

Annual Report 2021/22





About this Report

This Annual Report of the Diamantina Shire Council is for the period 1 July 2021 to 30 June 2022

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 allowing use of her photos, including the cover.



Contents

A Message from our Mayor	4
Our Vision, Mission, Goals and Core Values	6
2021-22 Highlights	7
Community Financial Report	8
Our Shire	13
Our Council	15
Our People	18
Our Goals	22
Compliance Reporting	32
Financial Statements	34

A Message from our Mayor

This financial year like last year was still about dealing with the COVID situation. We finally emerged from this and have begun as a community to have our lives return back to normal. It has been fantastic to have our nationally famous events such as the Big Red Bash, The Birdsville Races (twice) and the Bedourie Camel Races back up and running as well as both the Betoota and Bedourie Races being held. These events are not only important for our area but the whole of the North and South west of Queensland. To make these events happen is no mean feat and I would like to congratulate the organizing committees of all the events and the council staff who assist with all of the support functions that we do to make things happen.



Council has been developing a Reflect Reconciliation Action Plan. The first meeting of this committee has been held and this was an important step in achieving a greater understanding of our First nation peoples and what community issues need to be addressed.

Roads are still the most important asset in the shire. Council continues to work with the Department of Transport and Main Roads and we value this important relationship. Together we have continued with our efforts to get a fully sealed bitumen road from Bedourie to Birdsville where at the end of the current work we will only have 18 kilometers remaining. My thanks to all of the works crew and our contractors for their continued efforts in completing these works.

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

Council has also completed or near completed many important road projects this year:

- Old Roseberth project – the crews have completed a 16.8 km section at a total cost of 5.3 million dollars
- NDRRA works have been completed on the Betoota- Mooraberee road, Cordillo Road and the Cacoory-Stony Crossing Road.
- Council contractors have also been completing works on the Griffith Tank Coorabulka Road.

As well as these Road projects we have nearly completed the following non-road projects:

- Five new houses in Bedourie under Works for Queensland
- The Birdsville Anzac Park programme
- Line marking at the Bedourie and Birdsville airport

Council has also made a number of important purchases this year with Two Western Star Prime Movers being purchased as well as a new Caterpillar grader and some tri-axle dolly's and lighting equipment and two vibrating drum rollers.

Council is continuing to progress the selling or leasing of the Birdsville Tourist Park and Birdsville Lodge either separately or together. Council has also worked hard in keeping the other assets upgraded and running successfully these included our Building Assets, Airports, Water, Parks & Recreation and all of our tourist related assets. Council has been very successful in obtaining funding from a range of different programs.



A Message from our Mayor (continued)

Diamantina Shire 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. 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. The association continues to fight hard for our Rural Communities and being so far from Brisbane it is important to have a strong voice so we can stand up for our communities.

The Annual Report Details Councils progress in delivering its Corporate and Operational plans. Council has developed its corporate plan for 2022-2027 and I sincerely thank those residents that were involved in the consultation. This document will help guide council over the next five (5) years and provides us with the list of priorities and strategies that we would like to achieve.

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. Council had a slightly increased surplus and our asset base or community equity is now just under 200 million dollars. Council took out a small loan this year of 1M to cover the increased cost of housing construction.

I would lastly like to provide my farewells to two of my councillors who have recently handed in their resignations Doug Cooms and Don Rayment who have served the Diamantina Shire very well. I would also like to thank Leon Love for his services as our CEO for the last 8 years.

I would finally like to again thank the staff for their continued efforts throughout the year. As well as our road crews I must acknowledge our staff in administration, visitor centres and accommodation who have been put under a lot of strain to keep the wheels of a council turning in this very different year. It's fair to say that with the vacancies that we are carrying, all staff have been doing a couple of jobs at once.

Robbie Dare

Mayor



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,

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.

2021-22 Highlights

Western Queensland Heavy Rainfall and Flooding Events - Flood damage works

Council and contractor crews recently carried out approximately \$6.6 million worth of flood damage repair works on roads throughout the Diamantina Shire. Works consisted of heavy formation grading, drainage work and gravel re-sheeting. This work was funded by the Queensland Reconstruction Authority (QRA).



Figure one: Heavy formation grading



Figure two: Heavy formation grading



Figure three: Gravel re-sheeting



Figure four: Road damage



Figure five: Road damage

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:

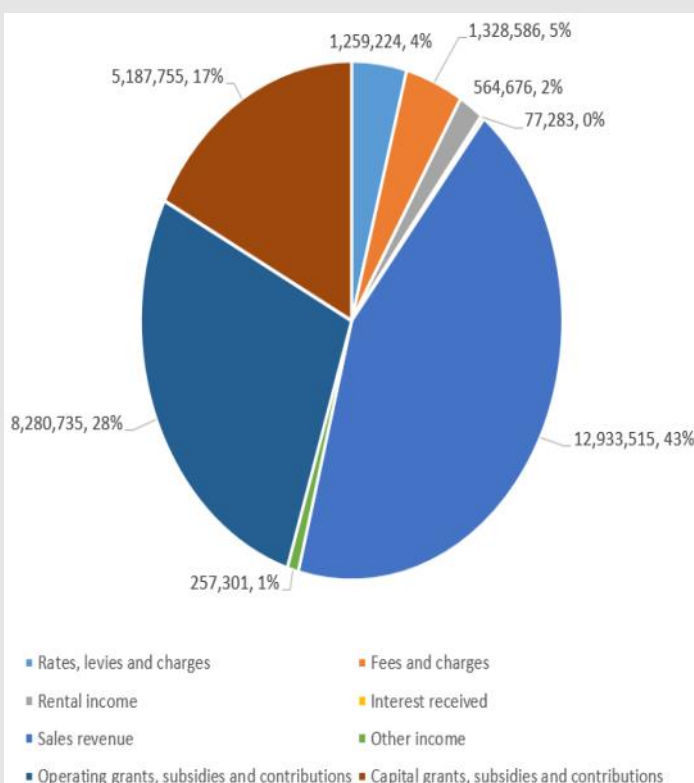
- ◆ Statement of Comprehensive Income
- ◆ Statement of Financial Position
- ◆ Statement of Changes in Equity
- ◆ Statement of Cash Flows
- ◆ Measures of Financial Sustainability

Statement of Comprehensive Income

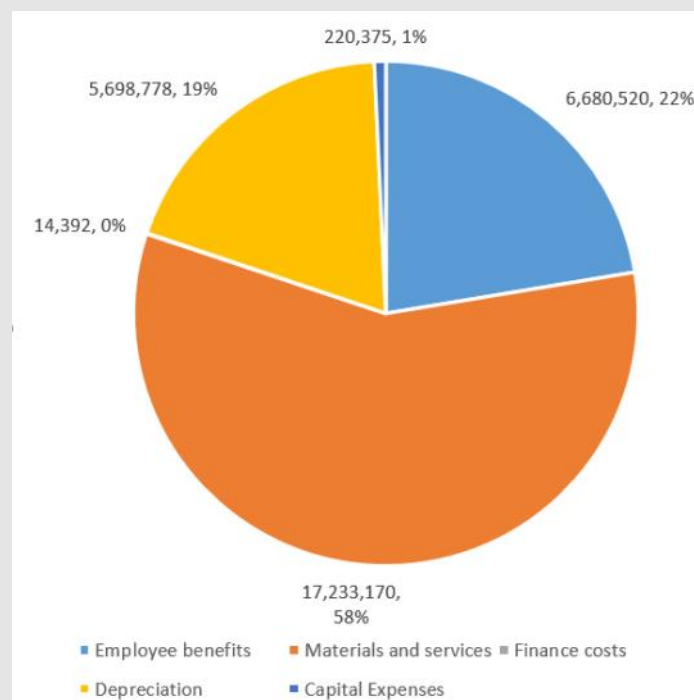
The Statement of Comprehensive Income is often referred to as the Profit and Loss statement. This statement shows what Council has earned (revenue) and what costs Council has incurred (expenses) during the year. In summary, Council's result for the reporting period was:

	\$
What we have earned (revenue)	
Recurrent Revenue	24,701,319
Capital Revenue	5,187,755
Total Revenue	29,889,075
What we have spent (expenses)	
Recurrent Expenses	29,626,859
Capital Expenses	220,375
Total Expenses	29,847,234
Net Result	41,841

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.

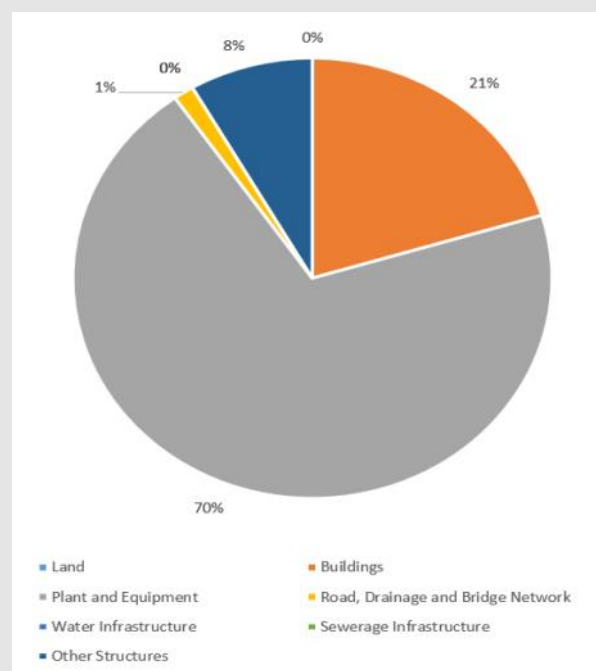
What do we own?

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	9.29	15,991,414
Trade and other receivables	0.38	734,990
Contract assets	1.41	2,728,660
Inventories	1.06	1,818,695
Property, plant and equipment	89	172,123,318
TOTAL ASSETS		193,397,078

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 \$4,108,476 to renew, upgrade and build new assets for the community. The graph below shows how the money was spent in different asset classes.

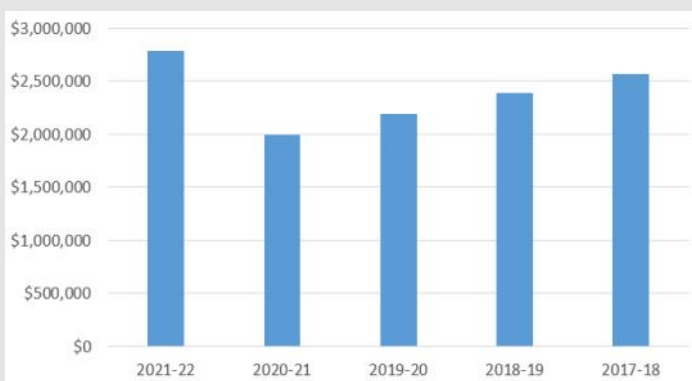


What do we owe?

With debt repayments amounting to \$207,643 for the year, Council's debt at June 30, 2021 totalled \$2,785,304. 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.

What do our liabilities consist of?	%	\$
Trade and other payables	47.8	1,313,777
Contract liabilities	13.56	372,662
Borrowings	6.13	168,465
Provisions	32.52	893,770
TOTAL LIABILITIES		2,748,674

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.

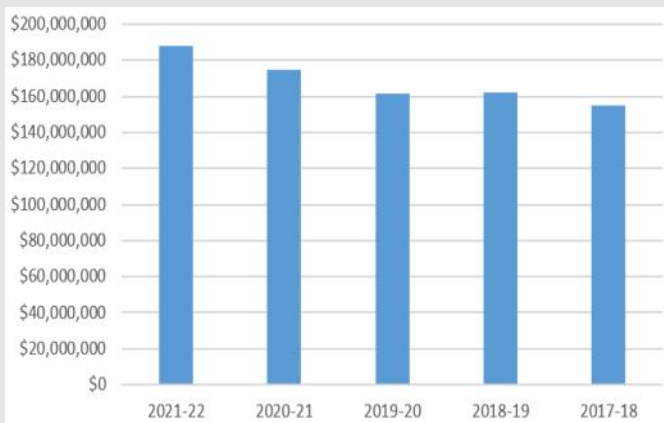
Cash at Beginning	\$14,067,543
Inflow from Operating Activities	434,035
Inflow from Investing Activities	697,626
Inflow from Financing Activities	792,210
CASH AT END	\$15,991,414

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 2022 this was an amount of \$187,779,206.

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 = 8.2%

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.

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:

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

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: -63.4%

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:

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

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: -19.9%

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	2021/22	2020/21	2019/20	2018/19	2017/18
Net Rates & Charges	\$1,259,224	\$1,045,750	\$1,107,003	\$1,137,791	\$1,087,806
Total Revenue	\$29,889,075	\$32,676,893	\$19,463,488	\$19,942,637	\$19,831,409
Total Expenses	\$29,847,234	\$24,446,754	\$20,202,848	\$17,783,204	\$19,192,788
Net Result	\$41,841	\$5,302,536	(\$739,361)	\$2,159,432	\$638,621
Capital Additions	\$4,108,476	\$12,466,704	\$8,668,437	\$5,824,838	\$6,260,280
Debt Repayment	\$207,643	\$199,729	\$192,261	\$185,017	\$259,705
Loan Balance	\$2,785,304	\$1,992,947	\$2,192,676	\$2,384,937	\$2,569,954
Total Assets	\$193,397,078	\$180,367,195	\$168,992,593	\$166,422,569	\$159,012,973
Total Liabilities	\$5,617,872	\$5,529,519	\$7,399,456	\$4,209,498	\$4,120,360
Total Equity	\$187,779,206	\$174,841,676	\$161,593,137	\$162,213,071	\$154,892,613
Depreciation Expense	\$5,698,778	\$4,901,176	\$4,468,729	\$4,380,630	\$4,159,354

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".



Our Shire

Our Towns



Eyre Creek, Bedourie

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



Browns Creek, Betoota

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.

Our Councillors

Mayor 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 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 Councillors

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.

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 Finniss 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/Yarliyadi, Mithaka, Wangkamahdla, Pitta Pitta and Maiawali/Karuwali countries home.

This is Francis' first term as councillor.

Councillor Don Rowlands, Elected: 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

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

Council did not adopt a resolution regarding their remuneration for the 2021/22 Financial year. As such, the remuneration schedule for Category 1 local governments, as set out in the Local Government Remuneration Commission Annual Report 2020, determined the Councillor's remuneration.

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 R Dare	11	\$108,656.04	\$0.00	\$10,865.64	\$600.00		\$120,121.68
Cr Don Rowlands	12	\$54,110.04	\$0.00	\$5,411.04	\$600.00	\$2,340	\$62,461.08
Cr F Murray	12	\$54,110.04	\$0.00	\$5,411.04	\$600.00	\$3,390.10	\$63,511.18
Cr D Rayment	10	\$51,103.92	\$0.00	\$6,132.46	\$600.00	\$2,338	\$60,174.38
Total		330,415.08	\$0.00	\$35,312.38	\$3,000.00	\$8,068.10	\$376,795.58

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.

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.

Ronald Fenner, Governance and Compliance Manager



Commenced employment in September 2021.

Ron has extensive experience in senior Local Government Management roles, more recently in Cape York and prior to that in Central Queensland and has a Bachelors' degree from the University of Southern Queensland.

Ron's focus is on providing good governance systems in order to assist council in better managing its affairs.

He enjoys the outdoor lifestyle remote councils provide.

Amanda Schnitzerling, Governance and Environment Manager



Commenced employment in September 2021.

Ron has extensive experience in senior Local Government Management roles, more recently in Cape York and prior to that in Central Queensland and has a Bachelors' degree from the University of Southern Queensland.

Ron's focus is on providing good governance systems in order to assist council in better managing its affairs.

He enjoys the outdoor lifestyle remote councils provide.

Amanda left this position in September 2021.

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.

Stephen left this position in January 2022.

Our People and Services



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 in the Financial Year 2021-22 with a significant investment in safety training:

- Commencement Inductions
- Hamm Roller, Lighting Towers, Western Star Movers and 150M Grader Induction for Plant Operators
- Tele-handler Training for Plant Operators
- First Aid and CPR Training
- Aerodrome Reporting Officers and Works Safety Officer Course
- Aeronautical Radio Operator Certificate (AROC) Course
- Test and Tag
- Magiq Infoexpert
- SynergySoft
- Project Management Workshop
- Fleet Management Workshop for Asset Services Coordinator
- Microsoft Word and Microsoft Excel Training
- Practical Ethics for Local Government Training
- Wildlife Hazard Management
- Working in Proximity to Traffic Training
- Traffic Awareness Training
- Incident Investigation Training
- OHS – Lead Auditor Training for WHSQ Coordinator

A strong partnership with RAPAD Skilling, PEAK Services and numerous other training and service providers 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 and Services

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 continues to be committed to the Health, Safety and Wellbeing of all workers and also to the continued improvement of Council's safety and quality management system. Council continues to develop and implement strategies and initiatives that are designed to establish and maintain a culture of 'safety first' to bring safety and wellbeing to the forefront in everything we do.

Council developed and delivered an Annual Start Up Work Health and Safety Induction refresher program. This was achieved by staff completing an online training program via a PowerPoint presentation which included narration. This induction was rolled out to all workers including contractors. This training program was successful as well as providing flexibility with many staff working from different locations.

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

Council greatly increased its membership and usage of the Plant Assessor Software with plant and equipment pre-starts now being available on phones and tablets. In addition, Council also rolled out the Plant Assessor Program to all of our contractors to better enable Council to discharge its health and safety obligations with regards to contractor management.

Council had our 3rd party External Quality Audit against the requirements of ISO 9001:2015 in March and as a result all outstanding opportunities for improvement and observations were successfully closed out. There were no non-conformances identified.

As part of the Local Government Workcare (LGW) Mutual Responsibilities and Obligations Program (MROP), all councils are assigned specific objectives for each financial year, these include completing specific and targeted Surveillance Audits, completion of an Annual Safety Report, Work Health and Safety Annual Plan and participation in 3rd Party External Audit against the requirements of ISO 45001:2018 and the National Audit Tool. Each of these obligations have specified completion times set by LGW and Diamantina Shire Council are proud of our achievement in having completed all of the requirements within the specified timeframes.

Diamantina Shire Council was one of 16 Queensland Councils that were required to participate in the 3rd Party External Audit against the requirements of ISO 45001:2018 and the National Audit Tool, this audit was conducted in June 2022. The audit consisted of 5 Elements with Elements 1, 2, 4, & 5 achieving a total of 19 Conformances and the all important Element 3 requiring a minimum score of 70% with Council scoring 72.74%. Diamantina Shire Council was 1 of only 3 Councils out of the 16 participating Councils that achieved the pass mark with the auditor making special note in his report of the exceptional work and commitment that was evidenced during the audit. The following are the results of the 16 member councils:

- Member Councils achieved over 70% - 3 Member Councils
- Member Councils who achieved over 65% - 2 Member Councils
- Member Councils who achieved over 60% - 3 Member Councils
- Member Councils who achieved over 55% - 2 Member Councils
- Member Councils who achieved over 50% - 1 Member Council
- Member Councils who achieved over 45% - 3 Member Councils
- Member Councils who achieved over 40% - 1 Member Council
- Member Councils who achieved over 30% - 1 Member Council

Our People and Services

Children Services

The aims of the Shire's Children's Services are to prepare children for formal education, to strengthen the bond between career and child and to equip the career 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 2021/2022.

Bedourie had a major disruption last year with the Playgroup building having to be closed down for works to be done due to a bush rat infestation, however the Bedourie Playgroup was then held in the Information Centre while all the works were being completed. All works have been completed and Playgroup is running as normal. Birdsville Playgroup has seen numbers fluctuate during the year. We also partnered with local emergency services, schools and other agencies to run events, such as our always popular Under 8s Day, NAIDOC Day, book week in conjunction with Birdsville State School.

Library Services

The Bedourie and Birdsville Libraries, located at the two Visitor Information Centers, have always been popular with families in the Shire. With not only books, the libraries also have toys, DVDs, audio books and other resources, as well as hosting Playgroup sessions. Membership of the library in Bedourie or Birdsville also gives membership to the whole Rural Libraries Queensland network, including online resources such as audio books and e-books. During the 2021/2022 financial year, we have seen more travelers use the Library as they are able to borrow and return their books at either of the Shire Libraries. Feedback from travelers regarding this has been great. It has been great to see that the Playgroups in the Shire also use these facilities and have library days with the children and careers attending. Thanks go to the State Library of Queensland and the Rural Libraries Queensland network for their continued support for our services.

Staff Statistics at a Glance

As at 30 June	2021/22	2020/21	2019/20
Administrative/Community Services Staff	27	23	24
Construction & maintenance Staff	34	40	34
Total, excluding casuals	61	63	58
Executive			
> Male	3	3	3
> Female	1	1	2
Elected Members			
> Male	5	6	5
> Female	-	-	1
All employees			
> Male	35	36	45
> Female	26	27	23
Aboriginal & Torres Strait Islander employees	11	16	12
Employees with a disability	0	0	0
Staff Turnover	34%	34%	23%

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

1.1.2 Greater uptake of renewable energy and energy efficient products.

Our Challenges

Council has been experiencing issues with the new solar power project with many of the systems malfunctioning.

Our Achievements

Solar power systems have been installed on all former Bedourie Aboriginal Corporation houses.

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

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

The Bedourie Landfill layout and operations have been significantly amended, resulting in a clean and tidy space that is well maintained.

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

Irrigation plans for ANZAC Park continue to be developed to assist in management of the grounds.

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

Council continues to work with neighbouring local governments through the Central West Regional Pest Management Group to develop pest management plans.

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

Funding for bores continues to be difficult to source.

Our Achievements

Preliminary planning for further bore developments have been undertaken.

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

Securing funding for undertaking projects has been difficult to acquire.

Our Achievements

Work on implementing a Council Reconciliation Action Plan has begun .

Plan for Two Boys Dreaming site finalised.

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.

Our Achievements

Council increased the housing subsidy for Council employees from 50% to 57.5%.

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.

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.

Our Achievements

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

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

Council has implemented a significant housing development incentive offering up to \$45,000 in assistance to build private housing.

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 through-out the year.

Our Achievements

As COVID-19 restrictions eased in the back half of the financial year, community events have been able to go ahead.

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 continues to support the town clinics.

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.

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.

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

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

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

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 continues to support the town clinics.

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.

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

Council's solar roof top project has had teething issues that have resulted in some solar panels not functioning to their full capacity.

Our Achievements

Council's solar project continues to provide more affordable power to Council-owned house tenants.

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.

Our Achievements

Construction of the Bedourie Multi-Use Complex Amenities was completed.



Our Goals

Goal 2: Our Community (continued)

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.

Our Achievements

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

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

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

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 prior to restrictions being lifted.

Majority of events were cancelled due to COVID-19 in 2020.

Our Achievements

Birdsville Tourist Park and Lodge was open throughout the year.

New town entry signs have began to be installed.

Pise House, Bedourie received internal refurbishment and external paintwork.

Purchased land on which Birdsville Courthouse located.

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.

Our Goals

Goal 3: Our Economy (continued)

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

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

Council has implemented a significant housing development incentive offering up to \$45,000 in assistance to build private housing.

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

Council commenced work on the “Old Roseberth” section of road between Bedourie and Birdsville on the Eyre Development Road.

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.

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 updated Corporate Plan.

Community BBQ's were held in both towns.

Regular public notices were issued informing the community

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

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.

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



Our Goals

Goal 5: Our Organisation (continued)

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 was undertaken throughout the year.

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

Our Achievements

CASA audits completed showing standards have been met at airports.

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

Bedourie Multipurpose complex electricity supply and distribution renewed with new switchboard

Transfer of Bedourie Aboriginal Corporation Houses to council finalised and work began on restoring the houses.

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.

Our Achievements

Planning of new bore developments has commenced.

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

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	0
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—3 employees

Package Value \$200,000—\$300,000—1 employees

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

The total remuneration packages payable in 2021-22 to executive employees is \$801,206.11.

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 2021/22

Unresolved Complaints (BF 1/7/21)	Complaints Received	Complaints Resolved	Unresolved Complaints
0	2	2	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	Purpose	Contribution
Betoota Race Club	Contribution to building of new jockey shed	\$25,000 (approved but not paid as of 30/6/22)

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 2021-22 financial year.

Changes to Tenders s228(8) LGR 2012

Council made 17 invitations to change tenders during the 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
Register of Development Applications
Register of Food Licences
Register of Right to Information and Intellectual Property Requests

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

Diamantina Shire Council made no concessions on rates and charges for the 2021-22 financial year.

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 March 2022.

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 2021/22 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 2021-22.

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

There were no responses on competitive neutrality complaints received during 2021-22.



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 2022

DIAMANTINA SHIRE COUNCIL

FINANCIAL REPORT

For the Year Ended 30 June 2022

Note	Table of Contents	
	Statement of Comprehensive Income	1
	Statement of Financial Position	2
	Statement of Changes in Equity	3
	Statement of Cash Flows	4
	Notes to the Financial Statements	
1	Information about these financial statements	5
2	Analysis of Results by Function	6
3	Revenue	8
4	Grants, Subsidies and Contributions	9
5	Employee Benefits	10
6	Materials and Services	10
7	Capital Expenses	10
8	Cash and Cash Equivalents	11
9	Receivables	11
10	Inventories	11
11	Property, Plant and Equipment	12
12	Trade and Other Payables	17
13	Provisions	17
14	Borrowings	17
15	Leases	18
16	Asset Revaluation Surplus	18
17	Commitments for Expenditure	19
18	Contingent Liabilities	19
19	Superannuation	19
20	Transactions with Related Parties	20
21	Reconciliation of Net Result for the Year to Net Cash Inflow (Outflow) From Operating Activities	20
22	Events after the Reporting Period	20
23	Financial Instruments	21
24	Correction of Error	21
	Management Certificate	22
	Independent Audit Report (General Purpose Financial Statements)	23
	Current Year Financial Sustainability Statement & Certificate of Accuracy	25
	Independent Audit Report (Current Year Financial Sustainability Statement)	26
	Unaudited Long Term Financial Sustainability Statement & Certificate of Accuracy	28

DIAMANTINA SHIRE COUNCIL

Statement of Comprehensive Income

For the Year Ended 30 June 2022

	Note	30 June 2022 \$	30 June 2021 Restated \$
INCOME			
Revenue			
Recurrent Revenue			
Rates, levies and charges	3(a)	1,259,224	1,045,750
Fees and charges	3(c)	1,328,586	1,503,356
Rental income		564,676	605,904
Interest received	3(b)	77,283	102,966
Sales revenue	3(d)	12,933,515	15,529,713
Other income		257,301	194,884
Operating grants, subsidies and contributions	4(a)	8,280,735	10,403,077
Total Recurrent Revenue		24,701,319	29,385,651
Capital Revenue			
Capital grants, subsidies and contributions	4(b)	5,187,755	3,291,067
Total Capital Revenue		5,187,755	3,291,067
TOTAL INCOME		29,889,075	32,676,718
EXPENSES			
Recurrent Expenses			
Employee benefits	5	(6,680,520)	(7,235,310)
Materials and services	6	(17,233,170)	(12,507,908)
Finance costs		(14,392)	(83,309)
Depreciation	11	(5,698,778)	(4,901,176)
		<u>(29,626,859)</u>	<u>(24,727,703)</u>
Capital Expenses	7	<u>(220,375)</u>	<u>(2,927,602)</u>
TOTAL EXPENSES		(29,847,234)	(27,655,306)
NET RESULT		41,841	5,021,413
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to net result			
Increase in asset revaluation surplus	16	13,176,812	7,648,902
Total Other Comprehensive Income for the Year		13,176,812	7,648,902
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		13,218,653	12,670,315

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 2022

	Note	30 June 2022	30 June 2021
		\$	Restated \$
ASSETS			
Current Assets			
Cash and cash equivalents	8	15,991,414	14,067,543
Receivables	9	734,990	1,602,329
Contract assets	4 (d)	2,728,660	2,495,236
Inventories	10	1,818,695	1,908,575
Total Current Assets		21,273,760	20,073,684
Non-Current Assets			
Property, plant and equipment	11	172,123,318	160,293,512
Total Non-Current Assets		172,123,318	160,293,512
TOTAL ASSETS		193,397,078	180,367,195
LIABILITIES			
Current Liabilities			
Trade and other payables	12	1,313,777	694,892
Contract liabilities	4 (d)	372,662	1,980,805
Provisions	13	893,770	827,960
Borrowings	14	168,465	207,534
Total Current Liabilities		2,748,674	3,711,191
Non-Current Liabilities			
Provisions	13	252,359	310,039
Borrowings	14	2,616,839	1,785,413
Total Non-Current Liabilities		2,869,197	2,095,452
TOTAL LIABILITIES		5,617,872	5,806,642
NET COMMUNITY ASSETS		187,779,206	174,560,553
COMMUNITY EQUITY			
Asset revaluation surplus	16	95,810,383	82,633,571
Retained surplus		91,968,823	91,926,982
TOTAL COMMUNITY EQUITY		187,779,206	174,560,553

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 2022

		Asset Revaluation Surplus	Retained Surplus	Total Equity
		\$	\$	\$
	Note			
Balance at 1 July 2021 (Restated)		82,633,571	91,926,982	174,560,553
Net result for the year		-	41,841	41,841
Other comprehensive income for year				
Increase in asset revaluation surplus	16	13,176,812	-	13,176,812
Total comprehensive income for year		13,176,812	41,841	13,218,653
Balance as at 30 June 2022		95,810,383	91,968,823	187,779,206
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		-	5,021,413	5,021,413
Other comprehensive income for year				
Increase in asset revaluation surplus	16	7,648,902	-	7,648,902
Total comprehensive income for year		7,648,902	5,021,413	12,670,315
Balance as at 30 June 2021 (Restated)		82,633,571	91,926,982	174,560,553

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 2022

		30 June 2022	30 June 2021
	Note	\$	\$
Cash flows from operating activities :			
Receipts from customers		16,645,965	16,477,194
Payments to suppliers and employees		(23,221,054)	(19,564,704)
		(6,575,089)	(3,087,510)
Interest received	3(b)	77,283	102,966
Rental income		564,676	605,904
Non capital grants and contributions	4(a)	6,446,993	10,403,077
Borrowing costs		(79,828)	(83,309)
Net cash inflow/(out flow) from operating activities	21	<u>434,035</u>	<u>7,941,128</u>
Cash flows from investing activities:			
Payments for property, plant and equipment	11	(4,482,304)	(12,566,576)
Proceeds from sale of property, plant and equipment	7	-	965,451
Capital grants, subsidies, contributions and donations	4(b)	5,179,930	2,556,155
Net cash inflow/(outflow) from investing activities		<u>697,626</u>	<u>(9,044,970)</u>
Cash flows from financing activities:			
Proceeds from borrowings	14	1,000,000	-
Repayment of borrowings	14	(207,790)	(199,729)
Net cash inflow/(out flow) from financing activities		<u>792,210</u>	<u>(199,729)</u>
Net increase/(decrease) in cash and cash equivalents held		<u>1,923,871</u>	<u>(1,303,571)</u>
Cash and cash equivalents at beginning of financial year		14,067,543	15,371,114
Cash and cash equivalents at end of financial year	8	<u>15,991,414</u>	<u>14,067,543</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 2022

1 Information about these financial statements

1.A Basis of preparation

These general purpose financial statements are for the period 1 July 2021 to 30 June 2022 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).

Council is a not-for-profit entity for financial reporting purposes and complies with Australian Accounting Standards and interpretations as applicable to not-for-profit entities.

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 2021, 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 2022, 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

Provisions - Note 13

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 has been restated where necessary for reclassifications to align with current year presentation.

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.

DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements

For the Year Ended 30 June 2022

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 2022

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 2022														
Functions	Gross Program Income						Gross Program Expenses				Net Result From Recurrent Operations	Net Result	Assets	
	Recurrent			Capital			Total	Income	2022	Capital				
	Grants	Other	2022	Grants	Other	2022				2022				\$
Governance	3,666,857	3,114,104		4,027,767	-		10,808,728			(6,218,034)		\$	\$	
Community Services	116,707	587,486		55,000	-		759,193			(1,430,865)		(726,672)	26,173,668	
Water Works	-	225,312		-	-		225,312			(349,767)		(124,455)	5,752,431	
Sewerage Works	-	55,229		-	-		55,229			(107,365)		(52,136)	3,605,989	
Roads and Related Works	4,497,170	11,424,073		966,825	-		16,878,069			(19,049,972)		(3,128,729)	102,443,422	
Environment, Health and Planning	-	1,014,381		148,163	-		1,162,544			(2,470,856)		(1,456,475)	34,147,807	
Total Council	8,280,735	16,420,584		5,187,755	-		29,889,075			(29,626,859)		(220,375)	193,397,078	

Year Ended 30 June 2021														
Functions	Gross Program Income						Gross Program Expenses				Net Result From Recurrent Operations	Net Result	Assets	
	Recurrent			Capital			Total	Income	2021	Capital				
	Grants	Other	2021	Grants	Other	2021				2021				\$
Governance	3,120,444	3,402,557		2,513,008	-		9,036,008			(7,148,193)		(625,193)	22,719,384	
Community Services	401,073	1,652,798		(10,944)	-		2,042,927			(1,934,201)		119,670	20,850,502	
Water Works	-	205,238		-	-		205,238			(234,672)		(29,434)	5,516,724	
Sewerage Works	-	45,301		-	-		45,301			(125,937)		(80,636)	3,444,776	
Roads and Related Works	6,685,715	13,505,185		789,003	-		20,979,902			(14,256,758)		5,934,142	95,876,857	
Environment, Health and Planning	-	367,439		-	-		367,439			(1,028,037)		(660,599)	31,968,952	
Total Council	10,207,231	19,178,595		3,291,067	-		32,676,814			(24,727,797)		(2,927,602)	180,367,195	

DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements For the Year Ended 30 June 2022

	30 June 2022	30 June 2021
	\$	\$
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	1,096,600	895,111
Water	225,012	205,238
Sewerage	55,229	45,301
Garbage charges	34,086	39,881
Total rates and utility charge revenue	1,410,926	1,185,530
Less: discounts	(151,702)	(139,780)
Net rates, levies and charges	1,259,224	1,045,750
(b) Interest Received		
Interest from rates and charges	1,194	17,202
Interest earned from cash deposits	76,088	85,764
	77,283	102,966
(c) Fees and Charges		
Caravan park revenue	883,630	1,139,356
Private works	285,979	302,261
Other fees and charges	158,977	61,739
	1,328,586	1,503,356
Revenue arising from fees and charges are recognised at a point in time when the performance obligation is completed and the customer receives the benefit of the good/services being provided. The performance obligation relates to the specified services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases, the customer is required to pay on arrival, for example caravan parks.		
(d) Sales Revenue		
Main Roads minor works performance contracts	8,732,797	6,390,160
Main Roads road maintenance performance contracts	4,087,539	4,429,900
NDRRA Main Roads contracts	-	4,555,016
Other sales revenue	113,179	154,636
	12,933,515	15,529,713
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. The contract work carried out is not subject to retentions.		

DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements For the Year Ended 30 June 2022

	30 June 2022	30 June 2021
	\$	\$
4 Grants, Subsidies and Contributions		
(a) Operating		
State Government subsidies and grants - operating	3,582,250	7,212,596
Commonwealth Government subsidies and grants - operating	4,611,175	2,994,635
Other subsidies and grants - operating	87,309	195,846
Total recurrent revenue	8,280,735	10,403,077
(b) Capital		
State Government subsidies and grants - capital	3,817,356	1,807,268
Commonwealth Government subsidies and grants - capital	1,370,399	1,483,798
Other subsidies and grants - capital	-	-
Total capital revenue	5,187,755	3,291,067
Total for Grants, Subsidies and Contributions	13,468,490	13,694,144

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 obligation is satisfied. The performance obligations are varied based on 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.

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

	2022		2021	
	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	4,701,453	8,767,037	4,396,475	9,260,698

(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 2022	30 June 2021
	\$	\$
Contract assets	2,728,660	2,495,236
Contract liabilities		
Funds received upfront to construct Council controlled assets	372,662	676,445
Non capital performance obligations	-	1,304,360
	372,662	1,980,805
Revenue recognised that was included in the contract liability balance at the beginning of the year		
Funds received upfront to construct Council controlled assets	676,445	419,599
Non capital performance obligations	1,304,360	2,599,921
	1,980,805	3,019,520

DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements For the Year Ended 30 June 2022

	30 June 2022	30 June 2021
	\$	\$
5 Employee Benefits		
Employee benefit expenses are recorded when the service has been provided by the employee.		
Total staff wages and salaries	5,492,949	5,686,164
Councillors' remuneration	341,483	353,420
Annual, sick and long service leave entitlements	464,543	1,176,596
Superannuation	542,784	557,191
19	6,841,759	7,773,372
Other employee related expenses	49,535	151,818
	<u>6,891,295</u>	<u>7,925,190</u>
Less: capitalised employee expenses	<u>(210,775)</u>	<u>(689,879)</u>
	<u>6,680,520</u>	<u>7,235,310</u>

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

	2022	2021
Total Council employees at the reporting date:		
Elected members	5	5
Administration staff	28	26
Depot and outdoors staff	25	31
Total full time equivalent employees	<u>58</u>	<u>62</u>

6 Materials and Services

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

Advertising and Marketing	73	1,204
Audit of annual financial statements by the Auditor-General of Queensland	59,750	44,865
Other audit fees - Internal audit and other services	99,827	10,655
Communication and Information technology	252,255	241,948
Community Services	1,453,371	764,091
Donations Paid	124,735	51,952
Contract and Recoverable Works	4,308,268	2,456,203
Road Maintenance Services	626,945	220,929
Other Materials and Services	2,193,471	2,296,111
Fleet Services	2,275,054	2,304,586
Infrastructure Services	5,826,544	3,925,465
Revaluation of land held in inventory	12,875	189,900
	<u>17,233,170</u>	<u>12,507,908</u>

Total audit fees quoted by the Queensland Audit Office relating to the 2021-22 financial statements are \$60,000 (2021: \$58,000)

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
Less: book value of non-current assets disposed of	<u>(202,396)</u>	<u>(999,348)</u>
	<u>(202,396)</u>	<u>158,364</u>

Proceeds from the sale of Council owned land

Less: carrying value of land held for sale	50,721	-
	<u>(68,700)</u>	<u>-</u>
	<u>(17,979)</u>	<u>-</u>

Write off

Write off of infrastructure assets	-	(2,792,164)
------------------------------------	---	-------------

Revaluation adjustments in the profit or loss

Revaluation downwards of land assets	-	(293,802)
--------------------------------------	---	-----------

Total capital income/(expenses)	<u>(220,375)</u>	<u>(2,927,602)</u>
---------------------------------	------------------	--------------------

DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements For the Year Ended 30 June 2022

	30 June 2022	30 June 2021
	\$	\$
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	1,606,731	4,440,371
Deposits at call	14,384,683	9,627,172
Balance per Statement of Cash Flows	<u>15,991,414</u>	<u>14,067,543</u>
Less: externally imposed restrictions	(i) 372,662	1,980,805
Unrestricted cash	<u>15,618,752</u>	<u>13,391,098</u>
<i>Note that comparative balance of externally imposed restrictions has been restated to align with contract liabilities as at 30 June 2021.</i>		
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	<u>372,662</u>	<u>1,980,805</u>
Trust funds held for outside parties		
In accordance with the <i>Local Government Act 2009</i> and <i>Local Government Regulation 2012</i> , 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	<u>31,666</u>	<u>31,416</u>

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	(20,310)	188,900
Other debtors	755,300	1,478,865
Less loss allowance	-	(65,436)
	<u>734,990</u>	<u>1,602,329</u>

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

Stores and raw materials	1,408,570	1,176,075
Land held for resale	<u>410,125</u>	<u>732,500</u>
	<u>1,818,695</u>	<u>1,908,575</u>

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 2022

11(a) Property, Plant and Equipment 30 June 2022

Basis of Measurement

Fair value category

Asset Values

Opening gross value as at 1 July 2021

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 2022

Accumulated Depreciation and Impairment

Opening balance as at 1 July 2021

Depreciation expense

Accumulated depreciation on disposals

Revaluation adjustment to asset revaluation surplus

Transfer between classes

Accumulated depreciation as at 30 June 2022

Written down value 30 June 2022

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 Level 2	Fair Value Level 3	Cost	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Cost	
	\$	\$	\$	\$	\$	\$	\$	\$	\$
	2,645,700	53,919,894	19,497,471	107,371,093	8,707,121	4,705,572	25,748,492	3,320,516	225,915,859
			2,854,133					1,628,171	4,482,304
7		(94,999)	(121,678)				(210,722)		(427,399)
	240,800								240,800
									-
		7,534,504		6,446,900	609,499	329,390	4,061,690		18,981,983
	8,936	647,191	57,429	77,249			2,820,102	(3,610,907)	-
								(168,937)	(168,937)
	2,895,436	62,006,591	22,287,354	113,895,242	9,316,620	5,034,962	32,419,561	1,168,843	249,193,546
	-	19,355,758	7,068,471	29,848,937	3,190,397	1,260,796	4,897,990	-	65,622,346
	-	1,347,160	1,163,131	2,275,481	141,291	66,498	705,217		5,898,778
7	-	(50,264)	(61,422)	-	-	-	(113,318)		(225,004)
		2,668,930		2,046,056	232,500	101,680	756,004		5,805,170
									-
	-	23,321,584	8,170,179	34,170,474	3,564,188	1,428,974	6,245,894	-	76,901,290
	2,895,436	38,685,007	14,117,174	79,724,768	5,752,431	3,805,989	26,173,668	1,168,843	172,123,318
	Not Depreciated	25-100 yrs	1 - 50 yrs	10 - infinite yrs	20-100 yrs	15-150 yrs	10-150 yrs		
	\$	\$	\$	\$	\$	\$	\$	\$	\$
	-	294,016	-	68,107	-	-	11,705	-	373,828
	-	837,638	2,871,300	56,614	-	-	342,923	-	4,108,476
	-	1,131,655	2,871,300	124,721	-	-	354,628	-	4,482,304

DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements

For the Year Ended 30 June 2022

11(b) 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

Land	Buildings	Plant and Equipment	Road, Drainage and Bridge Network	Water Infrastructure	Sewerage Infrastructure	Other Structures	WIP	Total
Fair Value Level 2	Fair Value Level 3	Cost	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Cost	
\$	\$	\$	\$	\$	\$	\$	\$	\$
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
297,100	-	-	-	-	-	-	-	297,100
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
-	-	4,195,473	-	-	-	-	8,298,952	12,494,425
(26,000)	-	(2,375,647)	(2,892,640)	-	-	-	-	(5,294,287)
78,000	-	-	-	-	-	-	-	78,000
(842,100)	-	-	-	-	-	-	-	(842,100)
-	6,834,257	-	1,181,281	674,447	(289,333)	1,890,987	-	10,291,639
(293,802)	-	-	-	-	-	-	-	(293,802)
-	1,531,408	179,036	5,598,972	19,044	-	1,532,592	(8,861,051)	-
-	-	(7,212)	-	-	-	-	-	(7,212)
2,645,700	53,919,894	19,497,471	107,371,093	8,707,121	4,705,572	25,748,492	3,320,516	225,915,859
-	14,615,385	7,336,842	28,973,248	2,697,791	1,073,336	4,903,801	-	59,600,402
-	806,288	1,136,012	2,249,481	110,580	76,341	522,476	-	4,901,176
-	-	(1,402,299)	(100,476)	-	-	-	-	(1,502,775)
-	3,892,858	-	(1,266,187)	384,508	111,119	(509,603)	-	2,612,695
-	41,227	(2,085)	(7,129)	(2,482)	-	(18,684)	-	10,847
-	19,355,758	7,068,471	29,848,937	3,190,397	1,260,796	4,897,990	-	65,622,346
2,645,700	34,564,136	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		
\$	\$	\$	\$	\$	\$	\$	\$	\$
-	-	-	9,142	-	-	188,779	-	197,921
-	1,554,995	4,374,509	3,335,516	19,133	-	3,182,552	-	12,466,704
-	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 2022

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 2022

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 led by the 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 2022

(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	Index applied
Land (level 2)	Market	30 June 2021	AssetVal	The following factors have influenced the fair value of Council's land assets: - Current zoning - Sale prices per square metre (database of recent sales) of comparable properties, adjusted for differences in key attributes such as property size	No indexation has been applied to this class in 2022
Buildings and other structures (level 3)	Current replacement cost	30 June 2021	AssetVal	Building and other infrastructure assets are considered of a specialist nature and did not meet the criteria for a Market approach, and Fair Value was measured on the basis of a Cost Approach (Level 3). Each asset has been disaggregated into significant components which exhibit different useful lives. For example, structure, roof, fit-out and services. Useful lives are based on typical asset lifecycles based on past experience and industry benchmarks. The most significant input into this valuation approach is unit rates for construction as at the comprehensive revaluation date (drawn from industry standard cost guides, costs from recent Council projects). Asset dimensions, construction materials and standards drive the resulting calculation of replacement cost which is then adjusted for differences in key attributes such as asset condition, physical and economic obsolescence. The remaining useful life has been determined with regard to physical deterioration, and functional and economic obsolescence. The remaining useful life has been determined with regard to potential of the asset.	Following an internal assessment Council have applied indexation of 14% to this class in 2022.
Road, drainage and bridge network (level 3)	Current replacement cost	30 June 2021	AssetVal	Road assets are differentiated by physical characteristics (i.e. Road, Culverts, Floodways, Footpaths, Kerb & Channel). Road segments are then compartmentised into formation, pavement and seal (where applicable). Useful lives are based on typical asset lifecycles based on past experience and industry benchmarks. The most significant input into this valuation approach is unit rates for construction as at the comprehensive revaluation date (drawn from industry standard cost guides, costs from recent Council projects). Asset dimensions, construction materials and standards drive the resulting calculation of replacement cost which is then adjusted for differences in key attributes such as asset condition, physical and economic obsolescence. The remaining useful life has been determined with regard to physical deterioration, and functional and economic obsolescence. The remaining useful life has been determined with regard to potential of the asset. Where site inspections are not possible the remaining useful life was calculated on an age basis after taking into consideration current and planned maintenance records.	Following an internal assessment Council have applied indexation of 6% to this class in 2022.
Water infrastructure (level 3)	Current replacement cost	30 June 2021	AssetVal	Each asset has been disaggregated into significant components which exhibit different useful lives. For example pipework, structures, pumps and electrical components. Useful lives are based on typical asset lifecycles based on past experience and industry benchmarks. The most significant input into this valuation approach is unit rates for construction as at the comprehensive revaluation date (drawn from industry standard cost guides, costs from recent Council projects). Asset dimensions, construction materials and standards drive the resulting calculation of replacement cost which is then adjusted for differences in key attributes such as asset condition, physical and economic obsolescence. The remaining useful life has been determined with regard to physical deterioration, and functional and economic obsolescence, and management and the valuer's expectation of remaining service potential of the asset. Where site inspections are not possible the remaining useful life was calculated on an age basis after taking into consideration current and planned maintenance records.	Following an internal assessment Council have applied indexation of 7% to this class in 2022.
Sewerage infrastructure (level 3)	Current replacement cost	30 June 2021	AssetVal	Each asset has been disaggregated into significant components which exhibit different useful lives. For example pipework, structures, pumps and electrical components. Useful lives are based on typical asset lifecycles based on past experience and industry benchmarks. The most significant input into this valuation approach is unit rates for construction as at the comprehensive revaluation date (drawn from industry standard cost guides, costs from recent Council projects). Asset dimensions, construction materials and standards drive the resulting calculation of replacement cost which is then adjusted for differences in key attributes such as asset condition, physical and economic obsolescence. The remaining useful life has been determined with regard to physical deterioration, and functional and economic obsolescence, and management and the valuer's expectation of remaining service potential of the asset. Where site inspections are not possible the remaining useful life was calculated on an age basis after taking into consideration current and planned maintenance records.	Following an internal assessment Council have applied indexation of 7% to this class in 2022.

DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements For the Year Ended 30 June 2022

	30 June 2022	30 June 2021
	\$	\$
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.		
Current		
Creditors	1,202,076	635,616
Prepaid rates	366	603
Accrued wages and salaries	76,090	46,636
Other creditors and accruals	35,245	12,037
	<u>1,313,777</u>	<u>694,892</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	444,030	445,225
Long service leave - current	160,007	101,612
Sick leave	<u>289,733</u>	<u>281,123</u>
	<u>893,770</u>	<u>827,960</u>
Non-Current		
Long service leave - non-current	<u>252,359</u>	<u>310,039</u>
	<u>252,359</u>	<u>310,039</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 17 January 2023 to 15 June 2042. 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	<u>168,465</u>	<u>207,534</u>
	<u>168,465</u>	<u>207,534</u>
Non-Current		
Loans Queensland Treasury Corporation - non-current	<u>2,616,839</u>	<u>1,785,413</u>
	<u>2,616,839</u>	<u>1,785,413</u>
Queensland Treasury Corporation		
Opening balance	1,992,947	2,192,676
Drawdown of new borrowings	1,000,000	-
Principal repayments	<u>(207,643)</u>	<u>(199,729)</u>
Book value at period end	<u>2,785,304</u>	<u>1,992,947</u>

The QTC loan market value at the reporting date was \$2,660,065 (2021: \$2,149,500). 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 2022

	30 June 2022 \$	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.		
<i>Leases at significantly below market value / concessionary leases:</i> 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	565,665	605,904
Direct operating expenses from property that generated rental income	550,520	570,523
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 2021	Increases / (Decreases)	Balance 30 June 2022	Balance 30 June 2021
The closing balance of the asset revaluation surplus is comprised of the following asset classes:				
Land	-	-	-	-
Buildings	13,320,498	4,865,575	18,186,073	13,320,498
Other Structures	7,375,811	3,305,684	10,681,495	7,375,811
Road, drainage and bridge network	58,009,698	4,400,844	62,410,542	58,009,698
Water	2,272,910	376,998	2,649,908	2,272,910
Sewerage	1,654,654	227,710	1,882,364	1,654,654
	<u>82,633,571</u>	<u>13,176,812</u>	<u>95,810,383</u>	<u>74,984,669</u>

DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements For the Year Ended 30 June 2022

	30 June 2022	30 June 2021
	\$	\$
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
Road infrastructure	479,546	-
Plant acquisitions	726,130	-
	<u>1,205,676</u>	<u>967,782</u>
Council also engaged George Bourne and Associates (GBA Consulting Engineers) to provide ongoing engineering services to Council for the 2022-23 financial year. The exact contract value is unknown as the service is billed at hourly rates depending on the work performed.		
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 2021 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 \$210,577 (2021: \$228,800).		
<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	557,191
	<u>542,784</u>	

DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements For the Year Ended 30 June 2022

	30 June 2022	30 June 2021
	\$	\$
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	1,106,278	1,188,332
Long-term benefits	10,377	22,599
Post-employment benefits	96,890	102,483
	<u>1,213,545</u>	<u>1,313,414</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 53 staff of which 5 are close family members of key management personnel.		
Employee expenses for close family member of key management personnel	214,708	363,424
Purchases of materials and services from other related parties	808,207	582,703
	<u>1,022,915</u>	<u>946,127</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	719,582	460,463
Supplies and materials	28,050	93,260
Plumbing services	-	10,336
Other	60,575	18,644
	<u>808,207</u>	<u>582,703</u>
(c) Outstanding balances		
There were no material balances outstanding at the end of the reporting period in relation to transactions with related parties (2021 nil).		
21 Reconciliation of Net Result for the Year to Net Cash Inflow (Outflow) From Operating Activities		
Net result	41,841	5,021,413
Non-cash items:		
Depreciation	5,698,778	4,901,176
Write off WIP to P&L	151,104	-
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	220,375	2,633,800
Capital grants and contributions	(5,179,930)	(2,556,155)
	<u>890,327</u>	<u>5,462,423</u>
Changes in operating assets and liabilities:		
(Increase) / decrease in receivables	867,339	(144,973)
(Increase) / decrease in inventory	(150,920)	527,907
(Increase) / decrease in contract assets	(233,424)	(1,532,590)
Increase / (decrease) in payables	618,885	(785,134)
Increase / (decrease) in contract liabilities	(1,608,143)	(854,035)
Increase / (decrease) in provisions	8,130	246,117
	<u>(498,133)</u>	<u>(2,542,708)</u>
Net cash inflow from operating activities	<u>434,035</u>	<u>7,941,128</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.		

DIAMANTINA SHIRE COUNCIL

Notes to the Financial Statements For the Year Ended 30 June 2022

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 Arrangements 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
	\$	\$	\$	\$	\$
2022					
Trade and Other Payables	1,202,076	-	-	-	1,202,076
Loans QTC	263,129	923,288	2,538,067	3,724,483	2,785,304
	<u>1,465,204</u>	<u>923,288</u>	<u>2,538,067</u>	<u>3,724,483</u>	<u>3,987,380</u>
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
	<u>903,973</u>	<u>650,108</u>	<u>1,540,437</u>	<u>3,094,517</u>	<u>2,628,563</u>

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

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.

24 Correction of error

In November 2020 Council passed a policy amendment permitting the pay out of sick leave entitlements on a pro-rata basis upon termination. The accrued liability was not brought to account at 30 June 2021 which was an oversight during the financial statement preparation process. In preparing the financial statements for the year ended 30 June 2022 this oversight was identified and the liability recognised retrospectively.

Comparatives have been changed to reflect the corrected amounts and the impact on each item in the financial statements is shown below.

	Original balance as presented at 30 June 2021	Adjustment	Restated balance at 30 June 2021
	\$	\$	\$
<i>Statement of Financial Position</i>			
Provisions - Current	546,837	281,123	827,960
Liabilities - Current	3,430,068	281,123	3,711,191
Total Liabilities	5,525,519	281,123	5,806,642
Retained Surplus	92,208,105	(281,123)	91,926,982
<i>Statement of Comprehensive Income</i>			
Employee Benefits	6,954,188	281,123	7,235,311
Total Expenses	27,374,183	281,123	27,655,306
Net Result	5,302,536	(281,123)	5,021,413

DIAMANTINA SHIRE COUNCIL

ANNUAL FINANCIAL STATEMENTS

For the Year Ended 30 June 2022

MANAGEMENT CERTIFICATE

For the Year Ended 30 June 2022

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

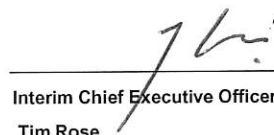
(ii) the general purpose financial statements, as set out on pages 1 to 21, present a true and fair view, in accordance with the Australian Accounting Standards, of the Council's transaction for the financial year and financial position at the end of the year.



Mayor

Robert Dare

Date: 31 / 10 / 22



Interim Chief Executive Officer

Tim Rose

Date: 31 / 10 / 22

DIAMANTINA SHIRE COUNCIL

Current Year Financial Sustainability Statement

For the Year Ended 30 June 2022

Measures of Financial Sustainability - How the measure is calculated		Actual	Target
Council's Performance at 30 June 2022 against any key financial ratio's and targets:			
Operating Surplus Ratio	Net Result (excluding capital items) divided by total operating revenue (excluding capital items)	(19.9)%	Between 0% and 10%
Asset Sustainability Ratio	Capital Expenditure on the replacement of assets (Renewals) divided by depreciation expense	8.2%	Greater than 90%
Net Financial Liabilities Ratio	Total liabilities less current assets divided by total operating revenue (Excluding Capital Items)	(63.4)%	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 2022.

CERTIFICATE OF ACCURACY For the year ended 30th June 2022

This current year financial sustainability statement has been prepared pursuant to section 178 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: 31/10/22



Interim Chief Executive Officer
Tim Rose

Date: 31/10/22

DIAMANTINA SHIRE COUNCIL

Unaudited Long Term Financial Sustainability Statement Prepared as at 30 June 2022

Measures of Financial Sustainability	How the Measure is Calculated	Target	Actual 30 June 2022	Projected for the years ended									
				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	30 June 2032
Operating Surplus Ratio	Net Result (excluding capital items) divided by total operating revenue (excluding capital items)	Between 0% and 10%	(15.9)%	(16.5)%	(8.0)%	(7.9)%	(7.1)%	(6.6)%	(6.5)%	(8.0)%	(7.8)%	(7.7)%	(7.5)%
Asset Sustainability Ratio	Capital Expenditure on the replacement of assets (Renewals) divided by depreciation expense	Greater than 90%	8.2%	78.2%	94.7%	89.5%	91.6%	93.7%	92.7%	93.4%	94.5%	95.1%	94.0%
Net Financial Liability Ratio	Total liabilities less current assets divided by total operating revenue (Excluding Capital Items)	Not Greater than 60%	(63.4)%	(40.9)%	(35.8)%	(35.4)%	(35.6)%	(36.1)%	(36.8)%	(37.7)%	(38.9)%	(40.0)%	(41.7)%

Diamantina Shire Council's Financial Management Strategy


Council measures revenue and expenditure trends over time as a guide to future requirements and to make decisions about the efficient allocation of resources to ensure the most effective provision of services. Council ensures that its financial performance is consistent with the long-term financial forecast which sets the long-term financial strategy and future needs.

CERTIFICATE OF ACCURACY

For the long-term financial sustainability statement prepared as at 30 June 2022

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

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


Robert Dare
Interim Chief Executive Officer
Date: 31/10/22