to take account of any changes to tender specifications. (refer Section 488(2) of the Local Government Act 1993).

## Expression of Interest prior to tenders being called

No expressions of interest were called prior to inviting tenders. (refer Section 489 (1) of the Local Government Act 1993).

## Local Government Owned Corporations

Wondai Shire Council does not have any Local Government Owned Corporations. (refer Section 643 of the Local Government Act 1993)

## Complaints and decisions – Queensland Competition Authority

No complaints were made or investigations held in relation to Competitive Neutrality. (refer Section 847 of the Local Government Act 1993)



## Registers

The following table lists the registers that are kept under the control of the Chief Executive Officer. These are open to inspection, with or without restriction where indicated in the table, as required by the Local Government Act 1993. In some cases, charges may apply for copies or extracts if these are allowable.

Register	Purpose	Access
Personal Interest of Councillors (Section 248)	To record certain financial and other personal interests of Councillors	Available to any person upon written application to the Chief Executive Officer. Relevant Councillor/s must be informed of the application
Personal Interests of Councillors' Related Persons (Section 268)	To record certain financial and other personal interests of specified persons related to Councillors	Restricted to Councillors of Wondai Shire Council and persons permitted by law or their agents
Minutes of Council Meetings (Section 468)	To record all the resolutions made by the Council at Ordinary or Special Meetings	Available to any person after the meeting. Also available on Council's website
Corporate Plan (Section 513)	To document the goals, strategies and performance indicators set by the Council for the four year period 2004-2008	Available to any person
Operational Plan (Section 513)	To document the goals, strategies and performance indicators set by the Council for the year	Available to any person
Budget (Section 524)	To record the proposed expenditures and revenues required to implement the Council's strategies and goals this year	Available to any person
Building	To document the building activity within the Shire	Available to any person
Statement of Accounts (Section 529)	To record the actual position of the financial accounts, compared to budget predictions, on a monthly basis	Available to any person
Annual Report (Section 535)	To document the financial position and the performance of the Corporate and Operational Plans for the year, as well as other accountabilities both mandatory and discretionary	Available to any person
Local Law Policies (Section 895)	To record all Local Law Policies adopted by Council	Available to any person
Road Register (Section 921)	To show details of roads in the Shire	Available to any person
Fees and Charges Commercial (Section 36(2)c) Regulatory (Section 1071E (2))	To record the charges set by Council	Available to any person
Land Record (Section 995)	To record details of every parcel of rateable land in the shire.	Available to any person but a fee could apply. Inspection free for owners or lessees of the land or adjacent land, or their agents
Delegations of Authority (Section 1132)	To record all of the Chief Executive Officer's powers and delegations that are further delegated to other employees	Available to any person
Personal Interest of the Chief Executive Officer and other specified employees (Section 1140)	To record certain financial and other personal interests of the Chief Executive Officer and certain other employees	Available only to Councillors, the Chief Executive Officer or a person permitted by law or their agent
Contracts	To record contracts undertaken by Council	Available to any person
Legal Documents	To document all legal documents held by Council	Available to any person





## General Complaints Policy

Council introduced a new general complaints policy in 2005/06. It is a requirement of the Local Government Act 1993 that we provide the following summary each year on complaints received.

Details	No. Received in 2007/08	No. Received in 2006/07	No. Received in 2005/06
Complaints received under Council's General Complaints Policy – CS001	0	0	0
Complaints received under Council's General Complaints Policy – CS001 that related to alleged breach of Councillors' Code of Conduct	0	0	0
Complaints about alleged breaches of Councillors' Code of Conduct that were referred to the Conduct Review Panel	0	0	0
Actual breaches of Councillors' Code of Conduct *	0	0	0
Complaints made to Ombudsman about decisions made by Council in relation to enforcement of Councillors' Code of Conduct	0	0	0

\*If breaches occur, the name of the Councillor, along with a description of the breach and any penalty imposed, is required to be reported.

## Overseas Travel

No Councillors or employees of Council undertook any overseas travel for the financial year 2006/07 (refer Section 24(1)(a) of the Local Government Act 1993).

## Summary of Expenditure for Particular Items

The following summary of expenditure is provided in accordance with Section 24(1) (b) of the Local Government Act 1993:

Expense Item	Particulars	Amount
Consultancy		
Human Resource Management	SGS Consulting	\$6,930
Town Planning	Insight Strategies	\$9,257
Entertainment and Hospitality		
Civic receptions	Various creditors	\$4,161
Advertising		
Positions vacant, tenders, public notices, promotions	Various creditors	\$5,313
Donations and grants to community organisations		
Grants to Community Organisations	Various creditors	\$42,260



## Debt Management

The Queensland Treasury Corporation manages Wondai Shire Council's debt. Council joined the debt pool, on 1 January 1994. The debt is currently split into 5 accounts:

- Community Infrastructure
- Proston Sewerage
- Wondai Sewerage
- Wondai Industrial Estate
- Shire Roadworks

### Principles

The following sets out the principles on borrowings for the year ended 30 June 2008 and the following four (4) financial years.

- Projects funded through external borrowings must comply with the regulatory requirements governing Wondai Shire Council.
- Debt will not be used to finance recurrent/operating budget activities.
- Capital projects are to be undertaken through a process of evaluation (including risk assessment), Prioritisation and review. □  
The maximum term of any new debt is to be 20 years or matched with the useful life of the asset, whichever, is shorter.
- Council shall monitor its capacity to pay, to ensure the community is not burdened with unnecessary risk. Repayment terms are reviewed annually.
- Council will only borrow for those projects identified in strategic planning documents.

## Current Borrowings

Account	Balance@ 30 June 2007	Remaining Loan Term (years)	Interest Rate
Proston Sewerage	\$11,808.42	1.85	8.56%
Wondai Sewerage	\$549,541.22	12.43	5.74%
Wondai Industrial Estate	\$164,225.57	14.38	5.83%
Shire Roadworks	\$943,812.17	5.15	5.55%
Total	\$1,669,387.38		

### Projected borrowings for the Five Years Ended June 2012

Financial Year	Project	Borrowings	Term
2007/2008	Roadworks	\$400,000*	Six year debt pool
2008/2009	Roadworks	\$200,000	Six year debt pool
2009/2010	Roadworks	\$200,000	Six year debt pool
2010/2011	Roadworks	\$200,000	Six year debt pool
2011/2012	Roadworks	\$200,000	Six year debt pool

\* \$200,000 from the 2006/07 financial year was not drawn down in that year and therefore has been added to 2007/08.



## Councillor REMUNERATION

No Resolution was made during the 2007/08 financial year altering the payment of provision of remuneration to councillors or members of committees of Wondai Shire Council. The Councillor's remuneration remains as approved by resolution at the Council Meeting of 19 January 2005.

Councillors Name	Council Meetings Attended	Other Meetings, Conferences & Workshops	Meeting Fees & Allowances	Travelling Allowance	Total Remuneration	Superannuation Contributed by Council
Cr David Carter	12	53	24,748.00	0.00	24,748.00	2,972.16
Cr Wayne Kratzmann	11	18	8,767.00	316.78	9,083.78	1,175.04
Cr Trish Bird	12	3	5,655.00	192.92	5,847.92	0.00
Cr Gil Smith	11	4	5,527.00	0.00	5,527.00	656.64
Cr Paul Fletcher	11	1	5,362.00	410.99	5,772.99	0.00
Cr Kevin Polzin	12	1	6,570.00	130.20	6,700.20	665.34
Cr Bob Mitchell	12	7	5,875.00	65.03	5,940.03	0.00
Cr Peter Seiler	12	1	5,545.00	821.93	6,366.93	665.34
Cr Kathy Duff	11	13	6,187.00	2,100.55	8,287.55	0.00
Cr Greg Boyle	12	1	5,545.00	238.59	5,783.59	248.16

\*Car provided for the Mayor





FINANCIAL STATEMENTS



## Wondai Shire Council

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## Income Statement

For the period 1 July 2007 to 14 March 2008

Revenue	<u>Notes</u>	<u>2008</u>	<u>2007</u>
<b>Operating Revenue</b>			
Rates & Charges	3	2,501,396	2,559,226
Fees and Charges	3	383,802	827,867
Recoverable Works	3	1,028,378	1,564,404
Interest	3	165,136	225,706
Other Revenue	3	132,145	644,658
Grants and Subsidies	4	1,882,280	2,357,124
Gain on Disposal of Property, Plant & Equipment	5	9,646	0
<b>Total Operating Revenue</b>		<b>6,102,783</b>	<b>8,178,985</b>
<b>Capital Revenue</b>			
Grants and Subsidies	4	412,821	676,809
Other Capital Revenue		26,252	0
<b>Total Capital Revenue</b>		<b>439,072</b>	<b>676,809</b>
<b>Total Income</b>		<b>6,541,855</b>	<b>8,855,794</b>
<b>Expenses</b>			
<b>Operating Expenses</b>			
Employee Costs	6	(2,584,384)	(2,787,055)
Materials & Services	7	(1,496,521)	(2,607,776)
Other Expenses		(5,423)	(432,534)
Finance Costs	8	(63,979)	(107,698)
Depreciation	9	(1,672,785)	(2,539,248)
Loss on Disposal of Property, Plant & Equipment	5	0	(259,693)
<b>Total Operating Expenses</b>		<b>(5,826,356)</b>	<b>(8,734,004)</b>
<b>Total Expenses</b>		<b>(5,826,356)</b>	<b>(8,734,004)</b>
<b>Net result attributable to council</b>		<b>715,499</b>	<b>121,790</b>

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





## Balance Sheet

As at 14 March 2008

	<u>Notes</u>	<u>2008</u>	<u>2007</u>
<b>Current Assets</b>			
Cash and cash equivalents	10	3,332,015	2,592,078
Trade and other receivables	11	350,035	460,575
Inventories	12	176,180	149,267
Prepayments and Other Financial Assets	13	107,954	150,842
<b>Total Current Assets</b>		<b>3,966,184</b>	<b>3,352,762</b>
<b>Non-Current Assets</b>			
Land Inventory/Residential		38,295	32,000
Property, Plant & Equipment	14	77,844,701	78,490,320
Capital Works in Progress	15	257,758	37,556
<b>Total Non-Current Assets</b>		<b>78,140,754</b>	<b>78,559,876</b>
<b>TOTAL ASSETS</b>		<b>82,106,938</b>	<b>81,912,638</b>
<b>Current Liabilities</b>			
Trade and other payables	16	53,409	172,717
Tax Liability		51,722	47,716
Interest Bearing Liabilities	17,18	201,255	281,872
Employee Entitlements	19	186,072	362,312
<b>Total Current Liabilities</b>		<b>492,458</b>	<b>864,617</b>
<b>Non-Current Liabilities</b>			
Interest Bearing Liabilities	17,18	1,251,080	1,387,515
Employee Entitlements	19	236,066	248,847
<b>Total Non-Current Liabilities</b>		<b>1,487,146</b>	<b>1,636,362</b>
<b>TOTAL LIABILITIES</b>		<b>1,979,604</b>	<b>2,500,979</b>
<b>NET COMMUNITY ASSETS</b>		<b>80,127,334</b>	<b>79,411,659</b>
<b>Community Equity</b>			
Retained Surplus	22	50,780,107	50,064,608
Asset Revaluation Reserve	20	27,668,454	27,668,278
Other Reserves	21	1,678,773	1,678,773
<b>TOTAL COMMUNITY EQUITY</b>		<b>80,127,334</b>	<b>79,411,659</b>

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



## Wondai Shire Council

### Statement of Cash Flows

For the period 1 July 2007 to 14 March 2008

	<u>Notes</u>	<u>2008</u>	<u>2007</u>
<b>Cash flows from operating activities:</b>			
Receipts from customers		5,998,540	8,540,495
Payments to suppliers and employees		(4,384,278)	(6,404,009)
		1,614,262	2,136,486
Interest received		165,136	225,706
Borrowing costs		(57,641)	(107,698)
<b>Net cash inflow (outflow) from operating activities</b>	<b>27</b>	<b>1,721,757</b>	<b>2,254,494</b>
<b>Cash flows from investing activities:</b>			
Payments for property, plant and equipment		(1,345,592)	(2,944,577)
Net movement on loans and advances		7,000	0
Proceeds from sale of property, plant and equipment		101,752	111,860
<b>Net cash inflow (outflow) from investing activities</b>	<b>5</b>	<b>(1,236,840)</b>	<b>(2,832,717)</b>
<b>Cash flows from financing activities</b>			
Grants, subsidies, contributions and donations		472,072	0
Repayment of borrowings	18	(217,052)	(329,811)
<b>Net cash inflow (outflow) from financing activities</b>		<b>255,020</b>	<b>(329,811)</b>
<b>Net increase (decrease) in cash held</b>		<b>739,937</b>	<b>(908,034)</b>
Cash at beginning of reporting period		2,592,078	3,500,112
<b>Cash at end of reporting period</b>	<b>10</b>	<b>3,332,015</b>	<b>2,592,078</b>

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



## Wondai Shire Council

### Statement of Changes in Equity

For the period 1 July 2007 to 14 March 2008

	Notes	Asset revaluation reserve (note 20)		Retained surplus (Note 22)		Other reserves (note 21)		Total	
		2008	2007	2008	2007	2008	2007	2008	2007
<b>Opening balance</b>	<b>20,21,22</b>	<b>27,668,278</b>	<b>27,405,344</b>	<b>50,064,608</b>	<b>49,990,998</b>	<b>1,678,773</b>	<b>1,630,693</b>	<b>79,411,659</b>	<b>79,026,935</b>
Adjustments to opening equity		0	0	0	0	0	0	0	0
<b>Adjusted opening equity</b>		<b>27,668,278</b>	<b>27,405,344</b>	<b>50,064,608</b>	<b>49,990,998</b>	<b>1,678,773</b>	<b>1,630,693</b>	<b>79,411,659</b>	<b>79,026,935</b>
Revaluations of property, plant and equipment		176	0	0	0	0	0	176	0
Available for sale investments:									
Valuation gains/(losses)		0	262,934	0	0	0	0	0	262,934
Transferred to income statement on sale		0	0	0	0	0	0	0	0
Impairment losses		0	0	0	0	0	0	0	0
Change in value of future rehabilitation costs		0	0	0	0	0	0	0	0
<b>Net income recognised directly in equity</b>	<b>21,22</b>	<b>176</b>	<b>262,934</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>176</b>	<b>262,934</b>
Surplus for the period		0	0	715,499	121,790	0	0	715,499	121,790
<b>Total recognised income and expense</b>		<b>176</b>	<b>262,934</b>	<b>715,499</b>	<b>121,790</b>	<b>0</b>	<b>0</b>	<b>715,674</b>	<b>384,724</b>
Transfers to and from reserves									
Transfers to general reserves		0	0	0	(113,355)	0	113,355	0	0
Transfers from general reserves		0	0	0	65,275	0	(65,275)	0	0
<b>Total transfers to and from reserves</b>	<b>21,22</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(48,080)</b>	<b>0</b>	<b>48,080</b>	<b>0</b>	<b>0</b>
<b>Closing</b>	<b>21,22</b>	<b>27,668,454</b>	<b>27,668,278</b>	<b>50,780,107</b>	<b>50,064,808</b>	<b>1,678,773</b>	<b>1,678,773</b>	<b>80,127,334</b>	<b>79,411,659</b>

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





## Notes to the Financial Statements

For the period 1 July 2007 to 14 March 2008

### Note 1: Summary of significant accounting policies

#### 1.A Basis of Preparation

This general purpose financial report has been prepared in accordance with *Australian Accounting Standards* and complies with the requirements of the *Local Government Act 1993* and the *Local Government Finance Standard 2005*.

#### 1.B Statement of Compliance

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). Because the Council is a not-for-profit entity and the Australian accounting standards include requirements for not-for-profit entities, which are inconsistent with International Financial Reporting Standards (IFRS), to the extent these inconsistencies are applied this Report does not comply with IFRS. The main impact is in the offsetting of revaluation and impairment gains and losses within a class of assets.

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

#### 1.C Early Adoption of New Accounting Standards.

The following Australian Accounting Standards, issued on the dates shown, are not mandatory for the financial year 2007-08 but, as permitted, have been applied in preparing this report where applicable:

AASB7 (August 2005)  
AASB8 (February 2007)  
AASB101 (October 2006)  
AASB119 (April 2006)  
AASB1048 (March 2007)  
AASB1049 (September 2006)  
AASB2005-10 (September 2005)  
AASB2007-1 (February 2007)  
AASB2007-2 (February 2007)  
AASB2007-3 (February 2007)

None of these Standards makes a material difference to the information reported.

#### 1.D Currency

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

#### 1.E Constitution

The Wondai Shire Council is constituted under the *Queensland Local Government Act 1993* and is domiciled in Australia.

#### 1.F Date of Authorisation

The financial report was authorised for issue on the date it was submitted to the Auditors for final signature. This is the date the management certificate is signed.

The Local Government has the power to amend the Financial Report after it is authorised for issue until the adoption of the report by the Local Government as part of the Annual Report.

#### 1.G Changes to Accounting Policies



## Notes to the Financial Statements

For the period 1 July 2007 to 14 March 2008

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

The accounting policy has been changed in respect of Assets arising from Restoration Provisions (see note 1.Y)

### 1.H Rates, Grants and Other Revenue

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

#### (i) Rates

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

#### (ii) Grants and subsidies

Where the Council has an obligation to use a grant or subsidy in a particular manner the amount is recognised as revenue on receipt. An equivalent amount is placed in the constrained works reserve until the obligation is satisfied.

#### (iii) Non-cash contributions

Non-cash contributions in excess of the recognition thresholds set out in note 1.P in value, are recognised as revenue and as non-current assets. Non-cash contributions below the thresholds are recorded as revenue only.

#### (iv) Other revenue including contributions

Other Revenue is recognised as a receivable when it is probable that it will be received and the amount is known, otherwise the amount is recognised upon receipt.

### 1.i Cash and Cash Equivalents

For the purposes of the Balance Sheet and the Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked as well as deposits at call with financial institutions. It also includes bank overdrafts and liquid investments with short periods to maturity that are readily convertible to cash at the Council's option without penalty and that are subject to a low risk of changes in value.

The Council considers all its term deposits, being for periods of less than one year to be cash equivalents.

### 1.J Receivables

Trade debtors are recognised at the nominal amounts due at the time of sale or service delivery, settlement on trade debtors being generally required within 30 days from the invoice date.

The collectability of receivables is assessed periodically with provision being made for impairment.

Loans and advances are recognised at cost. Terms are usually a maximum of five years with interest charged at commercial rates. Security is not normally obtained.

### 1.K Other Financial Assets

Other Financial Assets are recognised at cost.

### 1.L Inventories

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



## Notes to the Financial Statements

For the period 1 July 2007 to 14 March 2008

weighted average cost.

Inventories held for distribution are:

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

These goods are valued at the lower of cost and replacement cost.

### 1.M Land Held for Resale

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

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

### 1.N Investments

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

Interest and dividend revenues are recognised on an accrual basis.

### 1.O Investment Property

Investment property, which is property held for the primary purpose of earning rentals and/or capital appreciation. Property which is held for future development and sale, and property held by the Council without any specific purpose (such as land no longer required for its original purpose) is investment property.

Investment property is measured using the fair value model. This means it is initially recognised at cost including transaction costs. Where investment property is acquired at no or nominal cost it is recognised at fair value. Investment property is subsequently carried at fair value at the balance sheet date. Gains or losses arising from changes in the fair value of investment property are included in the income statement for the period in which they arise. Investment property is not depreciated and is not tested for impairment.

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

### 1.P Property, Plant and Equipment

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

#### (i) Major plant

The Council has determined that plant which has an individual cost in excess of \$150,000 is of high value to the Council. Plant which meets this criteria is major plant if it is prone to a high degree of price fluctuations or in danger of becoming obsolete.

#### (ii) Acquisition of assets

Acquisitions of assets are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including freight in, architect's fees and engineering design fees and all other establishment costs.





## Notes to the Financial Statements

For the period 1 July 2007 to 14 March 2008

Non-monetary assets, including property, plant and equipment, received in the form of contributions and assets received in a local government restructure, are recognised as assets and revenues at fair value by Council valuation where that value exceeds the recognition thresholds for the respective asset class. Fair value means the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

(iii) Capital and operating expenditure

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

The Council has determined that individual items of plant and equipment with a cost in excess of \$150,000 are of high value to the local government. All other items of plant and equipment are measured on the cost basis.

(iv) Valuation

Land, buildings, major plant and equipment, infrastructure and heritage and cultural assets are measured on the revaluation basis, at fair value, in accordance with *AASB116 Property, Plant and Equipment* and the *Local Government Finance Standard 2005*. All other non-current assets, principally 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 revaluation may involve the application of a suitable index to the cost elements of each asset, or may involve an independent assessment of the value. Only those assets, the total values of which are material, compared to the value of the class of assets to which they belong, are comprehensively revalued.

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

Plant and equipment, other than major plant and equipment, are measured at depreciated cost. The carrying amounts for plant and equipment measured at depreciated cost should not differ materially from their fair value.

(v) Depreciation

Land is not depreciated as it has an unlimited useful life. Depreciation on other property, plant and equipment is calculated on a straight-line basis so as to write-off the net cost or revalued amount of each depreciable asset, less its estimated residual value, progressively over its estimated useful life to the Council.

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

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

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

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





## Notes to the Financial Statements

For the period 1 July 2007 to 14 March 2008

The estimated useful lives of property, plant and equipment are reviewed annually. Details of the range of useful lives for each class of asset are shown in Note 14.

### (vi) Unfunded depreciation

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

## 1.Q Intangible Assets

Only intangible assets which have a cost exceeding \$10,000 are recognised as intangible assets.

Expenditure on internally generated intangible assets is recognised from the date of the approval by the Council of a capital expenditure authorisation for the acquisition or development of the asset. This approval is taken to indicate that the project meets the criteria for recognition in AASB138.57

Expenditure on internally generated assets, up to the decision to generate the asset in a particular form, is research expenditure and is not capitalised.

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

## 1.R Capital Work in Progress

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

## 1.S Impairment of Non Current Assets

All non-current physical and intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the department determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

The asset's recoverable amount is determined as the higher of the asset's fair value less costs to sell and depreciated replacement cost.

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

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

## 1.T Leases

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



## Notes to the Financial Statements

For the period 1 July 2007 to 14 March 2008

### (i) Finance leases

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

### (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.U Payables

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price net of applicable discounts other than contingent discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

## 1.V 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 is treated as a payable and not as a provision.

### (ii) Annual leave

A liability for annual leave is recognised. The current portion is and based 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 treated as a payable and not as a provision.

### (iii) Sick leave

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

### (iv) Superannuation

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

Details of those arrangements are set out in Note 25.

### (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 interest rates attaching as at the reporting date, to Commonwealth Government guaranteed securities are used to discount the estimated future cash outflows to their present value. The value of the liability was calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. This liability is treated as a payable and not as a provision.



## **Notes to the Financial Statements**

For the period 1 July 2007 to 14 March 2008

### **1.W Borrowings**

Loans payable are measured at amortised cost. Interest is recognised as it accrues.

Borrowing costs are treated as an expense, as assets constructed by the council are generally completed within one year and therefore are not considered to be qualifying assets.

### **1.X Asset Revaluation Reserve**

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

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

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

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

### **1.Y Reserves**

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

- .. Wondai Water Reserve
- .. Proston Water Reserve
- .. Proston Rural Water Reserve
- .. Wondai Sewerage Reserve
- .. Proston Common Effluent Reserve
- .. Waste Management Reserve
- .. Tingoora Water Reserve
- .. Future Works Reserve
- .. Residential Development Reserve

### **1.Z Retained Surplus**

This represents the amount of Council's net funds not set aside in reserves to meet specific future needs. The main part of this amount is not available for Council to spend as it has already been invested in assets used to provide services.

### **1.AA National Competition Policy**

The Council has reviewed its activities and has identified three activities that are business activities. Details of these activities can be found in Note 29.

### **1.AB Rounding and Comparatives**

Amounts included in the financial statements have been rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero.

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



## **Notes to the Financial Statements**

For the period 1 July 2007 to 14 March 2008

### **1.AC Financial Risk Management**

The Council minimises its exposure to financial risk in the following ways:

Investments in financial assets are only made where those assets are with a bank or other financial institution in Australia and are for a period of less than one year.

The Council does not invest in derivatives or other risky investments.

When the Council borrows, it borrows from the Queensland Treasury Corporation unless another financial institution can offer a more beneficial rate, taking into account any risk.

Details of financial instruments and the associated risks are shown at Note 28.

### **1.AD Trust Funds Held for Outside Parties**

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

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

### **1.AE Taxation**

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





## Notes to the Financial Statements

For the period 1 July 2007 to 14 March 2008

### Note 2: Components of Council Functions

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

**The activities of the Council are categorised into the following broad functions:**

**Corporate Services:** operation and management of Council chambers and administration; management of Council financial resources, including rates collections.

**Cultural & Community Services:** management and upgrading of sporting, recreational and community centres; maintaining library services, community halls, swimming pools, parks and cultural activities.

**Economic Development & Tourism:** management of contributions towards economic development programs and management of tourism facilities.

**Environment Management & Health Services:** management of refuse services, maintenance of cemeteries, maintenance of public conveniences, keeping and control of animals.

**Engineering Services:** construction, maintenance and realignment of roads, footpaths, bridges and parking facilities; operation of plant and equipment, workshop, depots and quarry.

**Town Planning, Building & Development:** development of housing estates; land acquisition, servicing, development and sale.

**Water & Wastewater Management:** control of Wondai Water Scheme, Wondai Sewerage Scheme, Proston Town and Rural Water Supplies, Proston Effluent Drainage Scheme and Tingoora Water Scheme; collection, handling, processing and disposal of all waste materials.



## Notes to the Financial Statements

For the period 1 July 2007 to 14 March 2008

### Note 2.(a) Functional Analysis

	Revenue		Expenses		Increase in Net Assets		Total Assets	
	Grant and Subsidy Revenue	Other Revenue	Expenses	Resulting from Operations	2008	2007	2008	2007
	2008	2007	2008	2007	2008	2007	2008	2007
Corporate Services	\$ 1,405,332	\$ 1,842,069	\$ 1,026,655	\$ 1,383,932	\$ 2,203,664	\$ 2,222,881	\$ 7,622,422	\$ 6,134,412
Cultural & Community Services	41,918	54,549	624,791	639,429	(289,399)	(516,439)	8,570,566	8,432,983
Economic Development & Tourism	10,000	40,600	20,305	397,516	61,925	93,742	1,589,544	1,956,562
Environment Mgmt & Health Services	39,805	0	414,090	613,771	(186,692)	(373,948)	479,714	590,477
Engineering Services	798,046	1,096,715	2,483,884	2,432,341	(720,978)	609,036	34,684,350	34,771,117
Town Planning, Building & Development	0	0	37,433	45,190	11,530	4,673	0	0
Water & Wastewater Management	0	0	1,219,198	619,653	(431,576)	368,616	29,160,342	30,027,087
<b>Total</b>	<b>2,295,101</b>	<b>3,033,933</b>	<b>5,826,356</b>	<b>6,131,831</b>	<b>715,499</b>	<b>2,408,560</b>	<b>82,106,938</b>	<b>81,912,638</b>



## Notes to the Financial Statements

For the period 1 July 2007 to 14 March 2008

### Note 3: Revenue analysis

	<u>Notes</u>	<u>2008</u>	<u>2007</u>
<b>(a) Rates and charges</b>			
General rates		1,883,273	1,886,545
Water		380,134	701,185
Water consumption, rental and sundries		159,656	0
Sewerage		297,356	272,148
Garbage charges		151,231	123,016
Total rates and utility charge revenue		<b>2,871,651</b>	<b>2,982,894</b>
Less: Discounts		(365,734)	(423,668)
Less: Pensioner remissions		(4,521)	0
Net rates and utility charges		<b>2,501,396</b>	<b>2,559,226</b>
 <b>(b) Fees and charges</b>			
Fees and Charges		383,802	827,867
		<b>383,802</b>	<b>827,867</b>
 <b>(c) Interest received</b>			
Interest received from investments		155,171	214,589
Interest from overdue rates and utility charges		9,964	11,117
		<b>165,136</b>	<b>225,706</b>
 <b>(d) Sales - Contract and recoverable works</b>			
Sales - Contracts and recoverable works		1,028,378	1,564,404
		<b>1,028,378</b>	<b>1,564,404</b>
 <b>(e) Other recurrent income</b>			
Other income		132,145	644,658
		<b>132,145</b>	<b>644,658</b>

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 period end. The contract work carried out is not subject to retentions.



## Notes to the Financial Statements

For the period 1 July 2007 to 14 March 2008

### Note 4: Grants, Subsidies, Contributions and Donations

	<u>Notes</u>	<u>2008</u>	<u>2007</u>
<b>(a) Recurrent - government grants, subsidies, and other contributions are analysed as follows</b>			
General purpose grants		1,732,731	1,813,769
State Government subsidies and grants		117,803	543,355
Donations		1,745	0
Contributions		30,000	0
<b>Total recurrent revenue</b>		<b>1,882,280</b>	<b>2,357,124</b>
<b>(b) Capital - government grants and subsidies, and other contributions are analysed as follows</b>			
State Government subsidies and grants		405,986	676,809
Contributions		6,835	0
<b>Total capital revenue</b>		<b>412,821</b>	<b>676,809</b>
<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 they be expended in a manner specified by the contributor but had not been expended at the reporting date.			

### Note 5: Capital income

#### Gain (loss) on the disposal of non-current assets

(a) Proceeds from the sale of property, plant and equipment	101,752	111,860
Less: Book value of property, plant and equipment disposed	(92,106)	(371,553)
<b>Total gain (loss) on the disposal of non-current assets</b>	<b>9,646</b>	<b>(259,693)</b>

### Note 6: Employee costs

Total staff wages and salaries	2,046,729	2,339,108
Councillors' remuneration	93,454	121,823
Annual, sick and long service leave entitlements	145,668	443,355
Superannuation	25 233,847	335,501
	<b>2,519,698</b>	<b>3,239,787</b>
Other employee related expenses	134,554	30,491
	<b>2,654,252</b>	<b>3,270,278</b>
Less: Capitalised employee expenses	(69,868)	(483,223)





## Notes to the Financial Statements

For the period 1 July 2007 to 14 March 2008

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2,584,384	2,787,055
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Councillor remuneration represents salary, superannuation contributions and other allowances paid in respect of carrying out their duties.



## Notes to the Financial Statements

For the period 1 July 2007 to 14 March 2008

### Total Council employees at period end

Elected members	10	10
Administrative staff	16	15
Depot and outdoors staff	41	43
<b>Total full time equivalent employees</b>	<b>57</b>	<b>68</b>

## Note 7: Materials and services

	<u>Notes</u>	<u>2008</u>	<u>2007</u>
Administration supplies and consumables		226,719	388,263
Audit services		55,026	24,018
Councillor Expenses		11,406	13,688
Donations paid		60,040	1,473
Other material and services		1,143,330	2,607,776
		<b>1,496,521</b>	<b>3,035,218</b>

## Note 8: Finance costs

Finance costs charged by Queensland Treasury Corporation	63,979	107,698
	<b>63,979</b>	<b>107,698</b>

## Note 9: Depreciation and amortisation

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

Buildings	235,448	361,293
Other plant and equipment	194,826	384,968
Road, drainage and bridge network	566,257	785,982
Water	535,842	1,007,005
Sewerage	140,412	0

<b>Total depreciation of non-current assets</b>	<b>1,672,785</b>	<b>2,539,248</b>
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<b>(b) Amortisation of intangible assets</b>	<b>0</b>	<b>0</b>
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<b>Total depreciation and amortisation</b>	<b>1,672,785</b>	<b>2,539,248</b>
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## Notes to the Financial Statements

For the period 1 July 2007 to 14 March 2008

### Unfunded depreciation

#### Accumulated unfunded depreciation

The accumulated unfunded depreciation represents the accumulated shortfall in funding being provided from operating revenue to replace the assets at some future time.

It is anticipated that external borrowings will be required as the assets are replaced resulting in higher future operating costs. Recognition of unfunded depreciation represents a decline in the capital value of the shire.

Net adjusted unfunded depreciation is calculated by taking the gross unfunded depreciation and deducting the amount of depreciation that will not require future funding due to: non-replacement of the asset; contributions becoming available for funding the replacement; the replacement asset will cost less than the existing asset; or, the engineer's assessment of depreciation funding is less than the depreciation expense in the period.

The gross unfunded depreciation across all assets for the period is <\$0> (2007 - <\$0>)

The net adjusted unfunded depreciation across all assets for the period is \$0 (2007 - <\$0>)

## Note 10: Cash and cash equivalents

	<u>Notes</u>	<u>2008</u>	<u>2007</u>
Cash at bank and on hand		3,332,015	2,592,078
<b>Balance per Statement of Cash Flows</b>	<b>28</b>	<b>3,332,015</b>	<b>2,592,078</b>

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

Unspent developer contributions	(16,378)	0
<b>Total unspent restricted cash for capital projects</b>	<b>(16,378)</b>	<b>0</b>

Cash and deposits at call are held in the Bank of Queensland in normal term deposits and business cheque accounts.



## Notes to the Financial Statements

For the period 1 July 2007 to 14 March 2008

### Note 11: Trade and other receivables

	<u>Notes</u>	<u>2008</u>	<u>2007</u>
(a) Current			
Rateable revenue and utility charges		168,247	240,116
Other debtors		133,164	191,781
Less: Provision for doubtful debts		0	0
GST recoverable		26,946	0
Loans and advances to controlled entities and associates		21,678	28,678
		<b>350,035</b>	<b>460,575</b>

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

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

### Note 12: Inventories

#### Current

#### Inventories for consumption:

Other trading stocks	44,157	39,940
<b>Total inventories for consumption</b>	<b>44,157</b>	<b>39,940</b>

Valued at the lower of cost and selling price less cost to sell.

#### Inventories for distribution:

Quarry and road materials	47,423	47,423
<b>Total inventories for distribution</b>	<b>47,423</b>	<b>47,423</b>

Valued at the lower of cost and replacement value

Land purchased for development and sale	84,599	61,904
<b>Total inventories</b>	<b>176,180</b>	<b>149,267</b>

### Note 13: Prepayments and Other financial assets

#### Current

Prepayments and other financial assets	28	107,954	150,842
		<b>107,954</b>	<b>150,842</b>



**Notes to the Financial Statements**  
For the period 1 July 2007 to 14 March 2008

**Note 14: (a) Property Plant and Equipment** **2008**

Asset Values

	Land and Improvements	Building	Plant	Road and Bridges	Water and Sewerage	Grand Total
Basis of Measurement	Revaluation	Revaluation	Cost	Revaluation	Revaluation	
Opening Gross Value	1,317,000	13,762,934	4,716,122	31,944,329	30,829,956	82,570,341
Additions	12,489	20,320	378,057	654,150	28,975	1,094,990
Disposals	0	0	(240,236)	0	(17,800)	(258,036)
Revaluation	0	0	0	24,282	0	24,282
Closing Gross Value	1,329,488	13,783,254	4,854,943	32,622,760	30,841,131	83,431,577

Accumulated Depreciation and Impairment

Opening Value Depreciation	0	361,750	2,712,397	0	1,005,874	4,080,021
Depreciation this period	0	235,448	194,826	566,257	676,254	1,672,785
Depreciation Written Off on Disposal	0	0	(164,591)	0	(1,339)	(165,930)
Accumulated depreciation at period end	0	597,198	2,742,631	566,257	1,680,790	5,586,876
Closing Written Down Value	1,329,488	13,186,056	2,112,312	32,056,503	29,160,342	77,844,701
Range of Estimated useful Life in Years	Not Depreciated	40 - 100	12	10 - 100	20 - 80	





## Notes to the Financial Statements

For the period 1 July 2007 to 14 March 2008

### Note 14 Property Plant and Equipment 2007

Asset Values	Land and Improvements	Building	Plant	Roads and Bridges	Water and Sewerage	Grand Total
Basis of Measurement	Revaluation	Revaluation	Cost	Revaluation	Revaluation	
Opening Gross Value	1,095,520	13,292,586	5,114,526	31,271,411	30,355,193	81,129,236
Additions	69,078	470,348	435,441	1,652,491	517,963	3,145,321
Disposals	0	0	(833,845)	(321,518)	(43,200)	(1,198,563)
Revaluation	152,402	0	0	(658,055)	0	(505,653)
<b>Closing Gross Value</b>	<b>1,317,000</b>	<b>13,762,934</b>	<b>4,716,122</b>	<b>31,944,329</b>	<b>30,829,956</b>	<b>82,570,341</b>

#### Accumulated Depreciation and Impairment

Opening Value Depreciation	0	457	3,135,694	0	220	3,136,371
Depreciation this period	0	361,293	384,968	785,982	1,007,005	2,539,248
Depreciation Written Off on Disposal	0	0	(808,265)	(17394)	(1,351)	(820,010)
Revaluation adjustment to the ARR	0	0	0	(768,588)	0	(768,588)
<b>Accumulated depreciation at period end</b>	<b>0</b>	<b>361,750</b>	<b>2,712,397</b>	<b>0</b>	<b>1,005,874</b>	<b>4,080,021</b>
Closing Written Down Value	1,317,000	13,401,184	2,003,725	31,944,329	29,824,082	78,490,320
Range of Estimated useful Life in Years	Not Depreciated	40 - 100	12	10 - 100	20 - 80	



## Notes to the Financial Statements

For the period 1 July 2007 to 14 March 2008

### Note 14(b): Property Plant and Equipment

Valuations of non-current assets were determined as follows:

- 1) Land  
An internal revaluation of land was conducted as at 30 June 2007.  
  
Land under infrastructure and reserve land does have a value for the purpose of Local Government financial statements.
- 2) Building and Facilities  
Buildings were revalued as at 30 June 2006 by Rushton Asset Val Pty Ltd, Registered Valuers. Additions for this class of asset have been recorded at cost in the financial statements.
- 3) Plant and Equipment  
Plant and equipment were revalued and remain at cost. There is no major Property Plant and Equipment as defines in Policy FR009 = Major Plant and Equipment.
- 4) Roads and Streets  
An Internal revaluation of Roads and Streets was conducted as at 30<sup>th</sup> June 2007.
- 5) Infrastructure Assets  
Network assets were revalued as at 30 June 2006 by Rushton AssetVal Pty Ltd, Registered Valuers. Additions for this class of asset have been recorded at cost in the financial statements.
- 6) Bridges  
An internal revaluation of Bridges was conducted as at 30 June 2007.
- 7) Acquisitions  
All non-current assets acquired since valuation have been included at cost.

### Note 15: Capital works in progress

	<u>Notes</u>	<u>2008</u>	<u>2007</u>
Capital works in progress		257,758	37,556
		<u>257,758</u>	<u>37,556</u>

### Note 16: Trade and other payables

<b>Current</b>			
Creditors and accruals		53,409	172,717
	28	<u>53,409</u>	<u>172,717</u>

### Note 17: Borrowings

<b>Current</b>			
Loans QTC		201,255	281,872
		<u>201,255</u>	<u>281,872</u>
<b>Non-current</b>			
Loans	28	1,251,080	1,387,515
		<u>1,251,080</u>	<u>1,387,515</u>



## Notes to the Financial Statements

For the period 1 July 2007 to 14 March 2008

### Note 18: Loans

#### (i) Queensland Treasury Corporation

Opening balance	1,669,387	1,999,198
Principal repayments	(217,052)	(329,811)
<b>Book value at period end</b>	<b>1,452,335</b>	<b>1,669,387</b>

#### Classified as:

Current	201,255	281,872
Non-current	1,251,080	1,387,515
	<b>1,452,335</b>	<b>1,669,387</b>

28

The loan market value at the reporting date was \$1,398,345 represents the value of the debt if the 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.





## Notes to the Financial Statements

For the period 1 July 2007 to 14 March 2008

### Note 19: Employee Entitlements

	<u>Notes</u>	<u>2008</u>	<u>2007</u>
<b>Current</b>			
Annual Leave		153,645	213,870
Long Service Leave		9,381	133,128
Roster Day Off		23,047	10,582
Other		0	4,732
		<b>186,072</b>	<b>362,312</b>
<b>Non-current</b>			
Long Service Leave		236,066	248,847
		<b>236,066</b>	<b>248,847</b>

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

These estimates are then adjusted for the probability of the employee remaining in the Council's employment or other associated employment which would result in the Council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value. 100% of the non-current liability is funded.

### Note 20: Asset revaluation reserve

#### (i) Asset revaluation reserve

Movements in the asset revaluation reserve were as follows:

Balance at beginning of the period	27,668,278	27,405,345
Net adjustment to non-current assets at end of period to reflect a change in current fair value:		
Land and improvements	0	152,400
Road and Drainage Network	176	(396,189)
Bridges	0	506,722
Impairment provision:	0	0
	<b>176</b>	<b>262,933</b>
<b>Balance at end of the period</b>	<b>27,668,454</b>	<b>27,668,278</b>

#### (ii) Asset revaluation reserve analysis

The closing balance of the asset revaluation reserve is comprised of the following asset categories:

Land and improvements	849,460	849,460
Buildings	5,807,410	5,807,410
Road and Drainage Network	4,914,296	4,914,120
Bridges	3,311,898	3,311,898



## Notes to the Financial Statements

For the period 1 July 2007 to 14 March 2008

Water	10,014,625	12,785,390
Sewerage	2,770,765	0
	<hr/>	<hr/>
	27,668,454	27,668,278



## Notes to the Financial Statements

For the period 1 July 2007 to 14 March 2008

### Note 21: Other reserves

#### (i) Other Reserves

Movements in the other reserves were as follows:

	<u>Notes</u>	<u>2008</u>	<u>2007</u>
Balance at beginning of the period		1,678,773	1,960,693
<b>Transfers to / from Reserves</b>			
Wondai Water		0	41,659
Proston Water		0	14,314
Proston Rural Water		0	(29,533)
Wondai Sewerage		0	22,413
Proston Common Effluent		0	7,855
Waste Management		0	(35,742)
Tingoorra Water		0	10,508
Future Works		0	11,893
Residential Development		0	4,713
<b>Balance at end of period</b>		<b>1,678,773</b>	<b>1,678,773</b>

#### (ii) Other reserves analysis

The closing balance of other reserves is comprised of the following categories:

Wondai Water	563,799	563,799
Proston Water	299,801	299,801
Proston Rural Water	95,516	95,516
Wondai Sewerage	123,451	123,451
Proston Common Effluent	28,677	28,677
Waste Management	69,446	69,446
Tingoorra Water	150,277	150,277
Future Works	249,093	249,093
Residential Development	98,713	98,713
<b>Balance at end of period</b>	<b>1,678,773</b>	<b>1,678,773</b>



## Notes to the Financial Statements

For the period 1 July 2007 to 14 March 2008

### Note 22: Retained surplus

	<u>Notes</u>	<u>2008</u>	<u>2007</u>
Movements in the retained surplus were as follows:			
Retained surplus/(deficit) at the beginning of the financial year		50,064,608	49,990,898
Result from ordinary activities		715,499	121,790
Transfers (to) from capital reserves for future capital project funding, or from reserves funds that have been expended:			
Transfer to Other Reserves		0	65,275
Transfers from Other Reserves		0	(113,355)
Transfers (to) from recurrent reserves for future project funding, or from reserves funds that have been expended:			
Retained surplus at the end of the financial year		50,780,107	50,064,608

### Note 23: Commitments for expenditure

#### Operating leases

Minimum lease payments in relation to non-cancellable operating leases are as follows:

Not later than one year	25,896	25,896
One to five years	97,110	97,110
	<u>123,006</u>	<u>123,006</u>

#### Contractual commitments

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

Construction of Public Hall at Preston	500,000	0
	<u>500,000</u>	<u>0</u>

### Note 24: Events after balance date

There were no material adjusting events after the balance date.

Wondai Shire Council ceased to exist immediately after 14 March 2008 and its assets, liabilities and business were transferred to South Burnett Regional Council. This is not considered to be an adjusting event as it does not impact on Murgon Shire Council immediately before the transfer.

The transfer to South Burnett Regional Council does not give rise to any impairment as any change in the use of the assets would be the result of a decision made after cessation by South Burnett Regional Council.





## **Notes to the Financial Statements**

For the period 1 July 2007 to 14 March 2008

### **Note 25: Contingent liabilities**

The Wondai Shire Council is a member of the Queensland local government workers compensation self-insurance scheme, Local Government Workcare. Under this scheme the Council has provided an indemnity towards a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled and there was insufficient funds available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should these circumstances arise. The Council's maximum exposure to the Bank Guarantee is \$56,287.77

The Wondai Shire Council is a member of the local government mutual liability self-insurance pool, LGM Queensland. In the event of the pool being wound up or it is unable to meet its debts as they fall due, the trust deed and rules provide that any accumulated deficit will be met by the individual pool members in the same proportion as their contribution is to the total pool contributions in respect to any year that a deficit arises. As at June 2007 the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.



## Notes to the Financial Statements

For the period 1 July 2007 to 14 March 2008

### Note 26: Superannuation

	<u>Notes</u>	<u>2008</u>	<u>2007</u>
<p>The Wondai Shire Council contributes to the Local Government Superannuation Scheme (the scheme). The scheme has two elements referred to as the defined benefits scheme and the accumulation scheme. Both these schemes are defined contribution schemes as defined in the Australian Accounting Standard AASB119 Employee Benefits. Council has no liability to, or interest in, the scheme beside the payment of statutory contributions</p> <p>Any amount by which either scheme is over or under funded would only affect future benefits and is not an asset or liability of the Council. Accordingly there is no recognition in the financial statements of any over or under funding of the scheme.</p> <p>The audited general purpose financial report of the scheme as at 30 June 2007 (the most recent available) which were not subject to any audit qualification, indicates that the assets of the plan are sufficient to meet the accrued benefits.</p> <p>The general purpose financial statements disclose that the most recent actuarial assessment of the scheme was undertaken as at 30 June 2005. The actuary indicated that without improvements to benefit conditions, or other unanticipated events, current contribution rates would be sufficient to meet members benefits as they accrue.</p> <p>The Queensland Local Government Superannuating Board, the trustee of the scheme, advised that the local government superannuation scheme was a complying superannuation fund for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation.</p> <p>The amount of superannuation contributions paid by the Wondai Shire Council to the superannuation scheme in this period for the benefit of employees was:</p>			
Contributions		233,847	335,501

### Note 26: Trust funds

Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities	58,297	121,789
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The Wondai Shire Council performs only a custodial role in respect of these monies. As these funds cannot be used by the Council, they are not brought to account in these financial statements.



## Notes to the Financial Statements

For the period 1 July 2007 to 14 March 2008

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

	<u>Notes</u>	<u>2008</u>	<u>2007</u>
Result from ordinary activities		715,499	121,790
Non-cash operating items:			
Depreciation and amortisation		1,672,785	2,544,340
		<u>1,672,785</u>	<u>2,544,340</u>
Investing and development activities:			
Net (profit) loss on disposal of non-current assets		(9,646)	259,693
		<u>(9,646)</u>	<u>259,693</u>
Financing activities:			
Capital grants and contributions		(472,072)	0
		<u>(472,072)</u>	<u>0</u>
Changes in operating assets and liabilities:			
(Increase) decrease in receivables		103,540	(89,591)
(Increase) decrease in other operating assets		15,976	(54,637)
Increase (decrease) in payables		(291,542)	(573,796)
Increase (decrease) in other provisions		(12,781)	46,695
		<u>(184,808)</u>	<u>(671,329)</u>
Net cash inflow from operating activities		<u>1,721,757</u>	<u>2,254,494</u>



## Notes to the Financial Statements

For the period 1 July 2007 to 14 March 2008

### Note 28: Financial instruments

#### (a) Unsecured borrowings

The unsecured borrowings are provided by Queensland Treasury Corporation.

All borrowings are in \$A denominated amounts and carried at amortised cost, interest being expensed as it accrues. No interest has been capitalised during the current or comparative reporting period.

#### (b) Credit Risk

The credit risk on financial assets of the Council which have been recognised on the balance sheet, is generally the carrying amount net of provision for doubtful debts. Wondai Shire Council has no concentration of credit risk to any single debtors, or group of debtors.

#### (c) Interest rate risk

The Council's (consolidated) exposure to interest rate risk, which is the risk that the value of a financial instrument will fluctuate as a result of changes in market rates and the weighted average interest rate by maturity periods is set out in the table below. For interest rates applicable to each class of asset or liability refer to individual notes to the financial statements.

Exposure arises predominantly through borrowings from Queensland Treasury Corporation and investments held with financial institutions. The risk in borrowing is effectively managed by borrowing from Queensland Treasury Corporation and having access to a mix of fixed and floating funding sources such that the desired interest rate risk exposure can be constructed.

	Notes	Floating Interest Rate 2008	Floating Interest Rate 2007	Fixed Interest Rate 2008	Fixed Interest Rate 2007	Non-interest bearing 2008	Non-interest bearing 2007	Total 2008	Total 2007
<b>Financial Assets</b>									
Cash and cash equivalents	10	3,330,590	2,590,703	0	0	1,425	1,375	3,332,015	2,592,078
Receivables	11	0	0	325,380	413,897	24,656	28,678	350,035	460,575
Prepayments	13	0	0	0	0	107,954	5,422	107,954	5,422
		<b>3,330,590</b>	<b>2,590,703</b>	<b>325,380</b>	<b>431,897</b>	<b>134,035</b>	<b>35,475</b>	<b>3,790,005</b>	<b>3,058,075</b>
Weighted average interest rate		5.5%	5.5%	11.0%	11.0%	0.0%	0.0%		



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## Notes to the Financial Statements

For the period 1 July 2007 to 14 March 2008

### Note 29: National Competition Policy

A) Activities to which the code of competitive conduct is applied

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

1) i) Roads business activity

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) Submission of a competitive tender for construction or road maintenance on the local government's roads which the local government has put out to tender, or called for by another local government.

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

a) Trading in goods and services to clients in competition with the private sector, or

i) The submission of a competitive tender in the local governments own tendering process in competition with others or the provision of goods and services to itself. Excluded activities are (a) library services, and (b) an activity or part thereof prescribed by legislation.

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

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

In 2007 / 2008 the CCC was applied to the following activities:

... Other Roads

... Water and Sewerage

... Private Works and Plant operations

(b) Financial performance of activities subject to competition reforms

	<u>Roads</u>		<u>Water and sewerage</u>		<u>Plant Operations</u>	
	2008	2007	2008	2007	2008	2007
Revenue for services provided to the Council	0	1,145,992	0	0	682,294	1,011,375
Revenue for services provided to external clients	962,235	2,027,933	787,622	914,717	136,458	172,680
Community service obligations	0	0	1,237,040	1,713,320	0	0
	962,235	3,173,924	2,024,662	2,658,037	818,752	1,184,055
Less: Expenditure	(805,512)	3,159,297	(1,219,198)	1,690,470	456,037	823,374
Surplus / (deficiency)	156,723	14,627	805,464	967,567	362,715	360,681

Notes

2008

2007

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

**Activity: Water and sewerage**

Cso include pensioner rebates, uneconomic residential connections, Fire supplies and effluent water to Golf Club

1,237,040

1,713,320



## **Notes to the Financial Statements**

For the period 1 July 2007 to 14 March 2008

### **Note 30: Events after balance date**

There were no material adjusting events after the balance date.

The Council ceased to exist immediately after 14 March 2008 and its assets, liabilities and business were transferred to South Burnett Regional Council. This is not considered to be an adjusting event as it does not impact on Wondai Shire Council immediately before the transfer.

The transfer to South Burnett Regional Council does not give rise to any impairment as any change in the use of the assets would be the result of a decision made after cessation by South Burnett Regional Council.



## WONDAI SHIRE COUNCIL

### MANAGEMENT CERTIFICATE

For the period ended 14 March 2008

This general purpose financial report of the Wondai Shire Council has been prepared by South Burnett Regional Council pursuant to section 532 of the *Local Government Act 1993* (as amended), the *Local Government Finance Standard 2005*, Section 33 of the *Local Government Reform Implementation Regulation 2008* and other prescribed requirements.

We certify that:-

- (i) the relevant recording and reporting procedures have been complied with in the preparation of the final financial statements; and
- (ii) the final financial statements for the final period 1 July 2007 to 12 March 2008 and supporting notes present the former Wondai Shire Council's income, equity, balance sheet and cash flows as required by the *Local Government Act 1993*.

I D Carter  
**MAYOR**  
SOUTH BURNETT REGIONAL COUNCIL

Date: 28 / 11 / 2008

Tony Hayward  
**CHIEF EXECUTIVE OFFICER**  
SOUTH BURNETT REGIONAL COUNCIL

Date: 28 / 11 / 2008





## INDEPENDENT AUDITOR'S REPORT

To the Mayor of South Burnett Regional Shire Council

### Report on the Final Financial Report

I have audited the accompanying final financial report of the former Wondai Shire Council, which comprises the balance sheet as at 14 March 2008, and the income statement, statement of changes in equity and cash flow statement for the final period ended on that date, a summary of significant accounting policies other explanatory notes and certificates given by the Mayor and Chief Executive Officer.

#### *The New Regional Council's Responsibility for the Final Financial Report*

The new Regional Council is responsible for the preparation and fair presentation of the final financial report in accordance with the *Local Government Act 1993*, *Local Government Finance Standard 2005* and the *Local Government Reform Implementation Regulation 2008* including compliance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the final financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### *Auditor's Responsibility*

My responsibility is to express an opinion on the final 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. These Auditing Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance whether the final financial report is free of material misstatement.

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

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



### *Independence*

The *Financial Administration and Audit Act 1977* promotes the independence of the Auditor-General and QAO authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can only be removed by Parliament.

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

### *Auditor's Opinion*

In accordance with the *Local Government Act 1993* I have audited the former Council's final financial report, and -

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion -
  - (i) the prescribed requirements in respect of the recording and reporting procedures required for the preparation of this final financial report have been complied with in all material respects; and
  - (ii) the final financial report has been drawn up so as to present a true and fair view, in accordance with the prescribed accounting standards, of the financial performance and cash flows of the former Wondai Shire Council for the final period 1 July 2007 to 14 March 2008 and of the financial position as at the end of that final period.

### *Emphasis of Matter – Local Government Amalgamation*

Without qualification to the opinion expressed above, attention is drawn to Note 30 in the final financial report which identifies that pursuant to Chapter 3, Part 1B of the *Local Government Act 1993* and in accordance with *Local Government Reform Implementation Regulation 2008*, the former Wondai Shire Council was amalgamated into the new South Burnett Regional Council effective from 15 March 2008. All assets and liabilities of the former Council immediately before the changeover day were transferred to the new Council on the changeover day at the values reported in the balance sheet, in accordance with the requirements of the Regulation. Accordingly, this final financial report has been prepared on a basis that is consistent with a going concern basis.

**RICHARD LINDLEY FCA**  
(as Delegate of the Auditor-General of Queensland)  
Toowoomba, Queensland

Date : 9 December 2008

# Feedback Form



We want to hear your views on the Annual Report so we can continually improve our reporting to the community. We would appreciate your feedback by completing this survey and returning to:

**Chief Executive Officer**  
Governance Section  
South Burnett Regional Council  
PO Box 336  
Kingaroy Qld 4610

Name:

Organisation:

Postal Address:

Email:

Content:

Excellent

Good

Satisfactory

Poor

How would you rate the usefulness of the information?

☐☐☐☐

How would you rate the degree of detail provided?

☐☐☐☐

How could the information be made more useful?

Structure:

Excellent

Good

Satisfactory

Poor

How would you rate the grouping of information in each section?

☐☐☐☐

How would you rate the sequencing of the sections?

☐☐☐☐

How could grouping and sequencing be improved?

Style and Design:

Excellent

Good

Satisfactory

Poor

How would you rate the style of writing?

☐☐☐☐

How would you rate the clarity of information in tables and graphs?

☐☐☐☐

How could the style and design be improved?

Overall rating of the report:

Please provide an overall rating of this report.

☐☐☐☐

Stakeholder:

Please indicate what stakeholder group you belong to (tick appropriate category)

- ☐ Resident
- ☐ Ratepayer
- ☐ Customer
- ☐ Community Organisation
- ☐ Local Government
- ☐ Government Department
- ☐ Potential Investor
- ☐ Industry Organisation

Any other suggestions for improvement:

## Thank you for your feedback

# KEY COUNCIL CONTACTS



## Postal Address:

South Burnett Regional Council  
PO Box 336, Kingaroy Qld 4610

## Council Offices:

Wondai Office  
Cnr Scott & Mackenzie Street, Wondai Qld 4606  
ph: (07) 4169 2555  
fax: (07) 4168 5808

## Stores & Depot:

Wondai Stores  
30 Peroone Street, Wondai Qld 4606  
ph: (07) 4168 5890

Proston Depot  
46 Okden Road, Proston Qld 4613  
ph: (07) 4168 9055

## Wondai Shire Libraries:

Wondai Col Morris Library  
78 Mackenzie Street, Wondai Qld 4606  
ph: (07) 4162 6281

Proston Public Library  
34 Blake Street, Proston Qld 4613  
ph: (07) 4168 9103

## Visitor Information Centre:

Wondai Visitor Information Centre  
80 Haly Street, Wondai Qld 4606  
ph: (07) 4168 5652

## Website:

[www.southburnett.qld.gov.au](http://www.southburnett.qld.gov.au)

## Email Address:

[info@southburnett.qld.gov.au](mailto:info@southburnett.qld.gov.au)