



SUSTAINABLY DEVELOPING THE OUTBACK

Annual Report 2020/21



About this Report

This Annual Report of the Diamantina Shire Council is for the period 1 July 2020 to 30 June 2021

It profiles the Diamantina Shire and reports on the activities undertaken by Council and aims to provide the reader with a record of Council's performance during the financial year.

The Report contains information on Council's objectives, achievements, short and long-term challenges and demonstrates Council's commitment to reporting to the Diamantina community in an open, accurate and transparent manner.

This report meets Diamantina Shire Council's statutory obligations under the *Local Government Act 2009* and the *Local Government Regulation 2012*.

Copies of this publication can be obtained by contacting the Council Administration Centre on (07) 4746 1600 or by visiting Council's website at www.diamantina.qld.gov.au

We welcome your feedback on this Report, which can be provided in writing to the address below:

DIAMANTINA SHIRE COUNCIL
17 Herbert Street
BEDOURIE QLD 4829

Photos in this publication have been kindly provided by community members and Council staff. A special thanks to Michelle Dillon for many of the event photos.





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A Message from our Mayor

The year started in lockdown and got better from there although it has been far from a normal year. The country has dried off following a good flood in 2019 and the tourist dried up with COVID. We are still drought declared.

As COVID restriction were lifted to our area of Queensland, we started get a small flow of tourist into the area. While things looked bright for a while, the effects of borders opening and closing and reopening, hotspots being announced and lockdowns in southern states we couldn't plan from one day to the next. Luckily, Queensland was able to open up to allow state residents to travel sufficiently to get some tourists through to us.

As always Council has assisted our community groups to put on events where we can. Unfortunately, most events, large and small were cancelled in 2020 due to COVID restrictions. We have though continued to improve the facilities across the shire which are utilised for events. This year we added a new significant event to the calendar with Council supporting the hosting of the Million Dollar Hole golf event in July 2022. This support will include assistance with the preparation of an additional 9 holes at the Birdsville Golf Course.

This has been a difficult year for our businesses and Council has made a number of adjustments to our operations in an attempt to provide support including providing a 100% concession on general rates for tourism orientated businesses.

Council continues to work closely with the Remote Area Planning and Development Board and the newly formed Western Queensland Alliance of Councils. RAPAD is very highly respected within Queensland government circles and provides many services throughout the area, RAPADSkilling is one example. Through the WQAC, the voice of 22 rural and remote western Queensland is finally being heard through this this united effort. Its priorities for the immediate future are roads and housing. To compliment this, I am a Guardian of the Local Government Association of Queensland Rural and Remote Councils Compaq which oversees the interest of rural and remote Council throughout the LGAQ.

Hopefully there is light at the end of the tunnel in terms of funding through the Local Government Grants Commission as they commence a review into their methodology into the distribution of Financial Assistance Grants to Queensland local governments.

As roads are our lifeblood, we continue to have a great working relationship with the Department of Transport and Main Roads and our regional councils as they continue to support our efforts to get bitumen to Birdsville. We expect that there will be only the Cuttaburra section of the Eyre Developmental Road unsealed by around August 2022. That's around 18km.

Yet again our employees have worked tirelessly this year to deliver a record year and this report showcases some of their major achievements as we spend the millions of stimulus funding we have received.

Robbie Dare
Mayor





A Message from our CEO

What a year. What a ride, as we endured the ups and downs of COVID. This year has been unique in so many ways. It has had positives and negatives.

With no community events in the Shire due to COVID restrictions in Queensland or interstate we were left to our own devices. While businesses did struggle to find staff and contractors, many volunteers were enjoying a rest. The constant changes to border restrictions did have a flow on effect to Council's accommodation facilities with many bookings cancelled and a difficulty in attracting staff right across the organisation.

Thankfully our residents were not affected by the health crisis however the economic effects were plain to see on the businesses.

Luckily, due to our isolation, Council was generally able to continue with its works program without much disruption. During the period we managed to complete some major road projects including:

- the pave and seal 17.3km of the Big Red Road with funding from the Works for Qld Program, Roads to Recovery, QRA Betterment Program and Council;
- Flood Restoration contract work at the 'missing link' at "Marion Downs"; and
- Completed 10 km section of pave and seal of the Eyre Developmental Road at 'Yamba Flat';
- RMPC Contract work
- DTMR Flood Damage
- Council Shire Road Flood Damage

Not only were our road crews busy but there was a significant body of work completed across all of Council's asset classes (Buildings, Airports, Water, Parks & recreation, Tourism) funded in the main from State and Federal Government COVID funding programs.

The Annual Report details Council's progress in delivering its Corporate and Operational plans. Council is on track to meet the majority of its goals within the plans, however COVID has impacted this to some degree.

The financial statements for the year lay out the extraordinary year Council has had in terms of funding. Its pleasing to have had a strong financial year which will help keep our head above water when the funding buckets dry up.

I must acknowledge the efforts of Council's staff in getting through a vast amount of work this year under difficult circumstances. It's not only the 'outside' staff who contribute to Council's successes. Our staff in administration, visitor centres and accommodation have been put under a lot of strain this year to keep the wheels of a council turning in this very different year. Its fair to say that with the vacancies that we are carrying, all staff have been doing a couple of jobs at once.

Leon Love

Chief Executive Officer





Our Vision, Mission, and Core Values

Vision

Diamantina, a friendly, growing and safe Shire of community minded residents, provides our outback community with all-weather access by bitumen road, state of the art health, education, communication and transport services with the necessary infrastructure to promote sustainable private commercial enterprise and significant levels of private housing ownership while preserving our unique environment.

Mission

Diamantina Shire Council's mission is to serve and advocate on behalf of the Shire community and to provide residents and visitors with continually improving services and infrastructure, which is socially, economically and environmentally sustainable, in order to further enhance quality of life.

Our Core Values

Innovation and Continuous Improvement

Council and staff seek to overcome challenges and take advantage of opportunities through a commitment to innovation. Through innovative thinking and constant review of our practices and approach we are continually improving our performance and service delivery.

Quality

Council is committed to ensuring quality output by providing the organisation with resources which facilitate excellence in performance, commitment and service delivery

Accountability

Council has a responsibility to the residents and ratepayers of the Shire to be inclusive and responsive to their views and needs and to communicate effectively.

Teamwork

We recognise the importance of maintaining a creative and responsive work environment in which the community, councillors, management and staff work constructively together in a spirit of teamwork, trust and loyalty.





2020-21 Highlights

Diamantina Shire Roof Top Solar Power Generation Project

The project was born out of Ergon shutting down their green field geothermal power station in Birdsville as it became an unviable asset. As a result of this commercial decision, Ergon then considered offering the towns people solar power to their houses to compensate for the closure of the power station.

On reviewing this offer, Council's economic development staff researched the option of having solar fitted to all houses and Council's building in both towns, as to do this would have far reaching benefits for residents, Council, Ergon and businesses. Through the assistance of Ergon engineers, a system was devised that ensured the stand alone power generation system would remain stable

The benefits of the projects are:

1. Significant reduction in electricity costs for tenants giving more disposable income to spend in local businesses.
2. Significant electricity cost for Council on its high use sites;
3. Significant reduction in quantity of diesel used in Ergon Generators in both towns saving \$ for Ergon but reducing green house emissions
4. Growing the shires reputation as a clean and green location.
5. Supports the use of battery storage in the future further enhancing the above benefits.

The installation of the systems commenced in January 2021 in Birdsville and by mid-February all of the systems in the town had been installed. Bedourie installation program started late February and was completed in mid-March 2021

The projects end result is that 80 systems were installed at 67 sites which generate 922Kw .

The project has, through having a flexible and programmed implementation process, delivered an outstanding result that has used less infrastructure to generate more carbon neutral power that will improve the long term economic sustainability of the towns power generating plants and bring high quality economic electricity cost savings to Council and the shires citizens

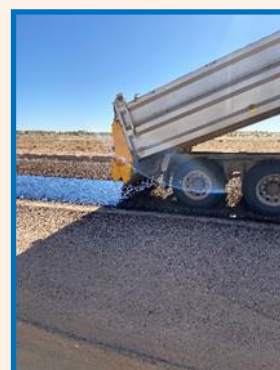




2020-21 Highlights

Big Red Road Upgrade

Big Red Road pave and seal project from chainage 1.8km to 19.1km was completed at a cost of \$4.4m. This sees bitumen from Birdsville to within 6km of Big Red as it joins the previously completed stage. This work was completed through funding from the Works for Qld, Roads to Recovery, 2019 Betterment Program and Diamantina Shire Council. The 2019 Betterment program is joint Australian Government and Queensland Government funding to build back better, more resilient essential public infrastructure damaged by the North and Far North Queensland Monsoon Trough, 25 January – 14 February 2019.





2020-21 Highlights

Birdsville Tourist Park and Lodge Management

As reported last year, Council assumed management of the Birdsville Tourist Park and Birdsville Lodge early in 2020. The first few months of operation were an awkward time, just as it was for all businesses, with the advent of COVID related lockdowns and border closures.

Unfortunately this situation continued into the 2020-2021 financial year. Events that seemed to be going ahead were cancelled, and other events that went ahead did so with reduced numbers. Predicting staff levels became difficult, and attracting staff was also an issue.

To demonstrate the impact that a global pandemic can have even on a remote accommodation business, consider the following. The six months from July 2020 to December 2020 were some of the worst trading months experienced at the Birdsville Tourist Park and Birdsville Lodge. The six months from January 2021 to June 2021 were, month on month, the highest trading months ever. And then border closures once again drove trading down from July 2021 onwards.

Service delivery was therefore far from perfect. I am sure all tourism and hospitality businesses understand the difficulties that COVID 19 has presented to the industry. Despite all of this, we had some wins, such as a redesigning of the unpowered site layout giving us more unpowered sites to offer guests in peak periods than the previous design. Work commenced on a new, larger laundry for our staff to utilise, the front reception area received a major clean out and many of the maintenance jobs that had been neglected for several years were completed. Solar systems were installed allowing both sites to generate more power than they consume. More developments are planned, including a redesign of the welcome/entrance area to provide more of a sense of arrival, as well as a brand new website.



Predicting the future is difficult at the best of times, let alone coming out of a once in a generation global pandemic. But given

the events that are planned for the 2021/2022 financial year, plus the relaxing of border restrictions due to higher rates of vaccination, the hope is that stability will return to the marketplace.





2020-21 Highlights

Amenities for Bedourie Multi-sports Complex

New amenities block has been completed providing improved facilities especially for female participants. This project was funded by Department of Sport and Recreation and Drought Communities Program. Queensland Racing contributed towards additional space for stewards and jockey change rooms replacing the 'shed' that existed previously



Birdsville and Bedourie Racecourse electrical upgrade

Birdsville and Bedourie Racecourse power upgrade has been completed. This will allow a more efficient and reliable supply of power during events. These projects were funded through the Drought Communities Program.

Photos Bedourie upgrade



Photos Birdsville upgrade





Community Financial Report

The purpose of the Community Financial Report is to give community members a plain English, easy to follow summary of Council’s Financial Statements in accordance with Section 179 of *Local Government Regulation 2012*. The Council’s annual financial statements are part of the annual report and should be viewed for more detailed financial information.

Council’s Financial Statements must be certified by both the Mayor and the Chief Executive Officer as “presenting fairly” the Council’s financial results for the year. They are also required to be adopted by Council—ensuring both responsibility and ownership of the Financial Statements by management and elected representatives.

In addition, Council’s Financial Statements are audited by the Queensland Audit Office. The auditor provides an audit report which gives an opinion on whether the Financial Statements fairly present Council’s financial performance and position.

This report focuses on:

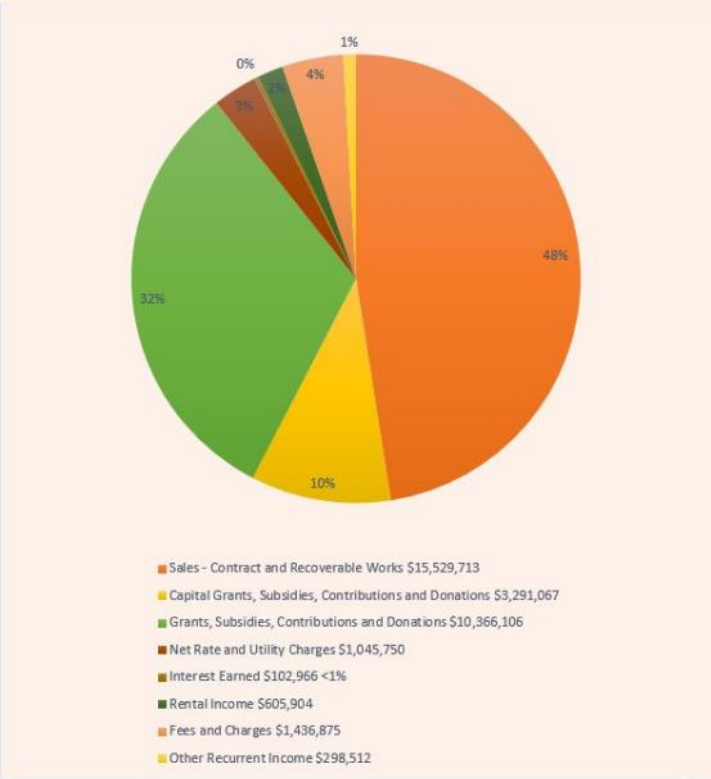
- ◆ Statement of Comprehensive Income
- ◆ Statement of Financial Position
- ◆ Statement of Changes in Equity
- ◆ Statement of Cash Flows
- ◆ Measures of Financial Sustainability

Statement of Comprehensive Income

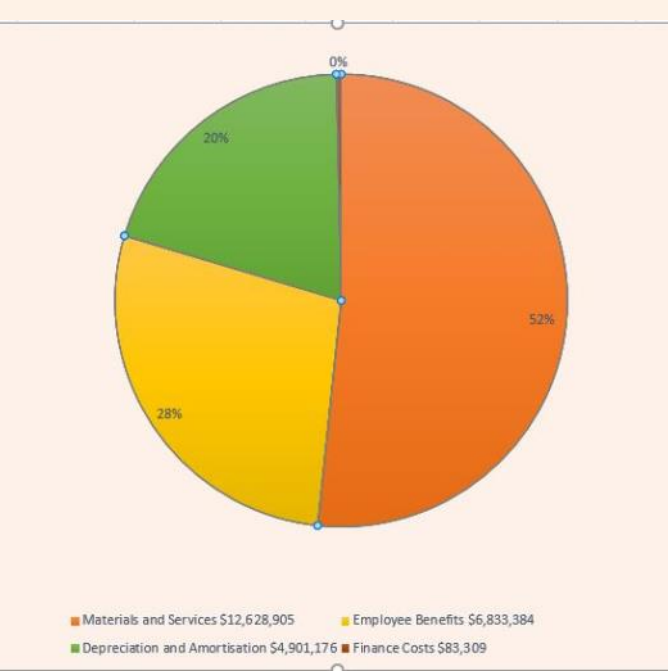
The Statement of Comprehensive Income is often referred to as the Profit and Loss statement. This statement shows what Council has earned (revenue) and what costs Council has incurred (expenses) during the year. In summary, Council’s result for the reporting period was:

	\$
What we have earned (revenue)	
Recurrent Revenue	29,385,827
Capital Revenue	3,291,067
Total Revenue	32,676,893
What we have spent (expenses)	
Recurrent Expenses	24,446,754
Capital Expenses	2,927,602
Total Expenses	27,374,357
Net Result	5,302,536

What we have earned



What we have spent





Community Financial Report

Statement of Financial Position

The Statement of Financial Position is often referred to as the Balance Sheet. The statement measures what Council owns and owes at the end of the financial year. The result of these two components determines the net wealth of Council, which is therefore the net wealth of the community.

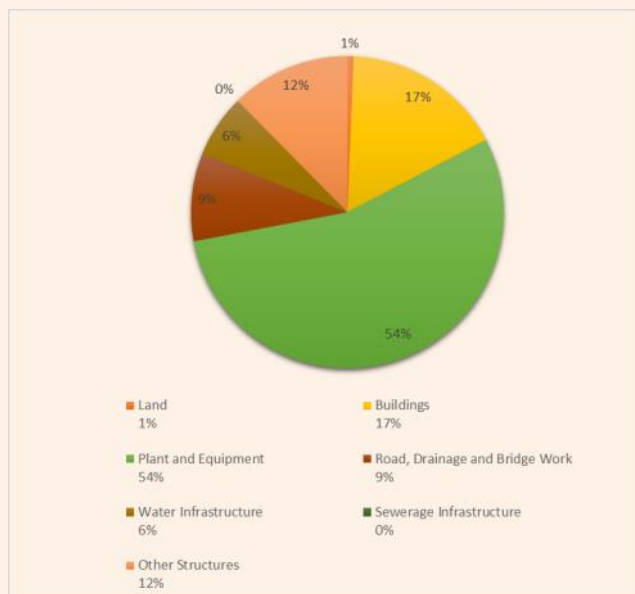
What do we own?

Council's major asset class is Property, plant and equipment, making up 89% of Council's assets.

What do our assets consist of?	%	\$
Cash and cash equivalents	9.10	14,067,543
Trade and other receivables	0.86	1,602,329
Contract assets	0.57	2,495,236
Inventories	0.95	1,908,575
Property, plant and equipment	88.52	160,293,512
TOTAL ASSETS		180,367,195

What did we spend on assets?

A significant amount of Council's activities is focussed on the maintenance, upgrade and construction of fixed assets to ensure there is adequate infrastructure services for community use. This year Council spent \$12,466,784 to renew, upgrade and build new assets for the community. The graph below shows how the money was spent in different asset classes.

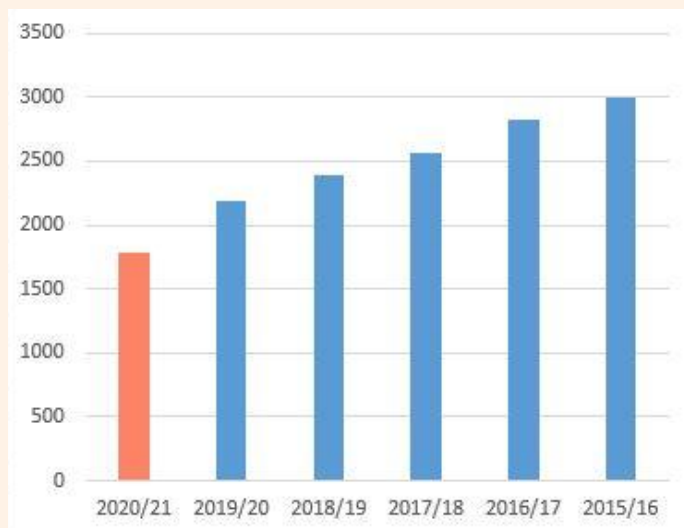


What do we owe?

With debt repayments amounting to \$199,729 for the year, Council's debt at June 30, 2021 totalled \$1,992,947. Council continues to manage its debt responsibly, electing only to borrow further after taking into account the economic conditions of the period, with the view that the borrowing will provide a benefit to future generations. No new borrowings were made during the year.

What do our liabilities consist of?	%	\$
Trade and other payables	20	694,892
Contract liabilities	38	1,980,805
Borrowings	30	1,992,947
Provisions	12	856,876
TOTAL LIABILITIES		5,525,519

Changes in Council debt over the last six years:



Statement of Cash Flows

The statement of cash flow identifies how we received and spent our money during the year, resulting in what cash is available at the end of the year. This differs from the earlier reports as "non-cash items", such as depreciation are excluded.

While our current cash balance is \$14,067,543, of this \$676,445 is restricted as it unspent government grants and subsidies for specific purposes, such as future capital works.

Cash at Beginning	\$15,371,114
Inflow from Operating Activities	\$7,941,128
Outflow from Investing Activities	(\$9,044,970)
Outflow from Financing Activities	(199,729)
CASH AT END	\$14,067,543





Community Financial Report

Statement of Changes in Equity

The difference between assets and liabilities is the total community equity or the net wealth of Council. The statement shows the overall change in our net wealth and considers such items as retained earnings, re-valuations of our asset base and reserves held for future capital works. At 30 June 2020 this was an amount of \$161.5M (ie Assets \$169M less Liabilities \$7.5M).

This community equity consists of an asset revaluation reserve and retained surpluses. The community ownership in the infrastructure and services council provides to the community has been reasonably steady over the last five years as show in the graph below.



Measures of Financial Sustainability

The financial sustainability statement and the associated measures (ratios) provide evidence of Council’s ability to continue operating and provide an acceptable level of service and infrastructure to the community both now and into the future. Section 169 (5) of the *Local Government Regulation 2012* outlines the three measures of financial sustainability on which Council must report as being:

- ◆ Asset Sustainability Ratio
- ◆ Net Financial Liabilities Ratio
- ◆ Operating Surplus Ratio.

Asset Sustainability Ratio

This ratio (expressed as a percentage) is an approximation of the extent to which the infrastructure assets managed by a local government are being replaced as these reach the end of their useful lives. The target is greater than 90% per annum (on average over the long term). The formula used to calculate the ratio is:

$$\frac{\text{Capital Expenditure on Replacement of Assets (Renewals)}}{\text{Depreciation Expenditure}}$$

Capital expenditure on replacement of assets (renewals) is an indicator of the extent to which the infrastructure assets are being replaced.

Depreciation expenditure represents an estimate of the extent to which the infrastructure assets have been consumed in a period.

Infrastructure Assets refer to those significant, long-life assets that provide ratepayers with access to social and economic facilities and services. Examples include: water and sewerage, roads, buildings, parks, pools and airports.

Target Range = > 90%

Council’s Result = 53%

Comment: Council elects to expense the restoration of flood damage on shire roads rather than capitalise it, reducing this ratio. The replacement of plant and machinery is more than 50% of Councils asset renewal spend but is excluded from this ratio. This year funds were allocated towards additional assets rather than renewals in some asset classes.



Community Financial Report

Net Financial Liabilities Ratio

This ratio (expressed as a percentage) is an indicator of the extent to which the net financial liabilities of a local government can be serviced by its operating revenues. The target is less than 60% per annum (on average over the long term). The formula used to calculate the ratio is:

$$\frac{\text{Total Liabilities} - \text{Current Assets}}{\text{Total Operating Revenue (excluding Capital Items)}}$$

Total Operating Revenue (excluding Capital Items)

A ratio greater than zero (positive) indicates that total financial liabilities exceed current assets. These net financial liabilities must be serviced using available operating revenues. A positive value less than 60 per cent indicates the local government has the capacity to fund the financial liabilities and appears to have the capacity to increase its loan borrowings if required. A positive value greater than 60 per cent indicates the local government has limited capacity to increase its loan borrowings.

A ratio less than zero (negative) indicates that current assets exceed total liabilities and therefore the local government appears to have significant financial capacity and the ability to increase its loan borrowings if necessary.

Target Range = < 60%

Council's Result: -49.5%

Comment: Council continues to be able to service its current debt. Current loans have funded the Birdsville Lodge Construction, Birdsville Airport Runway resealing and Optic Fibre infrastructure.

Operating Surplus Ratio

This ratio (expressed as a percentage) is an indicator of the extent to which revenues raised cover operational expenses only or are available for capital funding purposes or other purposes. The formula used to calculate the ratio is:

$$\frac{\text{Net Result (excluding Capital Items)}}{\text{Total Operating Revenue (excluding Capital Items)}}$$

Total Operating Revenue (excluding Capital Items)

The target is between 0% and 10% per annum (on average over the long term). A positive ratio indicates that surplus revenue is available. This may be used to support the funding of capital expenditure or used to offset past or future operating deficits. If the surplus is not required for this purpose in a particular year, it can be held to support future capital expenditure funding as a financial asset, used to offset past deficit funding or, where possible, used to reduce current debt levels.

Target Range > 0% and < 10%

Council's Result: -16.8%

Comment: It is recognised by all levels of government that Council is reliant on funding from them to maintain its operations and assets.





Community Financial Report

Five Years at a Glance - A Financial Snapshot

Financial Year	2020/21	2019/20	2018/19	2017/18	2016/17
Net Rates & Charges	\$1,045,750	\$1,107,003	\$1,137,791	\$1,087,806	\$967,756
Total Revenue	\$32,676,893	\$19,463,488	\$19,942,637	\$19,831,409	\$26,293,759
Total Expenses	\$24,446,754	\$20,202,848	\$17,783,204	\$19,192,788	\$24,003,543
Net Result	\$5,302,536	(\$739,361)	\$2,159,432	\$638,621	\$2,290,216
Capital Additions	\$12,466,704	\$8,668,437	\$5,824,838	\$6,260,280	\$9,733,792
Debt Repayment	\$199,729	\$192,261	\$185,017	\$259,705	\$246,826
Loan Balance	\$1,992,947	\$2,192,676	\$2,384,937	\$2,569,954	\$2,829,659
Total Assets	\$180,367,195	\$168,992,593	\$166,422,569	\$159,012,973	\$158,636,871
Total Liabilities	\$5,529,519	\$7,399,456	\$4,209,498	\$4,120,360	\$4,382,880
Total Equity	\$174,841,676	\$161,593,137	\$162,213,071	\$154,892,613	\$154,253,992
Depreciation Expense	\$4,901,176	\$4,468,729	\$4,380,630	\$4,159,354	\$2,941,148

Summary

Council's financial position is sound but is reliant on ongoing funding from external sources, particularly for road works. Council, like any organisation, must prioritise its requirements so as to ensure the long-term sustainability and viability of the organisation.

Council's focus will be on renewing assets in priority to creating new assets unless new assets are revenue generating or reduce operating expenditure.



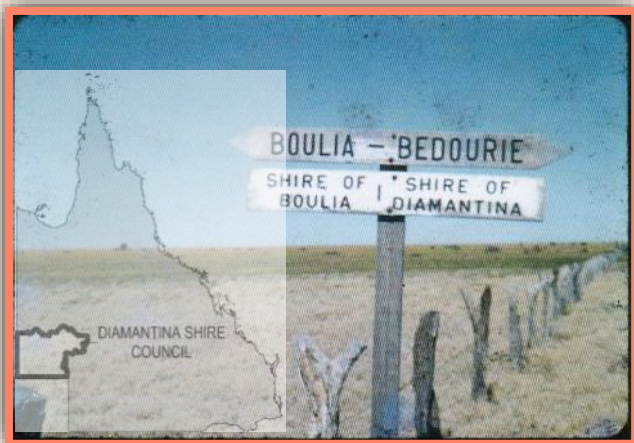
Our Shire

Our Location

The Diamantina Shire covers almost 95,000 km², which is larger than Tasmania and twice the size of Denmark! It is the second largest Local Government area in Queensland but yet has the second smallest population.

Located in the far western corner of Queensland, the Shire borders the Northern Territory and South Australia. It is part of the "Channel Country", an area of Western Queensland that is renowned for some of the best grazing land in Australia. During infrequent floods, rivers and streams stretch across the channel country like fingers which flow south into Lake Eyre in South Australia. It is home to the mighty Diamantina and Georgina Rivers and Eyre Creek.

In their wake, the floods leave vast plains of rejuvenated land that sustains cattle, wildlife and an abundance of wildflowers. To the west lies the arid Simpson Desert, the world's largest area of parallel sand dunes, attracting thousands of four-wheel-driving travellers each year intent on conquering the 1200 sand dunes. Diamantina Shire is home to 14 beef-producing pastoral



properties, some of which are still managed by descendants of the region's early settlers. Many of these stations are certified to produce organic beef that is exported throughout the world. Along with beef production, tourism is the life blood of Diamantina Shire.

Attractions like the Simpson Desert's majestic dunes, historic buildings, rare species of flora and fauna, uninterrupted horizons and bright night skies ensure that the Diamantina is a diverse and memorable travel destination for all visitors.

The Diamantina Shire's three towns are Birdsville, Bedourie and Betoota.

Our History

The origin of the name Diamantina starts back in 1862, when a river that starts north-west of Longreach some thousand kilometres from this Shire was discovered by the explorer John McKinlay. He named it Mueller Creek after the noted botanist Baron Von Mueller.

Some years later in 1886, the river was rediscovered and renamed the Diamantina by William Landsborough, thereby honouring Lady Diamantina Roma Bowen, the wife of the first Governor of Queensland, Sir George Ferguson Bowen.

The name Diamantina was conferred in 1943 to a River Class Frigate that was being built by Walker Bros at Maryborough Queensland for the Royal Australian Navy.



Originally the Shire's logo featured a lone bull. As the years progressed Council, seeing the crest of HMAS Diamantina and that of Lady Diamantina Roma Bowen requested the use of both to form a new logo for the Diamantina Shire.

Originally this request was denied, however Council being persistent was later granted permission to combine both crests to create the crest of the Diamantina Shire.

A bronco branding rope replaced the naval rope, and a bull was placed on top of the crest instead of the ship. Wildflowers from the Shire were incorporated to create a colourful and unique crest which you see today, with the Shire motto "Sustainably Developing the Outback".



Birdsville Racecourse circa 1926





Our Shire

Our Towns

Bedourie, the Shire's administration centre, boasts many modern amenities including a community centre, Health Clinic,



Eyre Creek, Bedourie

School, historic hotel, motel, roadhouse, caravan-park, unique desert golf course, flood lit tennis courts, and arguably the town's premier facility an aquatic centre with an artesian hot spa. The town's water, sourced directly from the great artesian basin, is celebrated as being Australia's best.

Bedourie, meaning 'dust storm', was first established as a Cobb & Co coach stop and watering point for drovers on the north-south stock route.

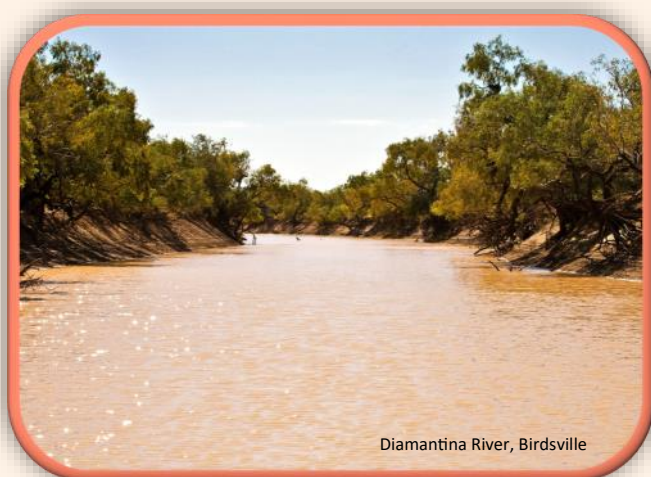
Bedourie hosts the Bedourie Camel Races in July each year and is attended by thousands who have driven from the Big Red Bash.

Bedourie has a population of approximately 100 people.

Betoota, was originally a Cobb & Co rest stop, Betoota, all but disappeared after the last horse-drawn Cobb & Co coach service ran in 1924.

However, Sigmund (Simon/Ziggy) Remienko, a Polish immigrant who had been working as a grader driver in nearby Boulia, bought the Betoota Hotel in 1953. He lived in and managed the hotel, which was a popular fuel and rest stop for outback travellers, until his retirement in 1997 when he closed the hotel doors, but continued to live there as Betoota's sole resident until his death in 2004.

The hotel is open again after Get Stuffed Outback Events Pty Ltd purchased it in 2018 and commenced trading in 2020. The town continues to host the annual gymkhana and race meeting that attracts visitors from all over Australia.



Diamantina River, Birdsville

Birdsville, lies 12 kilometres north of the SA border. Pre-federation, the town was a tolling point for the drovers transporting cattle between the colonies. After federation, in 1901, tolls were abolished and the town fell into decline.

However in recent times, Birdsville has grown to meet the demands of the growing domestic tourism industry and is now home to a historic and charismatic hotel/motel, one of Australia's only licenced bakeries, two service stations, tourist park, budget accommodation, hardware store, steel fabricator and a number of tourism operators.

Birdsville hosts the iconic Birdsville Races and Big Red Bash each year.

Birdsville's population is approximately 100.



Our Council

Diamantina Shire Council was established on 31 March 1903 after the previous Diamantina Divisional Board was abolished. It administers Local Government within the Shire, as required by the *Local Government Act 2009*. Council provides a range of community services, is responsible for local planning and policy, fosters social and economic development, and maintains a significant road construction and maintenance business and tourism enterprises.

The elected Council's responsibilities

Diamantina Shire Council comprises of five elected Councillors including the Mayor. Elections are held every 4 years, the most recent being in March 2020.

As defined in the *Local Government Act 2009*, our Councillors represent the interests of the community. They facilitate communication between the community and the Council and participate in the Shire's decision making processes, translating the community's needs and aspirations into the future of our Shire to ensure that the Diamantina is the best place to live, visit, work and do business.

Meetings of Council

Council's ordinary meetings are usually held on the third Monday of every month. Meetings commence at 9.00am and are held at the Council Administration Centre, Herbert Street, Bedourie.



Mayor
Councillor Robbie Dare

Elected: 2020

Born in 1955 in Charleville Queensland, Robbie is the oldest son of Bob and Marie Dare and has four siblings.

Robbie attended Windorah primary school until 1967 and then completed grade

10 at Nudgee College Brisbane in 1969.

His first job in 1969 was on the Don Burgess bridge on Whitula Creek west of Windorah. He worked with his father fixing windmills then on Macs roadworks west of Windorah.

He has worked for Diamantina Shire Council in a number of roles: as storeman in 1986, cost clerk in 1987, and then director of works from 1989 to 1997. Breeding thoroughbred horses and Angus cattle on his property near Toowoomba keeps Robbie busy.

Robbie served as Diamantina Shire Mayor from 2004 to 2012.

Robbie is married to wife Adele and has three children Ben, Jeff, and Jaime.



Deputy Mayor
Councillor Doug Cooms

Elected: 2016

Born in Charters Towers and raised in the Winton, Boulia and Mt Isa districts by parents Bev and Bruiser Cooms.

Doug has one elder brother John and a youngest sister Nerida. Doug spent his early schooling years in the Winton Boulia districts and completed his junior schooling in Mt Isa before attending boarding school at Mt Carmel College in Charters Towers.

Doug and his now wife Tracy left Boulia in their late teens and moved to Townsville where Doug worked for an earthmoving Company throughout Queensland for seven years. From there Doug and Tracy moved to the Darling Downs and brought a small farm outside Crows Nest and later on Oakey where they raised their two girls Shahn and Jasmine. In 1989 Doug joined the cement and concrete industry where he worked for 22 years mostly in the technical division throughout the Darling Downs and Central Queensland.

In 2011 Doug and Tracy had an opportunity to move back to the bush to invest in and manage the Simpson Desert Oasis Roadhouse in Bedourie. During the past 5 years Doug has been an active member of numerous community events and clubs.



Our Council



Councillor Don Rayment

Elected: 2012

Councillor Don Rayment was re-elected in 2016 for his second term on the Diamantina Shire Council. However Local Government is not new to Don as he served two terms on the Winton Shire Council. At the time he was one of the youngest Councillors elected to the Winton Shire.

Born in Brisbane and raised in the Diamantina Shire by parents Charlie and Pauline Rayment on Kurran Station, Don is second eldest son, with three brothers and one sister.

Since finishing school he has been employed in the rural industry undertaking contract mustering, yard building and fencing. Don spent ten years contract mustering for MDH around Winton and Boulia and also did a stint as Rural Protection Officer/Rural Lands Officer with Department of Natural Resources and Local Government bodies.

Don & Judy shifted to the Diamantina Shire in 2005 to manage the organic cattle property Adria Downs, 130km north west of Birdsville. Their 6 adult children and grandchildren (7 at present) are regular visitors from various places within Queensland.



Councillor Francis Murray

Elected: 2020

Francis Murray was raised in Birdsville and Bedourie by his parents Wesley and Sandra Murray. Wesley was a son of Arthur and Flora Murray who moved to Birdsville from Finnis Springs Station, north of Marree, in the early 1950s working the cattle industry as drovers, fencers and yard builders.

Francis' brother, Wesley jnr, was the last child born in the Birdsville Clinic and a few years later Francis married Michelle Cain in the Bedourie Hall. Together they established their truck business working for the Diamantina Shire. Francis and Michelle have two children, Ryder and Jonti, and when Francis' parents passed away, they also raised Wesley jnr.

Francis and Michelle now live in Birdsville from where they continue to run their business. Francis is proudly descended from the Arabana, Dieri, Barngarla and Scottish peoples of South Australia but, having lived and worked almost all of his life across the Diamantina Shire, he considers the Wangkangurru/Yarliyandi, Mithaka, Wangkamahdla, Pitta Pitta and Maiawali/Karuwali countries home.

This is Francis' first term as councillor.



Councillor Steve Cramer

Elected: 2011 to 27 February 2021

Born in Glen Innes, NSW, in 1976 to Philip and Moira Cramer, Steve is the third of four children. Steve completed primary school at Glen Innes State School before attending secondary schooling at Glen Innes High School. On leaving school, Steve attended Longreach Agricultural College and went on to work at S. Kidman & Co.'s Sandringham Station as a ringer.

At Sandringham Station he met Jeena Kleinschmidt who came to work as a governess. After Sandringham they moved to Peak Crossing while Steve worked in the stockyards at the meatworks at Dinmore and broke in horses on the side. When Steve and Jeena married in 1999, they re-joined S. Kidman & Co and moved to Morney Plains, Windorah as Head Stockman for 18 months, then up to Ruby Plains Outstation Sturt Creek, in the Kimberleys of North Western Australia.

After seven years running Sturt, Steve was relocated to Glengyle Station in December, 2007. Steve and Jeena have four children - Cody, Bridey, Beau and Jack.



Councillor Don Rowlands

From: 10 May 2021

Don Rowlands is a well-known local identity, leader and respected elder of the Wangkangurru people. He lives in Birdsville with his family. Growing up is where he learnt the beliefs, traditions, and cultures of Wangkangurru from his elders particularly his grandmother. His grandmother taught him how to understand the dreamtime and how these narratives spiritually bonded the Wangkangurru people to the Munga-Thirri (Simpson Desert).

Don is a strong proponent of "the ways of the old people", with a sincere belief that all Australians can benefit enormously from developing an understanding of their country by appreciating the culture and beliefs that sustained the indigenous people of Australia for thousands of years.

For the past 28 years Don, has worked for Queensland Parks & Wildlife Services, with added value of managing his traditional lands, protecting the cultural sites and places has been a wonderful gift and reward for Don, his family, and his people.

Don has tried many times to be elected to council without success, now finally he has a seat at the table. He loves this challenge and pledges to do everything in his power to represent the Diamantina Shire (Birdsville, Bedourie and Betoota).



Our Council

Councillor Expense Reimbursement

In accordance with section 250 of the *Local Government Regulation 2012*, Council must have an Expense Reimbursement Policy for Councillors. The objective of this policy is to ensure the payment of legitimate and reasonable expenses incurred by Councillors for carrying out their duties and responsibilities, and to provide facilities to Councillors for those purposes. It provides clear and concise instruction on what expenses can be reimbursed to Councillors. The full policy is available on our [website](#).

Councillors were provided with suitable ICT support including a laptop computer or iPad.

Councillor Remuneration and Attendance

At the Council Ordinary meeting held on 20 April 2020, the following resolution was adopted:

Minute No. 2020.04.20-OM-16

Moved Cr Dare, Seconded Cr Murray

‘That effective from 1 July 2020, Council increase the annual remuneration paid to the Mayor, Deputy Mayor and Councillors to the maximum level available as per the Local Government Remuneration Commission Report 2019, as follows:

- **Mayor \$108,222**
- **Deputy Mayor \$62,435**
- **Councillor \$54,110’**

In accordance with section 186 of the *Local Government Regulation 2012*, the following table details:

- the number of meetings attended by each Councillor;
- the total remuneration, including superannuation contributions, paid to each councillor; and
- the expenses reimbursed under the Expense Reimbursement—Councillors Policy

Councillor	Ordinary Meetings Attended	Remuneration	Expenses Reimbursed	Superannuation Contribution	Communication Allowance	Travel Allowance	Total
Cr D Cooms	12	\$62,435.06	\$0.00	\$7,492.20	\$600.00		\$70,527.26
Cr S Cramer	9	\$34,570.30	\$0.00	\$4,148.43	\$400.00		\$39,118.73
Cr R Dare	12	\$108,656.04	\$0.00	\$10,322.28	\$600.00		\$119,578.32
Cr Don Rowlands	2	\$9,018.34	\$0.00	\$856.74	\$100.00	\$334.00	\$10,309.08
Cr F Murray	12	\$54,110.04	\$0.00	\$5,140.44	\$600.00	\$3,674.00	\$63,524.48
Cr D Rayment	11	\$52,606.98	\$0.00	\$6,071.75	\$600.00	\$3,047.75	\$62,326.48
Total		\$321,396.76	\$0.00	\$34,031.84	\$2,900.00	\$7,055.75	\$365,384.34





Our People



Leon Love—Chief Executive Officer

Leon joined Council as CEO in October 2013 and has extensive experience in Queensland local government having worked in various Councils over the past 29 years in Toowoomba, Roma, Normanton and Mundubbera.

Assisting Council to maintain and improve the communities infrastructure and services in a sustainable way is Leon's key focus in addition to seeing the continued sealing of Main Roads.

The unique and diverse landscapes and friendly residents make the Diamantina an enjoyable place to live and work.

Married to Allison, together they have five children who love nothing more than to get back to Bedourie.



Trevor Stewart—Infrastructure Manager

Trevor started with the Diamantina Shire Council in January 1983 as a labourer and plant operator then became Works Foreman 1992.

In 1996 he became Works Overseer before leaving the Shire in July 2001 to work for a civil construction company in Toowoomba. One of Trevor's biggest achievements when working for the company was being made foreman in charge of the civil works on the multi-story carpark at the Brisbane International Airport.

Trevor returned in 2011 as Works Manager.

He has three children, two of whom went to primary school in both Bedourie and Birdsville.



Cassie White—Deputy Chief Executive Officer

Cassie joined the Diamantina Shire and Bedourie community in January 2018, accompanied by her partner Mick and daughter Isla.

Cassie hosts 18 years industry experience, is an Associate CPA member and holds a Bachelor of Commerce with a dual degree in Advanced Accounting and Management Law.

Cassie has a passion for remote and rural Local Governments and enjoys the challenges and learning experiences that come with rural and remote placements.

Cassie left Council in August 2020 to take up a position at Paroo Shire Council as Chief Executive Officer.



Amanda Schnitzerling—Governance and Environment Manager

Amanda started working for Council in March 2014 as Executive Assistant. She lives in Bedourie with her partner Dave Roberts, who works for Council as Facilities Maintenance Coordinator. She commenced in the position of Governance and Environment Manager in September 2019.

Coming from Maryborough on the east coast, the move to the Diamantina was both exciting and challenging but Bedourie is now proudly called Home.

Amanda holds a Bachelor of Business - Accounting and worked for the Queensland University of Technology as a Project Manager for 17 years.



Stephen Schwer—Community Sustainability Manager

Stephen's background is in economic development, specifically in the tourism and hospitality sector. This is Stephen's first government role, having worked previously in the for profit and not for profit sectors. With qualifications in education, tourism, business and project management, he is keen to be an agent for the growth of the Diamantina economy and population.

Gardening is Stephen's passion outside of work, and one of the motivations for moving to the Diamantina was the soil, abundance of water and growing conditions of the region.



Our People



Diamantina Shire Council has had a busy year in regards to human resource management and improving our overall operations in regards to people management. Significant work has gone into the recruitment of staff as well as training and development of existing employees.

Training and development

Council is committed to learning and development and promotes study assistance as well as assistance with course fees to all employees. It aims to spend approximately 4% of its pure wages and salary expense on staff training. Individual training needs are identified as part of the Performance Review process.

All new outside employees are offered the opportunity to complete a Certificate III in Civil Construction.

Following is a selection of the training undertaken this year with a significant investment in safety training:-

- ◆ Stabiliser Induction
- ◆ Synergy Soft
- ◆ First Aid
- ◆ Procurement rules and guidelines
- ◆ Supervisor Safety
- ◆ National Heavy Vehicle ‘
- ◆ Magiq Infoexpert
- ◆ Dogging
- ◆ Airport Reporting Officer
- ◆ Tag and Test

A strong partnership with RAPAD Skilling was maintained with competencies in various plant being completed.

Employee Assistance Program

The Employee Assistance Program was again offered to all employees and their immediate family. The program provides access to a clinical psychologist both over the phone and face to face. Introduced in the 2009/2010 financial year, the program has been accessed by various staff members throughout the year and provides support and assistance with the reduction of negative effects of stress that can arise within the workplace and community.

Recruitment and selection

Recruiting and retaining skilled staff continues to be a challenge but Council actively funding and implementing ideas to reduce the cost of living and make working in the shire more attractive.

Trainee and apprenticeship program

DSC is committed to maintaining a skilled workforce and providing opportunities to local residents to increase their potential employment opportunities. Wherever possible DSC will recruit local residents as trainees and apprentices to enhance skill development in the shire and to skill up potential long-term employees. This year we employed one mature age Administration Officer—Trainee. We also currently have a young Operational Works Trainee completing a Certificate III in Civil Construction (Plant Operation).

Council acknowledges that older staff may be interested in furthering their skills and they are also encouraged to apply for trainee or apprentice positions.





Our People

Diversity and Inclusion

Council is committed to preventing discrimination and adhering to equal opportunity principles. Our Anti-Discrimination and Equal Opportunity Policy is a key part of all new employees and contractors induction. All our employees have a right to work in an environment free from discrimination.

Safety and Wellbeing

Council is committed to the health, safety and wellbeing of its employees with wellbeing initiatives being actively implemented. Complacency is one of the biggest challenges for the health, safety and wellbeing of our employees. We are developing and implementing initiatives to establish a culture of safety first to bring safety and wellbeing to the forefront in everything we do.

Influenza vaccinations were again offered to staff and their immediate family, and membership of the Paraplegic Benefit Fund and Corporate BUPA was maintained.

Continuous improvement of our safety management system has resulted in a score of 94% on the construction audit conducted by JLT on behalf of TMR, we are continuing the continuous improvement journey across all of the safety and quality management systems.

We have recently implemented the AltusERM Database to record all hazards, incidents and near misses, this database enables increased visibility of the process, allows timely reporting over a range of data, ability to analyse trends etc. and assists in improving the quality and security of the data. We have increased the level of investigations being conducted in relation to injuries and other incidents to ensure root cause/s and contributing factors are established so that we can implement effective control measures.

We made some major changes to the drug and alcohol testing as part of an overall fit for work policy, the number of tests being completed has risen dramatically and the message is clear to all employees and contractors, you will, be tested anytime and anywhere. To assist in the testing we have also introduced passive testing of all employees on start-up day both in Bedourie and Birdsville.

As at 30 June	2020/21	2019/20	2018/19
Administrative/Community Services Staff	23	24	20
Construction & maintenance Staff	40	34	31
Total, excluding casuals	63	58	51
Executive			
> Male	3	3	2
> Female	1	2	2
Elected Members			
> Male	5	5	4
> Female	-	-	1
All employees			
> Male	36	45	30
> Female	27	23	21
Aboriginal & Torres Strait Islander employees	16	12	14
Employees with a disability	0	0	0
Staff Turnover	34%	23%	43%





Our Community

Events in the Diamantina Shire cancelled due to COVID-19

July 1st 2020 – June 30th 2021

Bedourie Campdraft Rodeo Bronco Branding July 2020

Bedourie Camel and Pig Races July 2020

Big Red Bash July 2020

Bedourie 9's July 2020

Betoota Races August 2020

Birdsville Races September 2020

Bedourie Races September 2020

Betoota Gymkhana April 2021





Our Community

Splash n Arts Camp

November 2020—reduced capacity only Bedourie, Birdsville and local stations participated due to COVID-19





Our Community

Children Services

The aims of the Shire’s Children’s Services are to prepare children for formal education, to strengthen the bond between carer and child and to equip the carer with tools to raise healthy and happy children. Once again the Queensland State Government through the Department of Education have continued to financially support the Children’s Services in the Diamantina Shire. With their funding and other assistance, both Bedourie and Birdsville have been able to host Playgroups for children aged 0-8 and their carers in 2020/2021.

The disruption caused by COVID 19 related lockdowns and border closures didn’t affect this year’s operations as much as the previous year’s, which was good to see. This allowed us to open our services beyond the Playgroups in the two towns, with a Shire wide combined Playgroup being held as well as some Playgroups delivered at stations in the region. We also partnered with local emergency services, schools and other agencies to run events, such as our always popular Under 8s Day.



It is with much excitement that we received confirmation recently of a further three years of funding to continue this service in Bedourie and Birdsville. The stability of funding will allow us to plan events further in advance and create even better outcomes for our Shire’s youth. We thank the State Government for their ongoing support



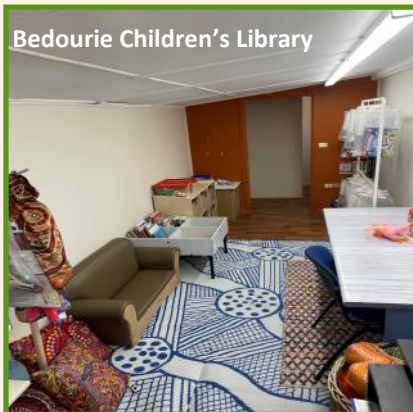
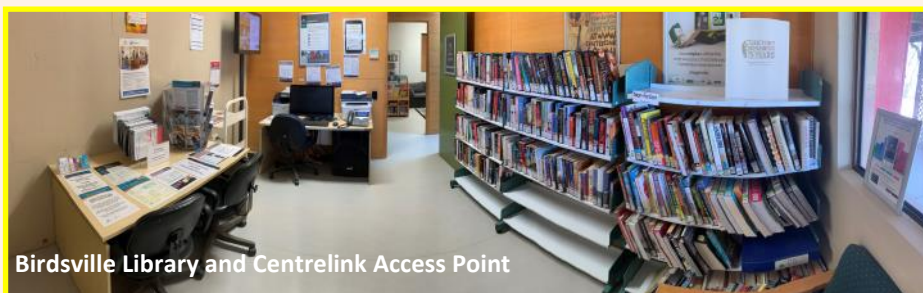


Our Community

Library Services

The Bedourie and Birdsville Libraries, located at the two Visitor Information Centres, have always been popular with families in the Shire. With not only books, but toys, DVDs, audio books and other resources, the libraries also host Playgroup sessions. What many people don't know is that membership of the library in Bedourie or Birdsville gives you membership to the whole Rural Libraries Queensland network, including online resources such as audio books and e-books.

Library usage was patchy during 2020 and 2021, but certainly increased over the 2019-2020 financial year. Our free book giveaways at both libraries were well utilised, as were the children's resources. We encourage all Shire residents and travellers to the region to use the libraries, as we receive new stock throughout the year and can order books in that you want. Thanks go to the State Library of Queensland and the Rural Libraries Queensland network for their continued support for our services.





Our Goals

Goal 1: Our Environment

- 1.1 Benefits from the utilisation of renewable energy sources.**

- 1.1.1 Energy producers partner with Council and/or community to maximise the use of renewable energy production.

- 1.1.2 Greater uptake of renewable energy and energy efficient products.

Our Challenges

Our Achievements



Council’s solar panel project was completed in March 2021 and is compatible with Ergon’s micro grid for Bedourie and Birdsville. All Council houses had systems installed and larger consumption Council buildings. Privately owned residential and commercial properties have also participated. A reduction in nett energy usage at Council facilities for the same time last year has been seen.



- 1.2 Is protected from degradation by practices which ensure environmental sustainability.**

- 1.2.1 Harm to the environment is kept to a minimum where possible, given Council's available resources.

- 1.2.2 Effective waste management practices meeting EPA conditions

Our Challenges

Limitations on our ability to take advantage of Queensland Government Container Recycling programme.

Our Achievements

Continue to meet environmental obligations under the Environmental Protection Act (EPA).

Investigation was conducted into the Queensland Government Container Recycling scheme but unfortunately we’re not eligible for funding to return eligible containers to recycling centres.





Our Goals

Goal 1: Our Environment (continued)

1.3 Is recognised as contaminate free.

1.3.1 The Shire's image as being clean and green is enhanced.

Our Challenges	Our Achievements
	Septic tank has been installed at Carcoory camp to treat waste water from mobile camp which will be continued at all major camp sites.
	Working with 'organic' properties in undertaking roadside weed spraying activities using low impact chemicals.
	Continue to meet Environmental Protection Act obligations.

1.4 Is relatively free from pest weeds and animals.

1.4.1 Pest weed and animal numbers are reduced.

1.4.2 Council cooperates at a regional level to prevent pest weed and animal spread into the shire.

Our Challenges	Our Achievements
The size of the shire makes it near impossible to efficiently manage dispersed pest plants and animals.	Undertaking weed spraying activities as part of the Department of Transport and Main Roads (DTMR) Roads Maintenance Performance Contracts (RMPC).
Managing a small section of primary stock route without adequate funding from the Queensland government is unsustainable for Council.	Councils continues to offer a \$30 bounty for wild dog scalps and pay for the cost of a plane to assist with coordinated aerial baiting campaigns.
	Central West Regional Pest Management Group (CWRPMG) meetings attended by Mayor in November and February. The CEO is on the technical committee of this group.





Our Goals

Goal 1: Our Environment (continued)

1.5	Includes a healthy Great Artesian Basin.
1.5.1	Membership of relevant lobby groups is maintained.
1.5.2	Australian and Queensland Governments continue to fund the GABSI bore capping program.

Our Challenges

Council continues to seek funding for the repair of leaking artesian bores in the north east of the shire, however due to a continued lack of government funding that hasn't been possible at this stage.

Our Achievements

Funding for the GABSI bore capping program has continued. Funding was secured through DTMR to repair the Óasis' bore at Carcoory (pictured below). This work has been completed and Council has agreed to take over ownership of this bore.





Our Goals

Goal 2: Our Community

2.1 Recognises the value of preserving the unique culture of the area.

2.1.1 Effective management of cultural heritage and native title.

2.1.2 Financially viable and strongly supported traditional social events.

2.1.3 Preservation of historical sites and artefacts.

Our Challenges

Without Council support, traditional events are not financially viable.

COVID-19 forced the cancellation of all the major events in the shire.

Increasing regulation by bodies such as Qld Racing are putting pressure on Council and clubs to upgrade race track venues.

Finding adequate volunteers is an ongoing issue in a small community.

Our Achievements

Cultural Heritage Act obligations being met with various Native title holders.

Council has been a party to the Native Title Claim of the Wangkamadla People which was granted in July 2020.

Council installed 'Welcome to Country' signs prepared by the Wangkangurru/Yarluyandi Aboriginal Corporation.

Council continues to provide high levels of support to community events.

Work was completed on the restoration of the Birdsville Courthouse.



2.2 A Community Where The Cost Of Living Is Comparable To The South East Of The State

2.2.1 The cost of living in the Shire is reduced

Our Challenges

The cost of living in the shire is predominately related to the cost of food and fuel which is controlled by businesses within the shire.

Business and residents rely on road freight to get goods into the shire which is expensive.

Low population in both towns do not provide economies of scale.

Our Achievements

The installation of roof mounted solar panels on all Council housing will reduce the cost of living of these tenants, with savings of around 50% expected off electricity bills, depending on usage patterns.

The market rent of council houses is set at a level which is well below the 30% maximum allowable percentage of income under the Qld Governments Social Housing rent policy.





Our Goals

Goal 2: Our Community (continued)

2.3 Has attractive, green and clean towns of which residents are proud.

2.3.1 Recognition through the tidy town’s awards.

2.3.2 Streetscapes maintained and parks developed as funds allow.

Our Challenges

The harsh environment makes the establishment and maintenance of parks and gardens difficult and labour intensive.



Our Achievements

Town streetscapes are being maintained as resources allow.

Parks are being maintained as resources allow.

Masterplan approved for Bedourie Anzac Park. Skatepark have been completed in each town.

Birdsville Anzac Park upgrade has progressed with major elements completed.

Further review of watering of footpaths to be undertaken to avoid water wastage.

2.4 Has access to the full range of affordable transport Services.

2.4.1 A reliable, regular air service at prices comparable to Brisbane to Mt Isa costs.

2.4.2 A reliable weekly freight service at prices comparable to Brisbane to Mt Isa freight costs.

Our Challenges

Unsealed roads from the east and south makes freight difficult, expensive and dependent on weather conditions.

Providing sustainable and adequate work to freight companies to ensure ongoing and reliable service.

COVID-19 has disrupted domestic air travel.



Our Achievements

REX introduced a Community Fare in July 2019 significantly reducing the cost of air travel to and from the shire.

Council provides the ground services at the Bedourie airport at a subsidised rate.

Airports meet CASA standards and registered with Department of Home Affairs at as Tier 3 to ensure REX flies.

Crack sealing, rejuvenation and linemarking completed at the Birdsville Airport.

Freight is sourced from Mt Isa, and Brisbane to Bedourie and to Birdsville from Adelaide on regular fortnightly services.





Our Goals

Goal 2: Our Community (continued)

2.5 Has significant private home ownership with all residents appropriately housed.

2.5.1 Private home ownership continues to increase

Our Challenges

Banks continue to be reluctant to lend to remote areas and require a 50% deposit.

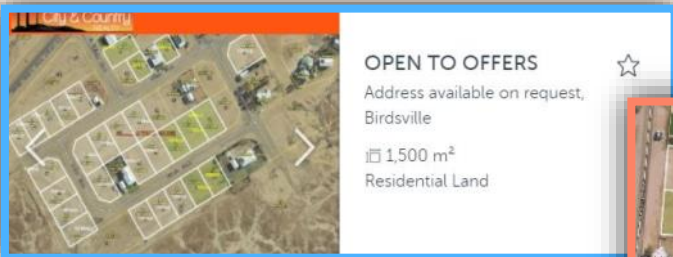
A transient population that is not inclined to financially commit to a long term stay in the shire.

Our Achievements

A House and Land auction was held in November 2020, no vacant lots sold, 1 House sold being 30 Adelaide Street, Birdsville.

1 vacant lot sold in Birdsville in May 2021.

Lobby through RAPAD and WQAC has increased the housing affordability issue in rural and remote Qld.



2.6 Where volunteering in the community is a given and community spirit is visible.

2.6.1 Active and well-resourced community groups

Our Challenges

Community events were cancelled due to COVID-19 throughout the year.

Our Achievements

The community grants program was advertised in March 2020 for events to be held between May 2020 and April 2021. Community Grants were offered again in March 2021 for events to be held between May 2020 and April 2021. Most events in 2020 were cancelled due to COVID-19.





Our Goals

Goal 2: Our Community (continued)

2.7 Is Safe and Crime Free

2.7.1 The Community remains safe and crime free

Our Challenges

The absence of local police from either of our towns means that coverage is provided from the other town. This results in a reduction in QGAP services and inability to attend to emergencies in two locations at once during a significant period during the year.

Transient population creates difficulty in ensuring SES and Rural Fire Brigade have well trained and sufficient members.



Our Achievements

Council has supported State Emergency Service (SES) groups in Bedourie and Birdsville.



With the support of Council and the dedication and hard work of volunteers a lot of training has been completed. The training included flood boat operations, storm damage operations, participate in a rescue operation, working at height operations and also a joint SES and RFS airport emergency exercise.

A trailer mounted generator and a trailer mounted community recovery trailer were delivered with the success of grant applications.



Negotiations with the QPS District Inspector continue to ensure the policing needs of the Birdsville Races are met.

Disaster Management Plan is up to date.

2.8 Cares for its residents of all ages.

2.8.1 Services are provided for our aged, youth and children as appropriate

Our Challenges



Our Achievements

Playgroup services continue to be provided in Bedourie and Birdsville with a small break in 2020 and 2021 due to COVID-19.

Council continues to donate the Community facilities for community run events.





Our Goals

Goal 2: Our Community (continued)

2.9	Has access to fully operational medical and pharmacy facilities run by a quality service provider offering affordable access to onsite general practitioners and other health professionals.
2.9.1	A community that is fully aware of and responsive to primary health care needs.
2.9.2	Maintain a partnership with Central West Hospital and Health Board to provide a quality health service.
2.9.4	Quality health infrastructure that meets community needs
2.9.5	Ambulance Services throughout the Shire and at Community Events are retained

Our Challenges

Developing lease agreements with Queensland Health for the clinic facilities and associated housing.

Our Achievements

Council continues to provide clinic facilities and associated housing to Central West Health at no cost.

Council supports all health initiatives through provision of facilities and advertising through our community emails and Desert Yarns.

Queensland Health undertakes regular community surveys .

Providing important information to the community during the pandemic.

2.10	Has access to a reliable and affordable renewable electricity supply.
2.10.1	Affordable power supplies are available.
2.10.2	Renewable energy production is increased.

Our Challenges



Our Achievements

Council was successful in securing a \$943,000 Building our Regions grant for a solar roof top project and the project has been completed. This project installed solar power to all Council owned houses and community buildings in Bedourie and Birdsville bringing significant financial relief to Council and Council's tenants. Works included installation of roof mounted solar panels of various sizes and power capacity. Ergon played a vital role in bringing this unique project to fruition.



Our Goals

Goal 2: Our Community (continued)

2.11 Has quality sporting facilities with high participation rates.

2.11.1 Well maintained, quality sporting facilities which meet community needs with additional facilities as appropriate for the communities.

Our Challenges

Our harsh weather conditions make it difficult to maintain outdoor sporting fields and facilities.

Our small population means that playing team sport is difficult.



Birdsville Racecourse Roof



Bedourie Multi-Use Complex Amenities

Our Achievements

The irrigation of the Bedourie and Birdsville sports ovals has been converted to a 'travelling irrigator' method with relevant infrastructure being installed in both towns through funding from the Drought Communities Program.

Bedourie Racecourse has had an amenities block constructed through funding from Department of Sport and Recreation and Qld Racing.

Council installed underground pipework and slab to the recent roof extension at the Birdsville Racecourse.

Management agreement for access to Birdsville School pool is in place.

Solar panels installed on the Bedourie Aquatic Centre and Gym and Birdsville Indoor Sports Centre.

Electricity supply improved at Birdsville Racecourse, Birdsville Event showers and Bedourie Multiuse complex.

2.12 Has better telecommunication and internet access than South East Queensland.

2.12.1 Phone and internet services are reliable and effective.

Our Challenges

Now that we have optic fibre the challenge is to procure and implement the best technologies.

Our Achievements

Zoom Room facilities available for use by the community in the Bedourie Administration Centre and the Wirrarri Visitor Information Centre.





Our Goals

Goal 3: Our Economy

3.1 Is underpinned by the beef cattle industry and the expanding organic market.

3.1.1 Support sustainability of the cattle industry.

3.1.2 Improve animal welfare outcomes.

Our Challenges

The shire maintains over 1,684 km of road the majority of which are gravel.



Resheeting in progress

Our Achievements

17.3km pave and seal completed on Big Red Road.

Ongoing maintenance of both sealed and gravel sections of road continues as funding allows.

\$14.5M was allocated towards the upgrade of the Eyre Developmental Road and a 10km section was sealed at Yamba Flat. Work continues on section around Carcoory and Old Roseberth in future years.

REPA funds used to restore Shire Roads damaged by natural disasters

3.2 Flourishes from a growing tourism industry and continuation of major events.

3.2.1 More tourists visit year on year.

3.2.2 The Birdsville Tourist Park and Birdsville Lodge contribute significantly to the Birdsville economy.

3.2.3 A cooperative group of businesses and individuals are united in promoting the Shire as a destination.

3.2.4 Birdsville Courthouse and Bedourie Pise' House established as must see tourist attractions

Our Challenges

COVID-19 was a huge challenge this year and reduced the number of tourists visiting the shire.

Majority of events were cancelled due to COVID-19.

Operating the Birdsville Tourist Park and Birdsville Lodge



during COVID has been very difficult through staff shortages and frequent booking cancellations.

Our Achievements

The Birdsville Courthouse has been renovated in accordance with the heritage guidelines and will be ready to be opened to the public in 2022. Hologram interpretation installed showcasing the History of policing in Birdsville.

Council took back the management of the Birdsville Tourist Park and Lodge to ensure it had more control over its operations and reopened in July as restrictions allowed.

New town entry signs being developed. New visitor guide being produced.

Pise House has been included in a self guided walking trail of Bedourie.

PWD Amenities and WiFi installed at Birdsville Tourist Park.

Purchased land on which Birdsville Courthouse located.



Our Goals

Goal 3: Our Economy (continued)

3.3 Benefits from a growing population with full employment.

3.3.1 The population of the shire continues to increase.

3.3.2 The employment rate maintained at more than 95%.

Our Challenges

Attracting people to come and live and work in the shire is difficult in COVID-19 times and vacancy rates have increased.

Our Achievements

Council has implemented an easy way for locals to apply for casual jobs in the shire by submitting an expression of interest to join our casual pool.

Participation in a RAPAD Human Resources group bringing together HR officers across the region.

Unemployment rate is extremely low.

Expression of Interest Casual Pool

We're regularly looking for workers in various positions including but not limited to the following:

- Administration Officers
- Finance Officers
- Plant Operators
- Labourers
- Housekeepers and Cleaners
- Tourism and Hospitality Officers

If you have suitable skills and knowledge or you're simply interested in working for Council please complete the [expression of interest form](#) and submit it with your resume by clicking below.

Submit Expression Of Interest

3.4 Is led by Council and the business community, together growing and diversifying business and industry opportunities.

3.4.1 The Economic Development Strategy priorities are progressed.

3.4.2 Additional utilisation of vacant land in Bedourie and Birdsville

3.4.3 Town Planning scheme which will meet community needs and growth into the future.

Our Challenges

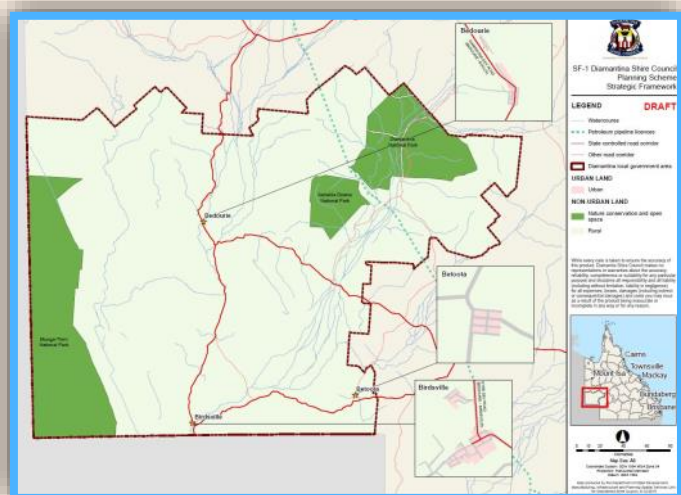
Our Achievements

A House and Land auction was held in November 2020, no vacant lots sold, 1 House sold, 30 Adelaide Street, Birdsville.

1 vacant lot sold in Birdsville in May 2021

Council adopted a new Planning Scheme in July.

Development Applications are assessed in accordance with the scheme and legislation.





Our Goals

Goal 3: Economic (continued)

3.5 Will be much stronger when there is sealed road access to Birdsville.

3.5.1 All Main Roads in Shire are bitumen sealed.

Our Challenges

The high cost of upgrading the Eyre Developmental Road between Bedourie and Birdsville and the design issues particularly around Cuttaburra.

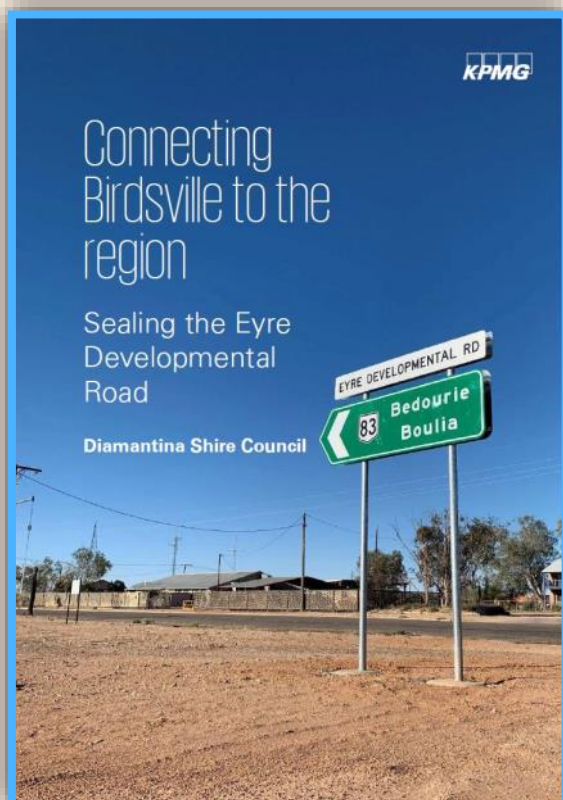
Our Achievements

Lobbying has taken place at Western Alliance of Council, RAPAD and ORRTG.

10km Yamba Flats Pave and Seal project has been completed.

Sunshine Flats/Carcorry section has commenced.

Queensland Government has announced \$10 million towards the sealing on the this road and the Australian government has committed \$4.5 million. Work will continue in 2022.





Our Goals

Goal 4: Our Organisation

4.1 Is a sustainable and effective organisation

4.1.1 A quality, effective and motivated workforce.

4.1.2 Best practice Corporate Governance

4.1.3 Effective knowledge management systems and policies in place.

4.1.4 Long term financial sustainability.

4.1.5 Quality administration and service which meets customer needs.

Our Challenges

Attracting and retaining quality staff.

Reliance on external funding remains high impacting our sustainability.



Our Achievements

Council continues to provide training and induction to all staff throughout the years.

Inductions are now online.

All asset classes revalued during the year.

Council continues to meet its legislative obligations relating to governance.

Council has continued to improve the utilisation of Synergysoft.



4.2 Is engaged with its residents.

4.2.1 Effective community engagement.

Our Challenges

Timing engagement which maximises attendance is difficult given the small population and busy lives of all wishing to be involved.

Our Achievements

The community was consulted regarding the Shire Planning Scheme development.

Community BBQ's were held in both towns.

Regular public notices were issued informing the community as required.





Our Goals

Goal 5: Our Organisation (continued)

4.3 Is a leader in the region which supports regional co-operation, resource sharing and partnerships.

4.3.1 Council participates in projects which advance regional co-operation and resource sharing

Our Challenges

Identifying projects where regional agreement and cooperation can be reasonably achieved due to varying priorities and circumstances.



Our Achievements

Cooperated with neighbouring Shires in resource sharing activities where mutually beneficial.

Participate in regional bodies such as RAPAD, OQTA, ORRG, CWRPMG.



Shared machinery and equipment with Boulia and Barcoo Shire Council.

Staff involved with regional groups relating to human resources, tourism, workplace safety, records management.

4.4 Is recognised as the sole road construction provider in the shire

4.4.1 Maintain a profitable plant operation.

4.4.2 Council owns and operates a quality plant fleet.

4.4.3 Council maintains its sole invitee status for all Department of Main Roads (DMR)

Our Challenges

Plant Hire income being impacted by vacancies.



Our Achievements

Plant rates submitted to QRA were accepted. Plant Hire income is a major source of income for Council and can be impacted by staff vacancies.

Plant Replacement program 100% complete. Major acquisitions included: 5t Kubota excavator, used 927K Scraper, CAT 150 Grader, CAT 972M wheel loader, used Drake Quad axle low loader and Dolly, CAT CW34 multi-tyre roller, CAT 299D skid steer loader with profiler, Used Hamm 3520 Drum Roller, Telehandler, 2 x 6" water pumps on trailer, 3 x 4WD wagons, 10 x 4WD Utilities

Council offered flood restoration contract works at Marion Downs by DTMR and completed a pave and seal project at 'Sunshine Flats'.





Our Goals

Goal 5: Our Infrastructure

5.1 Is constructed and maintained in a sustainable manner which meets community needs.

5.1.1 A well maintained Shire road network which meets the needs of the road users.

5.1.2 Airports and services that meet community and CASA requirements.

5.1.3 Well maintained community assets with additional facilities as appropriate for the communities.

Our Challenges

Access to water in remote locations for road maintenance.



New main switchboard at the Bedourie Racetrack

Our Achievements

Big Red Road pave and seal of 17.1km completed.

CASA audits completed showing standards have been met at airports.

Crack sealing, rejuvenation and linemarking at Birdsville Airport.

Footpaths completed from Birdsville airport Terminal to Graham Street and on Eyre St/Spinifix Ct corner, Bedourie

Main Switchboard replaced at the Bedourie community Centre

Pipework improved at Bedourie levee bank emergency pump.

Bedourie Multipurpose complex electricity supply and distribution renewed with new switchboard

Birdsville Racecourse power supply increased and distribution improved with new switchboard.

Slab and underground services provide to new kitchen area at Birdsville Racecourse.

Housing assets maintained with a couple renovated including 2 new garages. Undertook preparatory work to transfer Bedourie Aboriginal Corporation Houses to council.

Electricity supply upgraded to Birdsville Event showers.



Linemarking at Birdsville Airport

Ovals in both towns



Our Goals

Goal 5: Our Infrastructure

- 5.2

Guarantees quality potable urban water supply and waste water treatment.
- 5.2.1

Secure potable water sources are maintained for Bedourie and Birdsville.
- 5.2.2

A secure and effective waste water treatment system is maintained in each town.

Our Challenges

Rates revenue is not sufficient to cover maintenance costs so external funding continues to be sought.



Slotted pipe in transpiration trench



No. 3 Bore

Our Achievements

Bedouries potable water supply has been assured with the construction of a new town bore and its connection into the town supply.

The CED system in both towns remains very reliable. Pressure line to CED evaporation ponds cleaned out’.



Bedourie Water Tower



Compliance Reporting

The following pages list all other information that is required to be included in the Annual Report by the *Local Government Act 2009* ('LGA') or the *Local Government Regulation 2012* ('LGR').

Councillor Conduct

Complaints about the conduct or performance of Councillors. Under the Act, each complaint is required to be referred to the Independent Assessor. Orders and complaints about Councillors during the year are shown in the table below.

Section of the Local Government Act	Type of order or complaint	Number
150I(2)	Orders made for unsuitable meeting conduct	0
150AH(1)	Orders made for inappropriate conduct	0
150AR(1)	Decision, orders and recommendations made in Disciplining a Councillor	0
150P(2)(a)	Complaints about councillor conduct referred to the Assessor	1
150P(3)	Complaints about councillor conduct referred to the Crime and Corruption Commission	0
150R(2)	Local government official must notify assessor about particular conduct	0
150S(2)(a)	Local Government must notify assessor about misconduct	0
150W(1)(a), (b) & (e)	Decision about Conduct	0
150AC(3)(a)	Referral of suspected inappropriate conduct	0
150AF(4)(a)	Investigating suspected misconduct	0
	Occasions the local government asked another entity to investigate, under chapter 5A, part 3, division 5 of the Act for the local government, the suspected inappropriate conduct of a councillor	0
	Applications heard by the conduct tribunal under chapter 5A, part 3, division 6 of the Act about whether a councillor engaged in misconduct or inappropriate conduct.	0

Public Sector Ethics Disclosures

Pursuant to the provisions of the *Public Sector Ethics Act 1994*, Council is required to report on actions taken regarding implementation of the legislation. During the reporting period, Council provided training and education to its workforce through inductions of new staff members, together with re-inductions of all existing staff. Council supports its ongoing procedures and practices to ensure employees abide by and embrace the principles of the legislation. Council's Code of Conduct is provided to all new employees upon commencement and is provided to all of Council if and when it is reviewed.

Executive Remuneration s201 LGA 2009

Total remuneration paid to Executive employees was as follows:

Package Value \$100,000—\$200,000—2 employees

Package Value \$200,000—\$300,000—2 employees

Package Value \$300,000—\$400,000—1 employee

The total remuneration packages payable in 2020/2021 to executive employees is \$1,087,354.

Right to Information Act 2009

Council is an agency under the *Right to Information Act 2009*. Members of the public may make application to Council under this legislation to access documents. People wishing to access documents under this Act must make application in writing to the Chief Executive Officer, including an application fee. During the twelve months to the 30 June 2021, Council received no right to information applications. This Annual Report satisfies the requirements of section 21 of the Act.

Identifying Significant Business Activities s45 LGA 2009

As required under Section 45 of the Local Government Act 2009, listed in the following table are business activities conducted during the year. None of these activities were deemed "significant" according to the Local Government Regulation 2012. It was resolved by Council not to apply the code of competitive conduct to any business activities.

Business Activity	Significant	Pre-scribed	Competitive Neutrality Principle Applied	Conducted in Previous Financial Year
Birdsville Caravan Park	No	Yes	No	Yes
Building Certification	No	No	No	Yes
Birdsville Lodge	No	No	No	No
Roads Operation	No	No	No	Yes
Aerodromes	No	No	No	Yes
Bedourie Caravan Park	No	No	No	Yes
Water Supply and Sewerage	No	No	No	Yes
Waste Management	No	No	No	Yes

Administrative Action Complaints s187 LGR 2012

Council is committed to dealing fairly with administration action complaints through its Complaint Management Process. The following table shows the number of complaints received during 2020/21

Unresolved Complaints (BF 1/7/20)	Complaints Received	Complaints Resolved	Unresolved Complaints
0	0	0	0





Compliance Reporting

Overseas Travel s188 LGR 2012

No Councillors or employees undertook overseas travel in an official capacity during the financial year.

Expenditure on Grants to Community

Organisations s189 LGR 2012

Councillors do not have a discretionary expenditure fund. Council incurred expenditure, in the form of cash, hall hire, labour and machinery hire, on grants to community organisations:

Organisation	Event	Contribution
Bedourie Golf & Leisure Club	Pig & Camel Races	\$9,000
Betoota Race Club Inc.	Betoota Races	\$4,500

Expenditure and Action Relating to Joint Ventures and Special Rates s190(1)(d)(i)(ii) LGR 2012

Council did not enter into any joint venture agreements or levy any special rates during the 2020/2021 financial year.

Changes to Tenders s228(8) LGR 2012

Council made six invitations to change tenders during the 2020/21 financial year.

Registers kept by Council s190 (1)(f) LGR 2012

Assets Register
Register of Roads
Register of Land Records
Register of Delegations by Council
Register of Delegations by Chief Executive Officer
Register of Interests for Employees and Councillors
Register of Local and Subordinate Local Laws
Register of Cost Recovery Fees
Register of Complaints against Councillors

Rates and Charges Concessions s190 (1)(g) LGR 2012

Diamantina Shire Council pursuant to section 120(1)(c) and section 122(1)(b) of the Local Government Regulation 2012, Council granted a concession for the 2020/2021 financial year, for those categories of ratepayers listed in Column 1 of the table below, by way of a rebate of the general rates and charges levied, in the (amounts/percentages), as identified in Column 2 of the table below:

Column 1	Column 2
7.1—Commercial Birdsville Operating	100%
7.2—Commercial Bedourie Operating	100%

The concession is granted because, as a consequence of the COVID-19 pandemic, requiring the ratepayers identified above to pay general rates and charges will cause them hardship.

Internal Audit Function s190(1)(h) LGR 2012

Council undertook a procurement process to appoint new internal auditors for the period 1 July 2019 to 30 June 2022. Walsh Accounting were appointed and made a visit to Council in December and June.

As required by the Local Government Act 2009 and the Local Government Regulation 2012, the Internal Audit function to be undertaken is to:-

- Prepare an Internal Audit Plan; and
- Carry out an internal audit; and
- Prepare a progress report for the internal audit; and
- Assess compliance with the internal audit plan.

The Local Government Remuneration and Discipline Tribunal Report 2016 re-categorised Diamantina Shire Council from a Category 3 to a Category 1 Council. This meant an Internal Audit Committee was no longer required and at the March 2017 Council meeting it was resolved to not have one. Council has continued to operate without an Internal Audit Committee during the 2020/21 financial year.

Summary of Investigation Notices under s49 for Competitive Neutrality Complaints s190 (1)(i) LGR 2012

There were no competitive neutrality complaints received during 2020/2021.

Responses on QCA Recommendations on Competitive Neutrality Complaints s190 (1)(j) LGR 2012

There were no responses on competitive neutrality complaints received during 2020/2021.



Financial Statements



Financial Statements are formal records of an organisation's financial performance and activities. They provide a comprehensive overview of our current financial position. As a local government agency, we are committed to transparent reporting on our financial performance throughout the year against the delivery of our Corporate Plan Goals and operational deliverables.



SUSTAINABLY DEVELOPING THE OUTBACK

DIAMANTINA SHIRE COUNCIL
ANNUAL FINANCIAL STATEMENTS

For the Year Ended 30 June 2021

FINANCIAL REPORT

For the Year Ended 30 June 2021

Note

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Management Certificate

Independent Audit Report (General Purpose Financial Statements)

Current Year Financial Sustainability Statement & Certificate of Accuracy

Independent Audit Report (Current Year Financial Sustainability Statement)

Unaudited Long Term Financial Sustainability Statement & Certificate of Accuracy

DIAMANTINA SHIRE COUNCIL

Statement of Comprehensive Income

For the Year Ended 30 June 2021

		30 June 2021	30 June 2020
	Note	\$	\$
INCOME			
Revenue			
Recurrent Revenue			
Rates, levies and charges	3(a)	1,045,750	1,107,003
Fees and charges	3(c)	1,436,875	1,100,405
Rental income		605,904	586,551
Interest received	3(b)	102,966	207,323
Sales revenue	3(d)	15,529,713	8,013,579
Other income		298,512	270,302
Operating grants, subsidies and contributions	4(a)	10,366,106	6,438,473
Total Recurrent Revenue		<u>29,385,827</u>	<u>17,723,637</u>
Capital Revenue			
Capital grants, subsidies and contributions	4(b)	3,291,067	1,739,852
Total Capital Revenue		<u>3,291,067</u>	<u>1,739,852</u>
TOTAL INCOME		<u>32,676,893</u>	<u>19,463,489</u>
EXPENSES			
Recurrent Expenses			
Employee benefits	5	(6,833,364)	(5,913,161)
Materials and services	6	(12,628,905)	(9,735,031)
Finance costs		(83,309)	(83,783)
Depreciation	11	(4,901,176)	(4,468,729)
		<u>(24,446,754)</u>	<u>(20,200,704)</u>
Capital Expenses	7	<u>(2,927,602)</u>	<u>(2,144)</u>
TOTAL EXPENSES		<u>(27,374,357)</u>	<u>(20,202,848)</u>
NET RESULT		<u>5,302,536</u>	<u>(739,361)</u>
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to net result			
Increase in asset revaluation surplus	16	7,648,902	-
Total Other Comprehensive Income for the Year		<u>7,648,902</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>12,951,438</u>	<u>(739,361)</u>

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

DIAMANTINA SHIRE COUNCIL

Statement of Financial Position

As at 30 June 2021

		30 June 2021	30 June 2020
	Note	\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	8	14,067,543	15,371,114
Receivables	9	1,602,329	1,457,357
Contract assets	4 (d)	2,495,236	962,646
Inventories	10	1,908,575	1,609,782
Total Current Assets		20,073,684	19,400,900
Non-Current Assets			
Property, plant and equipment	11	160,293,512	149,591,693
Total Non-Current Assets		160,293,512	149,591,693
TOTAL ASSETS		180,367,195	168,992,593
LIABILITIES			
Current Liabilities			
Trade and other payables	12	694,892	1,480,026
Contract liabilities	4 (d)	1,980,805	2,834,840
Provisions	13	546,837	649,437
Borrowings	14	207,534	202,449
Total Current Liabilities		3,430,068	5,166,752
Non-Current Liabilities			
Trade and other payables			
Provisions	13	310,039	242,476
Borrowings	14	1,785,413	1,990,227
Total Non-Current Liabilities		2,095,452	2,232,704
TOTAL LIABILITIES		5,525,519	7,399,455
NET COMMUNITY ASSETS		174,841,676	161,593,137
COMMUNITY EQUITY			
Asset revaluation surplus	16	82,633,571	74,984,669
Retained surplus		92,208,105	86,608,469
TOTAL COMMUNITY EQUITY		174,841,676	161,593,137

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

DIAMANTINA SHIRE COUNCIL

Statement of Changes in Equity

For the Year Ended 30 June 2021

	Note	Asset Revaluation Surplus \$	Retained Surplus \$	Total Equity \$
Balance at 1 July 2020		74,984,669	86,608,469	161,593,137
Correction of prior period error (previously unrecognised assets)	11	-	297,100	297,100
Restated balance at 1 July 2020		74,984,669	86,905,569	161,890,237
Net result for the year		-	5,302,536	5,302,536
Other comprehensive income for year				
Increase/(decrease) in asset revaluation surplus	16	7,648,902	-	7,648,902
Total comprehensive income for year		7,648,902	5,302,536	12,951,438
Balance as at 30 June 2021		82,633,571	92,208,105	174,841,676
Balance at 1 July 2019		74,984,669	87,228,402	162,213,071
Adjustment on initial application of AASB 15 / AASB 1058		-	119,427	119,427
Restated balance at 1 July 2019		74,984,669	87,347,829	162,332,498
Net result for the year		-	(739,361)	(739,361)
Other comprehensive income for year				
Increase/(decrease) in asset revaluation surplus		-	-	-
Total comprehensive income for year		-	(739,361)	(739,361)
Balance as at 30 June 2020		74,984,669	86,608,469	161,593,137

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

DIAMANTINA SHIRE COUNCIL

Statement of Cash Flows

For the Year Ended 30 June 2021

		30 June 2021	30 June 2020
	Note	\$	\$
Cash flows from operating activities :			
Receipts from customers		16,477,194	13,435,193
Payments to suppliers and employees		(19,564,704)	(15,411,487)
		(3,087,510)	(1,976,294)
Interest received	3(b)	102,966	207,323
Rental income		605,904	586,551
Non capital grants and contributions	4(a)	10,403,077	6,438,473
Borrowing costs		(83,309)	(83,783)
Net cash inflow/(out flow) from operating activities	21	<u>7,941,128</u>	<u>5,172,270</u>
Cash flows from investing activities:			
Payments for property, plant and equipment	11	(12,566,576)	(8,668,437)
Proceeds from sale of property, plant and equipment	7	965,451	787,767
Capital grants, subsidies, contributions and donations	4(b)	2,556,155	1,739,852
Net cash inflow/(outflow) from investing activities		<u>(9,044,970)</u>	<u>(6,140,818)</u>
Cash flows from financing activities:			
Repayment of borrowings	14	(199,729)	(192,261)
Net cash inflow/(out flow) from financing activities		<u>(199,729)</u>	<u>(192,261)</u>
Net increase/(decrease) in cash and cash equivalents held		<u>(1,303,571)</u>	<u>(1,160,809)</u>
Cash and cash equivalents at beginning of financial year		15,371,114	16,531,922
Cash and cash equivalents at end of financial year	8	<u>14,067,543</u>	<u>15,371,114</u>

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

DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements

For the Year Ended 30 June 2021

1 Information about these financial statements

1.A Basis of preparation

These general purpose financial statements are for the period 1 July 2020 to 30 June 2021 and have been prepared in compliance with the requirements of the *Local Government Act 2009*, the *Local Government Regulation 2012*, Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements issued by the Australian Accounting Standards Board (AASB).

These financial statements have been prepared under the historical cost convention, except for the following:

- certain classes of property, plant and equipment which are measured at fair value;
- assets held for sale which are measured at fair value less cost of disposal.

1.B Constitution

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

1.C New and revised Accounting Standards

Council adopted all standards which became mandatorily effective for annual reporting periods beginning 1 July 2020, none of the standards had a material impact on the reported position, performance and cashflows.

Standards that are not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2021, those standards have not been adopted by Council and will be included in the financial statements on their effective date. These standards are not expected to have a material impact on the financial report.

1.D Estimates and Judgements

Councils make a number of judgements, estimates and assumptions in preparing these financial statements. These are based on the best information available to Council at the time, however due to the passage of time, these assumptions may change and therefore the recorded balances may not reflect the final outcomes. The significant judgements, estimates and assumptions relate to the following items and specific information is provided in the relevant note:

Revenue recognition - Note 3 and Note 4

Valuation of property, plant and equipment - Note 11

Impairment of property, plant and equipment - Note 11

Depreciation - Note 11

Contingent Liabilities - Note 18

Financial Instruments - Note 23

1.E Rounding and Comparatives

Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest \$1.

Comparative information is prepared on the same basis as prior year.

1.F Taxation

Council is exempt from income tax, however council is subject to Fringe Benefits Tax, Goods and Services Tax ("GST") and payroll tax on certain activities. The net amount of GST recoverable from the ATO or payable to the ATO is shown as an asset or liability respectively.

1.G COVID-19

Council's operations for the year ended 30 June 2021 have been impacted by the COVID-19 pandemic. Material impacts have been identified as follows:

- Cancellation of major tourism events such as Beloota, Birdsville and Bedourie Races and the Bedourie Camel Races has resulted in a loss of revenue for tourism and accommodation venues operated by Council.

- Concessions were granted to commercial ratepayers who were impacted by the decline in tourism activity.

The State and Commonwealth Governments provided additional capital funding to Council as a result of the pandemic. This has enabled Council to undertake community infrastructure projects and community projects to assist with stimulating the local economy.

DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Analysis of Results by Function

(a) Components of Council Functions

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

Governance

The objective of corporate governance is for Council to be open, accountable, transparent and deliver value for money community outcomes.

This function includes strategic and operational planning, risk management, finance, legal and administrative support. The Mayor, Councillors and Chief Executive Officer are included in corporate governance.

Community Services

The goal of community services is to ensure Diamantina Shire Council is a healthy, vibrant, contemporary and connected community. Community services provides well managed and maintained community facilities, and ensures the effective delivery of cultural, health, welfare, environmental and recreational services.

This function includes:

Libraries

Entertainment venues

Public health services including vaccination clinics

Tourism

Water, Sewerage and Roads & Related Works

The objective of the Works program is to ensure the community is serviced by a high quality and effective road network, sustainable water and sewerage services. The function provides and maintains transport infrastructure, including the maintenance and provision of the drainage network. It includes road construction and maintenance, depots, plant operation and maintenance, water and sewerage.

Environment, Health and Planning

This function facilitates the shires growth and prosperity through well planned and quality development. The objective of planning and development is to ensure the Diamantina Shire is well designed, efficient and facilitates growth yet also preserves the character and natural environment of the Shire. This function includes activities and services related to towns, neighbourhood and regional planning, and management of development approval processes. It includes health and building, animal control, cemeteries, public conveniences, aerodromes, parks and gardens, reserves, stock routes, refuse collections and disposal, caravan parks, television facilities, radio, and street lighting.

DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Analysis of Results by Function (continued)

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

Year Ended 30 June 2021

Year Ended 30 June 2021	Functions	Gross Program Income				Total Income	Gross Program Expenses		Total Expenses	Net Result From Recurrent Operations	Net Result	Assets
		Recurrent		Capital			Recurrent	Capital				
		Grants	Other	Grants	Other							
		2021	2021	2021	2021							
		\$	\$	\$	\$							
Governance	3,120,444	3,402,557	2,513,008	-	9,036,008	(6,867,070)	-	(6,867,070)	(344,070)	2,168,938	22,719,384	
Community Services	401,073	1,652,798	(10,944)	-	2,042,927	(1,934,201)	-	(1,934,201)	119,670	108,726	20,850,502	
Water Works	-	205,238	-	-	205,238	(234,672)	-	(234,672)	(29,434)	(29,434)	5,516,724	
Sewerage Works	-	45,301	-	-	45,301	(125,937)	-	(125,937)	(80,636)	(80,636)	3,444,776	
Roads and Related Works	6,685,715	13,505,264	789,003	-	20,979,981	(14,256,838)	(2,927,602)	(17,184,440)	5,934,141	3,795,541	95,876,857	
Environment, Health and Planning	-	367,439	-	-	367,439	(1,028,037)	-	(1,028,037)	(660,599)	(660,599)	31,958,952	
Total Council	10,207,231	19,178,595	3,291,067	-	32,676,893	(24,446,754)	(2,927,602)	(27,374,357)	4,939,072	5,302,536	180,367,195	

Year Ended 30 June 2020

Functions	Gross Program Income					Total Income	Gross Program Expenses		Total Expenses	Net Result From Recurrent Operations	Net Result	Assets
	Recurrent		Capital		Recurrent		Capital					
	Grants	Other	Grants	Other								
	2020 \$	2020 \$	2020 \$	2020 \$	2020 \$		2020 \$	2020 \$		2020 \$	2020 \$	2020 \$
Governance	3,160,523	3,285,862	168,231	-	6,614,616	(5,906,281)	-	(5,906,281)	540,103	708,335	22,833,401	
Community Services	164,666	1,199,545	107,520	-	1,471,732	(2,385,874)	-	(2,385,874)	(1,021,663)	(914,143)	17,421,112	
Water Works	-	229,530	-	-	229,530	(216,731)	-	(216,731)	12,799	12,799	5,315,839	
Sewerage Works	-	54,103	-	-	54,103	(105,352)	-	(105,352)	(51,249)	(51,249)	3,921,570	
Roads and Related Works	3,113,284	6,513,194	1,464,100	-	11,090,579	(10,818,354)	(2,144)	(10,820,498)	(1,191,875)	270,081	89,625,503	
Environment, Health and Planning	-	2,928	-	-	2,928	(768,111)	-	(768,111)	(765,182)	(765,182)	29,875,168	
Total Council	6,438,473	11,285,163	1,739,852	-	19,463,488	(20,200,704)	(2,144)	(20,202,848)	(2,477,068)	(739,360)	168,992,593	

DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements For the Year Ended 30 June 2021

	30 June 2021	30 June 2020
	\$	\$
3 Revenue		
(a) Rates, Levies and Charges		
Rates and annual charges are recognised as revenue when the council obtains control over the assets comprising these receipts which is the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.		
General rates	895,111	910,398
Water	205,238	229,530
Sewerage	45,301	54,103
Garbage charges	39,881	45,435
Total rates and utility charge revenue	1,185,530	1,239,466
Less: discounts	(139,780)	(132,464)
Net rates, levies and charges	1,045,750	1,107,003
(b) Interest Received		
Interest from rates and charges	17,202	23,113
Interest earned from cash deposits	85,764	184,210
	102,966	207,323
(c) Fees and Charges		
Caravan park revenue	1,071,006	839,119
Private works	302,261	192,854
Other fees and charges	63,608	68,432
	1,436,875	1,100,405
(d) Sales Revenue		
Main Roads minor works performance contracts	6,390,160	1,484,629
Main Roads road maintenance performance contracts	4,429,900	5,746,937
NDRRA Main Roads contracts	4,555,016	621,302
Other sales revenue	154,636	160,711
	15,529,713	8,013,579

Sale of goods revenue is recognised at a point in time when the customer has taken delivery of the goods. Revenue from services is recognised when the service is rendered.

Revenue from contracts and recoverable works generally comprises a recoupment of material costs together with an hourly charge for use of equipment and employees. This revenue and the associated costs are recognised by reference to the stage of completion of the contract activity based on costs incurred at the reporting date. Where consideration is received for the service in advance it is included in other liabilities and is recognised as revenue in the period when the service is performed. For contracts still in progress at year end there are no amounts owed to Council, nor any amounts paid in advance of associated performance obligations being satisfied. The contract work carried out is not subject to retentions.

DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements

For the Year Ended 30 June 2021

	30 June 2021	30 June 2020
	\$	\$
4 Grants, Subsidies and Contributions		
(a) Operating		
State Government subsidies and grants - operating	7,212,596	3,034,684
Commonwealth Government subsidies and grants - operating	2,994,635	3,337,358
Other subsidies and grants - operating	158,875	66,431
Total recurrent revenue	10,366,106	6,438,473
(b) Capital		
State Government subsidies and grants - capital	1,807,268	733,887
Commonwealth Government subsidies and grants - capital	1,483,798	1,005,465
Total capital revenue	3,291,067	1,739,852
Total for Grants, Subsidies and Contributions	13,657,173	8,178,325

Grant income under AASB 15

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligations is satisfied. The performance obligations are varied based on the the nature of each agreement. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others. Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract. Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer. When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or before payment is due, Council presents the work in progress as a contract asset, unless the rights to that amount of consideration are unconditional, in which case Council recognises a receivable. When an amount of consideration is received from a customer / fund provider prior to Council transferring a good or service to the customer, Council presents the funds which exceed revenue recognised as a contract liability.

Grant income under AASB 1058

Assets arising from grants in the scope of AASB 1058 is recognised at the assets fair value when the asset is received. Councils considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard. Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

Capital grants

Capital grants received to enable Council to acquire or construct an item of property, plant and equipment to identified specifications which will be under Council's control and which is enforceable are recognised as revenue as and when the obligation to construct or purchase is completed. For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin. Where assets are donated or purchased for significantly below fair value, the revenue is recognised when the asset is acquired and controlled by the Council.

(e) Timing of revenue recognition for grants, subsidies, contributions and donations

	2021		2020	
	Revenue recognised at a point in time	Revenue recognised over time	Revenue recognised at a point in time	Revenue recognised over time
Grants and subsidies	4,396,475	9,260,698	3,586,493	4,591,832

(d) Contract balances

Contract assets represents the excess of costs incurred in relation to a contract with the customer or construction of an asset over the amounts that Council has invoiced the customer or grantor. Where Council has invoiced the customer or the grantor amounts in excess of that it has incurred in relation to a contract or in constructing an asset, this gives rise to a contract liability.

	30 June 2021	30 June 2020
	\$	\$
(i) Contract assets	2,495,236	962,646
(ii) Contract liabilities		
Funds received upfront to construct Council controlled assets	676,445	654,519
Non capital performance obligations	1,304,360	2,180,321
	1,980,805	2,834,840
(iii) Revenue recognised that was included in the contract liability balance at the beginning of the year		
Funds received upfront to construct Council controlled assets	419,599	680,216
Non capital performance obligations	2,599,921	-
	3,019,520	680,216

DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements For the Year Ended 30 June 2021

	30 June 2021	30 June 2020
	\$	\$
5 Employee Benefits		
Employee benefit expenses are recorded when the service has been provided by the employee.		
Total staff wages and salaries	5,875,050	4,552,652
Councillors' remuneration	353,420	225,963
Annual, sick and long service leave entitlements	708,962	1,044,930
Superannuation	19 557,191	517,561
	7,494,624	6,341,106
Other employee related expenses	28,620	-
	7,523,244	6,341,106
Less: capitalised employee expenses	(689,879)	(427,945)
	<u>6,833,364</u>	<u>5,913,161</u>

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

Total Council employees at the reporting date:

Elected members	5	5
Administration staff	26	17
Depot and outdoors staff	31	43
Total full time equivalent employees	<u>62</u>	<u>65</u>

6 Materials and Services

Expenses are recorded on an accruals basis as Council receives the goods or services.

Advertising and Marketing	1,204	1,182
Audit of annual financial statements by the Auditor-General of Queensland	44,865	47,199
Other audit fees - Internal audit and other services	10,655	-
Communication and Information technology	294,380	283,001
Community Services	856,867	1,578,535
Donations Paid	6,209	14,627
Contract and Recoverable Works	6,087,657	2,962,846
Road Maintenance Services	230,205	452,332
Other Materials and Services	836,292	207,329
Fleet Services	2,312,791	1,863,201
Infrastructure Services	1,757,881	2,324,778
Revaluation of land held in inventory	189,900	-
	<u>12,628,905</u>	<u>9,735,031</u>

Total audit fees quoted by the Queensland Audit Office relating to the 2020-21 financial statements are \$58,000 (2020: \$57,000)

7 Capital Income/(Expenses)

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

Proceeds from the sale or write down of non-current assets	1,157,712	787,767
Less: book value of non-current assets disposed of	(999,348)	(789,911)
	<u>158,364</u>	<u>(2,144)</u>

Write off

Write off of infrastructure assets	(2,792,164)	-
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Revaluation adjustments in P&L

Revaluation downwards of land assets	(293,802)	-
Total capital income/(expenses)	<u>(2,927,602)</u>	<u>(2,144)</u>

DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements

For the Year Ended 30 June 2021

	30 June 2021	30 June 2020
	\$	\$

8 Cash and Cash Equivalents

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

Cash at bank and on hand	4,440,371	960,422
Deposits at call	9,627,172	14,410,692
Balance per Statement of Cash Flows	14,067,543	15,371,114
Less: externally imposed restrictions	(i) 676,445	2,834,840
Unrestricted cash	13,391,098	12,536,274

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

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

Unspent government grants and subsidies	676,445	2,834,840
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Trust funds held for outside parties

In accordance with the *Local Government Act 2009* and *Local Government Regulation 2012*, a separate trust bank account and separate accounting records are maintained for funds held on behalf of 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 since Council has no control over the assets.

Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities	31,416	169,422
	31,416	169,422

9 Receivables

Receivables are amounts owed to Council at year end. They are recognised as the amounts due at the time of sale or service delivery. Settlement is required within 30 days after the invoice is issued.

The collectability of receivables is assessed periodically and if there is objective evidence that Council will not be able to collect all amounts due, the carrying amount is reduced for impairment.

If an amount is recovered in a subsequent period it is recognised as revenue.

As Council has the power under the *Local Government Act 2009* to sell an owner's property to recover outstanding rate debts, Council will only impair rate receivables when outstanding debt exceeds unimproved capital values.

Current

Rateable revenue and utility charges	188,900	322,037
Other debtors	1,478,865	1,200,756
Less loss allowance	(65,436)	(65,436)
	1,602,329	1,457,357

Interest is charged on outstanding rates at a rate of 8% per annum. There is no concentration of credit risk for rates and utility charges, fees and other debtors receivable. No interest is charged on other Debtors.

10 Inventories

Current

Inventories held for distribution:

Stores and raw materials	1,176,075	1,436,182
Land held for resale	732,500	173,600
	1,908,575	1,609,782

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

Land acquired by Council with the intention of reselling it (with or without further development) is classified as inventory. This land is valued at the lower of cost or net realisable value. As an inventory item, this land held for resale is treated as a current asset for the portion expected to be sold within the next 12 months.

DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements For the Year Ended 30 June 2021

11(a) Property, Plant and Equipment

30 June 2021

Basis of Measurement

Fair value category

Asset Values

Opening gross value as at 1 July 2020

Adjustment to opening balances

Revised opening balance at 1 July 2020

Additions at cost

Disposals

Transfer from Inventory

Transfer to Inventory

Revaluation adjustment to asset revaluation surplus

Revaluation adjustment to P&L

Transfers from WIP

Other transfers and adjustments

Closing gross value as at 30 June 2021

Accumulated Depreciation and Impairment

Opening balance as at 1 July 2020

Depreciation expense

Accumulated depreciation on disposals

Revaluation adjustment to asset revaluation surplus

Transfer between classes

Accumulated depreciation as at 30 June 2021

Written down value 30 June 2021

Range of estimated useful life in years

Additions comprise:

Renewals

Other additions

Total additions

Note

	Land	Buildings	Plant and Equipment	Road, Drainage and Bridge Network	Water Infrastructure	Sewerage Infrastructure	Other Structures	WIP	Total
	Fair Value	Fair Value	Cost	Fair Value	Fair Value	Fair Value	Fair Value	Cost	
	Level 2	Level 3		Level 3	Level 3	Level 3	Level 3		
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening gross value as at 1 July 2020	3,432,502	45,554,229	17,505,820	103,483,481	8,013,630	4,994,906	22,324,912	3,882,615	209,192,095
Adjustment to opening balances	297,100	-	-	-	-	-	-	-	297,100
Revised opening balance at 1 July 2020	3,729,602	45,554,229	17,505,820	103,483,481	8,013,630	4,994,906	22,324,912	3,882,615	209,489,195
Additions at cost	-	-	4,195,473	-	-	-	-	8,298,952	12,494,425
Disposals	(26,000)	-	(2,375,647)	(2,892,640)	-	-	-	-	(5,294,287)
Transfer from Inventory	78,000	-	-	-	-	-	-	-	78,000
Transfer to Inventory	(842,100)	-	-	-	-	-	-	-	(842,100)
Revaluation adjustment to asset revaluation surplus	-	6,834,257	-	1,181,281	674,447	(289,333)	1,890,987	-	10,291,639
Revaluation adjustment to P&L	(293,802)	-	-	-	-	-	-	-	-
Transfers from WIP	-	1,531,408	179,036	5,598,972	19,044	-	1,532,592	(8,861,051)	-
Other transfers and adjustments	-	-	(7,212)	-	-	-	-	-	(7,212)
Closing gross value as at 30 June 2021	2,645,700	53,919,894	19,497,471	107,371,093	8,707,121	4,705,572	25,748,492	3,320,516	226,216,873
Accumulated Depreciation and Impairment									
Opening balance as at 1 July 2020	-	14,615,385	7,336,842	28,973,248	2,697,791	1,073,336	4,903,801	-	59,600,402
Depreciation expense	-	806,288	1,136,012	2,249,481	110,580	76,341	522,476	-	4,901,177
Accumulated depreciation on disposals	-	-	(1,402,299)	(100,476)	-	-	-	-	(1,502,775)
Revaluation adjustment to asset revaluation surplus	-	3,892,858	-	(1,266,187)	384,508	111,119	(509,603)	-	2,612,695
Transfer between classes	-	41,227	(2,085)	(7,129)	(2,482)	-	(18,684)	-	10,847
Accumulated depreciation as at 30 June 2021	-	19,355,757	7,068,471	29,848,937	3,190,396	1,260,796	4,897,989	-	65,611,500
Written down value 30 June 2021	2,645,700	34,564,137	12,429,000	77,522,156	5,516,724	3,444,776	20,850,502	3,320,516	160,293,512
Range of estimated useful life in years	Not Depreciated	25-100 yrs	1 - 50 yrs	10 - infinite yrs	20-100 yrs	15-150 yrs	10-150 yrs		
Additions comprise:	\$	\$	\$	\$	\$	\$	\$	\$	\$
Renewals	-	-	-	9,142	-	-	186,779	-	197,921
Other additions	-	1,554,995	4,374,509	3,335,516	19,133	-	3,182,552	-	12,466,704
Total additions	-	1,554,995	4,374,509	3,344,658	19,133	-	3,371,330	-	12,664,625

DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements

For the Year Ended 30 June 2021

11(a) Property, Plant and Equipment

30 June 2020

Basis of Measurement

Fair value category

Asset Values

Opening gross value as at 1 July 2019

Additions at cost

Disposals

Transfer between classes

Other adjustments

Closing gross value as at 30 June 2020

Accumulated Depreciation and Impairment

Opening balance as at 1 July 2019

Depreciation expense

Accumulated depreciation on disposals

Other adjustments

Accumulated depreciation as at 30 June 2020

Written down value 30 June 2020

Range of estimated useful life in years

Note

Land	Buildings	Plant and Equipment	Road, Drainage and Bridge Network	Water Infrastructure	Sewerage Infrastructure	Other Structures	WIP	Total
Fair Value	Fair Value	Cost	Fair Value	Fair Value	Fair Value	Fair Value	Cost	
Level 2	Level 3		Level 3	Level 3	Level 3	Level 3		
\$	\$	\$	\$	\$	\$	\$	\$	\$
3,419,700	44,490,148	16,644,873	102,903,135	7,598,673	4,994,906	21,582,032	1,661,052	203,294,518
40,602	-	3,459,467	-	-	-	-	5,168,369	8,668,437
(27,800)	-	(2,624,980)	-	-	-	(45,900)	-	(2,698,680)
-	1,064,081	26,461	580,345	414,957	-	788,781	(2,874,626)	-
-	-	-	-	-	-	-	(72,180)	(72,180)
3,432,502	45,554,229	17,505,820	103,483,481	8,013,630	4,994,906	22,324,912	3,882,615	209,192,095

-	13,801,549	8,475,623	26,776,195	2,586,227	996,597	4,464,933	-	57,101,123
-	813,836	812,435	2,197,053	111,564	76,739	457,102	-	4,468,729
-	-	(1,962,419)	-	-	-	(18,234)	-	(1,980,653)
-	-	11,203	-	-	-	-	-	11,203
-	14,615,385	7,336,842	28,973,248	2,697,791	1,073,336	4,903,801	-	59,600,402
3,432,502	30,938,845	10,168,978	74,510,233	5,315,839	3,921,570	17,421,112	3,882,615	149,591,693

Not Depreciated	25-100 yrs	1 - 50 yrs	10 - infinite yrs	20-100 yrs	15-150 yrs	10-150 yrs
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DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements

For the Year Ended 30 June 2021

11 Property, Plant and Equipment (continued)

(c) Recognition

Plant and equipment with a total value of less than \$5,000, and infrastructure assets (road, stormwater, bridge, water and sewerage assets), other structures 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.

Replacement of a major component of an asset, in order to maintain its service potential, is treated as the acquisition of a new asset. However, routine operating maintenance, repair costs and minor renewals to maintain the operational capacity and useful life of the non-current asset is expensed as incurred.

Expenditure incurred in accordance with Natural Disaster Relief and Recovery Arrangements on road assets is analysed to determine whether the expenditure is capital in nature. The analysis of the expenditure requires Council officers to review the nature and extent of expenditure on a given asset. For example, expenditure that patches a road is generally maintenance in nature, whereas a rebuild of the full width of the road is treated as capital. Material expenditure that extends the useful life or renews the service potential of the asset is capitalised.

Land under the roads and reserve land which falls under the *Land Act 1994* or the *Land Title Act 1994* is controlled by the Queensland Government pursuant to the relevant legislation. This land is not recognised in these financial statements.

(d) Measurement

Property, plant and equipment assets are initially recorded at cost. Subsequently, each class of property, plant and equipment is stated at cost or fair value (as shown in the table above) less, where applicable, any accumulated depreciation and accumulated impairment loss.

Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including inwards freight, architect's fees and engineering design fees and all other establishment costs. Direct labour and materials and an appropriate proportion of overheads incurred in the acquisition or construction of assets are also included in their cost.

(e) Depreciation

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, at which time they are reclassified from work in progress to the appropriate property, plant and equipment class.

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

Where assets have separately identifiable significant 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.

DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements For the Year Ended 30 June 2021

Depreciation methods, estimated useful lives and residual values of property, plant and equipment assets are reviewed at the end of each reporting period and adjusted where necessary to reflect any changes in the pattern of consumption, physical wear and tear, technical or commercial obsolescence, or management intentions. The condition assessments performed as part of Council's asset management processes, for assets measured at depreciated current replacement cost may be used to estimate the useful lives of these assets at each reporting date.

(f) Impairment

Property, plant and equipment is assessed for indicators of impairment annually. If an indicator of possible impairment exists, Council determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

(g) Capital work in progress

The cost of property, plant and equipment being constructed by Council includes the cost of purchased services, materials, direct labour and an appropriate portion of labour on-costs.

(h) Valuation

(i) Valuation Processes

Council's valuation policies and procedures are set by the executive management team which comprises the Chief Executive Officer and the Deputy Chief Executive Officer. They are reviewed annually taking into consideration an analysis of movements in fair value and other relevant information.

Non-current physical assets measured at fair value are revalued, where required, so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This is achieved by engaging professionally qualified external valuers or suitably qualified internal staff to determine the fair value for each class of property, plant and equipment assets at least once every 5 years. This process may involve physically sighting a representative sample of Council's assets and making assessments of the condition of the assets at the date of inspection.

In the intervening years, Council will assess the assets by utilising a combination of internal and external sources of information, as appropriate, in a structured manner in order to determine if there has been any potential material movement in the fair value of assets. Where movement is indicated the relevant assets will be revalued by indexation or do a desktop valuation as appropriate.

In accordance with AASB 13 fair value measurements are categorised on the following basis:

- Fair value based on quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Fair value based on inputs that are directly or indirectly observable for the asset or liability (level 2)
- Fair value based on unobservable inputs for the asset and liability (level 3)

There have been no transfers between levels of the hierarchy during the year.

Council's policy is to recognise transfers in and out of the fair value hierarchy levels as at the end of the reporting period if and when necessary.

DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements

For the Year Ended 30 June 2021

(ii) Valuation techniques used to derive fair values

Asset class and fair value hierarchy	Valuation approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates
Land (level 2)	Market	30 June 2021	AssetVal	The following factors have influenced the fair value at 30 June 2021: - Current zoning - Sale prices per square metre (database of recent sales) of comparable properties, adjusted for differences in key attributes such as property size)
Buildings (level 3)	Current replacement cost	30 June 2021	AssetVal	Unit rates have been derived with reference to current costs of construction, built from published cost guides, actual Council projects and other published information. Attributes such as size and composition of each asset, current condition and remaining service capacity have influenced the fair value at 30 June 2021. In determining the level of accumulated depreciation for major assets, they have been disaggregated into significant components which exhibit different patterns of consumption (useful lives). The condition assessment is applied on the component basis.
Other structures (level 3)	Current replacement cost	30 June 2021	AssetVal	Unit rates have been derived with reference to current costs of construction, built from published cost guides, actual Council projects and other published information. Attributes such as size and composition of each asset, current condition and remaining service capacity have influenced the fair value at 30 June 2021. In determining the level of accumulated depreciation for major assets, they have been disaggregated into significant components which exhibit different patterns of consumption (useful lives). The condition assessment is applied on the component basis.
Road, drainage and bridge network (level 3)	Current replacement cost	30 June 2021	AssetVal	Unit rates have been derived with reference to current costs of construction, built from published cost guides, actual Council projects and other published information. Attributes such as size and composition of each asset, current condition and remaining service capacity have influenced the fair value at 30 June 2021. In determining the level of accumulated depreciation for major assets, they have been disaggregated into significant components which exhibit different patterns of consumption (useful lives). The condition assessment is applied on the component basis.
Water infrastructure (level 3)	Current replacement cost	30 June 2021	AssetVal	Unit rates have been derived with reference to current costs of construction, built from published cost guides, actual Council projects and other published information. Attributes such as size and composition of each asset, current condition and remaining service capacity have influenced the fair value at 30 June 2021. In determining the level of accumulated depreciation for major assets, they have been disaggregated into significant components which exhibit different patterns of consumption (useful lives). The condition assessment is applied on the component basis.
Sewerage infrastructure (level 3)	Current replacement cost	30 June 2021	AssetVal	Unit rates have been derived with reference to current costs of construction, built from published cost guides, actual Council projects and other published information. Attributes such as size and composition of each asset, current condition and remaining service capacity have influenced the fair value at 30 June 2021. In determining the level of accumulated depreciation for major assets, they have been disaggregated into significant components which exhibit different patterns of consumption (useful lives). The condition assessment is applied on the component basis.

DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements For the Year Ended 30 June 2021

	30 June 2021	30 June 2020
	\$	\$
12 Trade and Other Payables		
Creditors are recognised upon receipt of the goods or services ordered as the amount owed. Amounts owing are unsecured and are generally settled on 30 day terms.		
As Council does not have an unconditional right to defer settlement of annual leave beyond 12 months, annual leave is classified as a current liability.		
Current		
Creditors	635,616	1,397,008
Prepaid rates	603	5,731
Accrued wages and salaries	46,636	49,722
Other creditors and accruals	12,037	27,565
	<u>694,892</u>	<u>1,480,026</u>

13 Provisions

Liabilities are recognised for employee benefits such as wages and salaries, sick, annual and long service leave in respect of services provided by the employees up to the reporting date.

Short-term benefits which are expected to be wholly settled within 12 months are calculated on wages and salary levels which are expected to be paid and includes related employee on-costs. As Council does not have an unconditional right to defer settlement of annual leave beyond 12 months, annual leave is classified as a current liability.

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

Current		
Annual leave	445,225	542,225
Long service leave - current	101,612	107,212
	<u>546,837</u>	<u>649,437</u>
Non-Current		
Long service leave - non-current	310,039	242,476
	<u>310,039</u>	<u>242,476</u>

14 Borrowings

Borrowings are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these liabilities are measured at amortised cost at date of reporting. Principal and interest repayments are made quarterly in arrears.

All borrowings are in Australian dollar denominated amounts and carried at amortised cost, interest being expensed as it accrues. No interest has been capitalised during the current or comparative reporting period. Expected final repayment dates vary between 15 June 2022 to 15 June 2036. There have been no defaults or breaches of the loan agreement during the period.

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

Current		
Loans Queensland Treasury Corporation - current	207,534	202,449
	<u>207,534</u>	<u>202,449</u>
Non-Current		
Loans Queensland Treasury Corporation - non-current	1,785,413	1,990,227
	<u>1,785,413</u>	<u>1,990,227</u>
Queensland Treasury Corporation		
Opening balance	2,192,676	2,384,937
Principal repayments	(199,729)	(192,261)
Book value at period end	<u>1,992,947</u>	<u>2,192,676</u>

The QTC loan market value at the reporting date was \$2,149,500.25 This represents the value of the debt if the Council repaid it at that date. As it is the intention of the Council to hold the debt for its term, no provision is required to be made in these accounts.

Unsecured borrowings are provided by the Queensland Treasury Corporation.

The Council does not have a bank overdraft facility.

DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements For the Year Ended 30 June 2021

15 Leases

Council as a lessee

Council has applied the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term. Council has not identified any other leases in scope of AASB 16 which are not covered by the aforementioned exceptions.

Leases at significantly below market value / concessionary leases:

Council has elected to measure the right of use asset arising from the concessionary leases at cost which is based on the associated lease liability at initial recognition.

Council as a lessor

When Council is a lessor, the lease is classified as either an operating or finance lease at inception date, based on whether substantially all of the risks and rewards incidental to ownership of the asset have been transferred to the lessee. If the risks and rewards have been transferred then the lease is classified as a finance lease, otherwise it is an operating lease.

The lease income is recognised on a straight-line basis over the lease term.

Council derives rental income from houses leased to staff and members of the community. These houses are classified as property, plant and equipment in Note 11 as the assets are not held predominately for rental or capital growth purposes, rather to provide essential accommodation to Council staff and members of the community.

Property income	605,904	586,551
Direct operating expenses from property that generated rental income	570,523	840,138

Due to the high occupancy rates and minimal variability in rental amounts, the property income disclosed above approximates the expected minimum rent receipts in a 12 month cycle.

16 Asset Revaluation Surplus

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

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

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

Movements in the asset revaluation surplus were as follows:

	Balance 1 July 2020	Increases / (Decreases)	Balance 30 June 2021	Balance 30 June 2020
The closing balance of the asset revaluation surplus is comprised of the following asset classes:				
Land	-	-	-	-
Buildings	10,445,905	2,874,593	13,320,498	10,445,905
Other Structures	4,938,456	2,437,355	7,375,811	4,938,456
Road, drainage and bridge network	55,562,231	2,447,467	58,009,698	55,562,231
Water	1,982,970	(328,316)	1,654,654	1,982,970
Sewerage	2,055,107	217,803	2,272,910	2,055,107
	<u>74,984,669</u>	<u>7,648,902</u>	<u>82,633,571</u>	<u>74,984,669</u>

DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements For the Year Ended 30 June 2021

	30 June 2021	30 June 2020
	\$	\$
17 Commitments For Expenditure		
Capital commitments		
Contractual commitments at end of financial year but not recognised in the financial statements are as follows. Contractual commitments are expected to be settled within 12 months.		
Infrastructure and asset management	967,782	1,443,322
	<u>967,782</u>	<u>1,443,322</u>
18 Contingent Liabilities		
Details and estimates of maximum amounts of contingencies and agreements are as follows:		
<u>Local Government Mutual</u>		
The Diamantina 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 30 June 2020 the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.		
<u>Local Government Workcare</u>		
The Diamantina Shire Council is a member of the Queensland local government worker's compensation self-insurance scheme, Local Government Workcare. Under this scheme the Council has provided an indemnity towards a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled and there was insufficient funds available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise. The Council's maximum exposure to the bank guarantee is \$228,799.98.		
<u>Department of Communities, Housing and Digital Economy</u>		
Diamantina Shire Council has a Capital Funding Agreement with the Department of Communities, Housing and Digital Economy for 12 properties in Bedourie and Birdsville. Under the Agreement, Council acquires a portion of equity in each property each year. Council then has the option of either paying out the Contingent Liability amount or pooling equity on a particular property to acquire full ownership. It would not be practical to make an assessment of the potential financial impact of this contingent liability as any future liability would be dependent on the market value of the property at the time of disposal to the council.		
19 Superannuation		
Council contributes to the LGIASuper previously known as the Local Government Superannuation Scheme (Qld) (the scheme). LGIASuper is a Multiemployer Plan as defined in Australian Accounting Standard AASB 119 <i>Employee Benefits</i> . The scheme has a number of elements including defined benefits funds and an accumulated benefits fund. Council does not have any employees who are members of the defined benefits fund and so it is not exposed to the obligations, assets or costs associated with these funds. Council has employees who are members of the accumulated benefits fund.		
The amount of superannuation contributions paid by Diamantina Shire Council to the superannuation scheme in this period for the benefit of employees was:	5	517,561
		<u>557,191</u>

DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements For the Year Ended 30 June 2021

	30 June 2021	30 June 2020
	\$	\$
20 Transactions with Related Parties		
Council did not have any subsidiaries, transactions with associates or transactions with joint ventures.		
(a) Transactions with key management personnel (KMP)		
KMP include the Mayor, Councillors, Council's Chief Executive Officer, Deputy Chief Executive Officer, Infrastructure Manager and Tourism and Events Manager. The compensation paid to KMP comprises:		
Short-term employee benefits	1,188,332	1,197,590
Long-term benefits	22,599	26,189
Post-employment benefits	102,483	108,559
	<u>1,313,414</u>	<u>1,332,337</u>
(b) Transactions with related parties		
Other related parties include the close family members of KMP and any entities controlled or jointly controlled by KMP or their close family members. Close family members include a spouse, child and dependent of a KMP or their spouse. Details of transactions between Council and other related parties are disclosed below.		
(i) All close family members of key management personnel were employed through an arm's length process. They are paid in accordance with the Award for the job they perform. The council employs 65 staff of which 7 are close family members of key management personnel.		
Employee expenses for close family member of key management personnel	363,424	343,309
Purchases of materials and services from other related parties	582,703	641,716
	<u>946,127</u>	<u>985,025</u>
(ii) The Council purchased the following material and services from entities that are controlled by members of key management personnel. All purchases were at arm's length and were in the normal course of council operations:		
Details of materials and services purchased		
Transport services	460,463	444,092
Supplies and materials	93,260	139,798
Accounting and information technology consulting	-	12,183
Cleaning services	-	3,016
Tours sold at a commission on behalf of local touring supply entity	-	8,390
Plumbing services	10,336	34,037
Other	18,644	200
	<u>582,703</u>	<u>641,716</u>
(c) Outstanding balances		
There were no material balances outstanding at the end of the reporting period in relation to transactions with related parties (2020 \$73,523.78).		
21 Reconciliation of Net Result for the Year to Net Cash Inflow (Outflow) From Operating Activities		
Net result	5,302,536	(739,361)
Non-cash items:		
Depreciation	4,901,176	4,468,729
Write off WIP to P&L	-	11,498
Inventory land revaluation decrement	189,800	-
Land revaluation decrement	293,802	-
Investing and development activities (non-cash) :		
Net loss on disposal of plant and equipment	2,633,800	2,144
Capital grants and contributions	(2,556,155)	(1,739,852)
	<u>5,462,423</u>	<u>2,742,519</u>
Changes in operating assets and liabilities :		
(Increase) / decrease in receivables	(144,973)	950,139
(Increase) / decrease in inventory	527,907	(320,027)
(Increase) / decrease in contract assets	(1,532,590)	(163,003)
Increase / (decrease) in payables	(785,134)	223,380
Increase / (decrease) in contract liabilities	(854,035)	2,154,624
Increase / (decrease) in provisions	(35,006)	323,999
	<u>(2,823,831)</u>	<u>3,169,112</u>
Net cash inflow from operating activities	<u>7,941,128</u>	<u>5,172,270</u>

Refer Note 14 for reconciliation of liabilities arising from financing activities.

22 Events after the Reporting Period

There were no material adjusting events after reporting date.

23 Financial Instruments

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

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

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

- Investments in financial assets are only made where those assets are with a bank or other financial institution in Australia.
- The Council does not invest in derivatives or other high risk investments.
- When the Council borrows, it borrows from the Queensland Treasury Corporation (QTC) unless another financial institution can offer a more beneficial rate, taking into account any risk. Borrowing by the Council is constrained by the provisions of the *Statutory Bodies Financial Agreements Act 1982*.

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

Credit Risk

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

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

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

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

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

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

The carrying amount of financial assets at the end of the reporting period represent the maximum exposure to credit risk.

Liquidity Risk

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

The Council manages its exposure to liquidity risk by maintaining sufficient undrawn facilities, both short and long term, to cater for unexpected volatility in cash flow. These facilities are disclosed in the borrowings Note 14. There are no additional facilities or lines of credit available.

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

	0 to 1 year	1 to 5 years	Over 5 years	Total Contractual Cash Flows	Carrying Amount
	\$	\$	\$	\$	\$
2021					
Trade and Other Payables	635,616	-	-	635,616	635,616
Loans QTC	268,357	650,108	1,540,437	2,458,901	1,992,947
	903,973	650,108	1,540,437	3,094,517	2,628,563
2020					
Trade and Other Payables	1,397,008	-	-	1,397,008	1,397,008
Loans QTC	268,357	764,421	1,694,480	2,727,258	2,192,676
Totals	1,665,365	764,421	1,694,480	4,124,266	3,589,684

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

Interest rate risk

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

The risk in borrowing is effectively managed by borrowing from financial institutions which provide access to a mix of floating and fixed funding sources such that the desired interest rate risk exposure can be constructed. Interest rate risk in other areas is minimal.

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

DIAMANTINA SHIRE COUNCIL

ANNUAL FINANCIAL STATEMENTS

For the Year Ended 30 June 2021

MANAGEMENT CERTIFICATE

For the Year Ended 30 June 2021

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

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

(i) the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulation 2012* for the establishment and keeping of accounts have been complied with in all material respects, and

(ii) the general purpose financial statements, as set out on pages 1 to 22, present a true and fair view, in accordance with the Australian Accounting Standards, of the Council's transaction for the financial year and financial position at the end of the year.



Mayor
Robert Dare

Date: 29, 10, 2021



Chief Executive Officer
Leon Love

Date: 29, 10, 2021

INDEPENDENT AUDITOR'S REPORT

To the councillors of Diamantina Shire Council

Report on the audit of the financial report

Opinion

I have audited the financial report of Diamantina Shire Council.

In my opinion, the financial report:

- a) gives a true and fair view of the council's financial position as at 30 June 2021, and of its financial performance and cash flows for the year then ended
- b) complies with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including significant accounting policies and other explanatory information, and the certificate given by the Mayor and Chief Executive Officer.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of my report.

I am independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

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

Other information

Other information comprises financial and non-financial information (other than the audited financial report) in an entity's annual report.

At the date of this auditor's report, the available other information in Diamantina Shire Council's annual report for the year ended 30 June 2021 was the current year financial sustainability statement and long-term financial sustainability statement.

The councillors are responsible for the other information.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the Local Government Regulation 2012, I have expressed a separate opinion on the current year financial sustainability statement.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report and my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the councillors for the financial report

The councillors are responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards, and for such internal control as the councillors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The councillors are also responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the council or to otherwise cease operations of the council.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council.

- Conclude on the appropriateness of the council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on other legal and regulatory requirements

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2021:

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Local Government Act 2009*, any other Act and the Local Government Regulation 2012. The applicable requirements include those for keeping financial records that correctly record and explain the council's transactions and account balances to enable the preparation of a true and fair financial report.



Michael Claydon
as delegate of the Auditor-General

30 October 2021

Queensland Audit Office
Brisbane

DIAMANTINA SHIRE COUNCIL

Current Year Financial Sustainability Statement For the Year Ended 30 June 2021

Measures of Financial Sustainability - How the measure is calculated		Actual	Target
Council's Performance at 30 June 2021 against any key financial ratio's and targets:			
Operating Surplus Ratio	Net Result (excluding capital items) divided by total operating revenue (excluding capital items)	16.8%	Between 0% and 10%
Asset Sustainability Ratio	Capital Expenditure on the replacement of assets (Renewals) divided by depreciation expense	5.3%	Greater than 90%
Net Financial Liabilities Ratio	Total Liabilities less current assets divided by total operating revenue (Excluding Capital Items)	(49.5)%	Not Greater than 60%

Note 1 - Basis of Preparation

The current year financial sustainability statement is a special purpose statement prepared in accordance with the requirements of the *Local Government Regulation 2012* and the *Financial Management (Sustainability) Guideline 2013*. The amounts used to calculate the three reported measures are prepared on an accrual basis and are drawn from the Council's audited general purpose financial statements for the year ended 30 June 2021.

CERTIFICATE OF ACCURACY For the year ended 30th June 2021

This current year financial sustainability statement has been prepared pursuant to section 173 of the *Local Government Regulation 2012* (the Regulation).

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



Mayor
Robert Dare

Date: 29/10/2021



Chief Executive Officer
Leon Love

Date: 29/10/2021

INDEPENDENT AUDITOR'S REPORT

To the councillors of Diamantina Shire Council

Report on the current-year financial sustainability statement

Opinion

I have audited the accompanying current-year financial sustainability statement of Diamantina Shire Council for the year ended 30 June 2021, comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with s.212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current-year financial sustainability statement of Diamantina Shire Council for the year ended 30 June 2021 has been accurately calculated.

Basis of opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the current-year financial sustainability statement* section of my report.

I am independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the statement in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

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

Emphasis of matter – basis of accounting

I draw attention to Note 1 which describes the basis of accounting. The current-year financial sustainability statement has been prepared in accordance with the Financial Management (Sustainability) Guideline 2013 for the purpose of fulfilling the council's reporting responsibilities under the Local Government Regulation 2012. As a result, the statement may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Other Information

Other information comprises financial and non-financial information (other than the audited financial report) in an entity's annual report.

At the date of this auditor's report, the available other information in Diamantina Shire Council's annual report for the year ended 30 June 2021 was the general purpose financial statements and long-term financial sustainability statement.

The councillors are responsible for the other information.

My opinion on the current-year financial sustainability statement does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

However, as required by the Local Government Regulation 2012, I have expressed a separate opinion on the general purpose financial report.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report and my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the councillors for the current-year financial sustainability statement

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

Auditor's responsibilities for the audit of the current-year financial sustainability statement

My objectives are to obtain reasonable assurance about whether the current-year financial sustainability statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this statement.

My responsibility does not extend to forming an opinion on the appropriateness or relevance of the reported ratios, nor on the council's future sustainability.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council.
- Evaluate the overall presentation, structure and content of the statement, including the disclosures, and whether the statement represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

M. Claydon

Michael Claydon
as delegate of the Auditor-General

30 October 2021

Queensland Audit Office
Brisbane

DAMANTHA SEASIDE COUNCIL

Annual Long Term Financial Sustainability Statement

Prepared as at 30 June 2021

Measure of Financial Sustainability	How the Measure is Calculated	Target	Actual 30 June 2021	Projected for the years ended									
				30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028	30 June 2029	30 June 2030	30 June 2031
Current Budget Gap	The Gap is calculated as the difference between the projected income and the projected expenditure for the year ended 30 June 2022.	Nil	14.8%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
Long Term Sustainability Gap	The Long Term Sustainability Gap is calculated as the difference between the projected income and the projected expenditure for the year ended 30 June 2031.	Nil	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
Long Term Sustainability Ratio	The Long Term Sustainability Ratio is calculated as the ratio of the projected income to the projected expenditure for the year ended 30 June 2031.	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Damantha Seaside Council's Financial Management Strategy

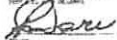
The Council's Financial Management Strategy is a document that sets out the Council's approach to managing its financial resources. It is a key document for the Council's financial management and is used to guide the Council's financial decisions. The strategy is based on the Council's financial objectives and is designed to ensure that the Council's financial resources are managed in a sustainable and efficient manner.

CERTIFICATE OF ACCURACY

For the Long Term Financial Sustainability Statement prepared as at 30 June 2021

The Long Term Financial Sustainability Statement is a document that sets out the Council's approach to managing its financial resources. It is a key document for the Council's financial management and is used to guide the Council's financial decisions. The strategy is based on the Council's financial objectives and is designed to ensure that the Council's financial resources are managed in a sustainable and efficient manner.

I, the Mayor, certify that the Long Term Financial Sustainability Statement is a true and accurate representation of the Council's financial resources and is based on the best available information.


Mayor


Chief Executive Officer

Date: 29/10/2021

Date: 29/10/2021