



## **November Special Council Meeting Agenda**

Thursday 10 November 2022, 10:00am – 10.30am

Kowanyama Chambers / Cairns Board Room

### **1) Welcome**

### **2) Agenda Reports**

#### **i) Annual Report**

# **Special Meeting**

## **Agenda Report**

**Title:** Annual Report 2021/22  
**Meeting Date** 10 November 2022  
**Author:** A/Manager Governance

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### **Resolution**

That pursuant to section 182(2) of the *Local Government Regulation 2012* (Qld), Council resolve to adopt its Annual Report 2021/22

### **Background**

Pursuant to section 182(2) of the *Local Government Regulation 2012* (Qld), each Queensland local government must adopt its annual report within one (1) month after the day the auditor-general gives the auditor-general's audit report about the local government's financial statements for the financial year to the local government.

**Attached** is a final draft of Council's Annual Report 2021/22. Comment has been sought from Councillors and the Executive Management team on the content draft.

### **Resolution**

That pursuant to section 182(2) of the *Local Government Regulation 2012* (Qld), Council resolve to adopt its Annual Report 2021/2022.



Dr. Chris McLaughlin  
***Acting Manager Governance***



KOKO BERRA  
KOKO MENJENA  
KUNJEN



# Annual Report 2021-2022









## VISION – OUR GOAL

“To build a healthy and safe community, with strong economic opportunities and wellbeing services, through innovation and collaboration.”

## Mission – How we will achieve our goal:

“To deliver best practice council services, and work with stakeholders to ensure our community members receive first rate services, with a focus on business development, culture, education and wellbeing.”

### *Acknowledgement*

*Kowanyama Aboriginal Shire Council wishes to acknowledge Elders past and present, elected members, employees, contractors, community members and our local, State and Federal Government stakeholders for their contributions to Councils operations in 2021/22.*

#### *Disclaimer*

*Information contained in this document is based on available information at the time of writing.*

*Council or its officers accept no responsibility for any loss occasioned to any person acting or refraining from acting in reliance upon any material contained in this document.*

#### *Address and ABN*

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*Cairns Address: PO Box 769, Bungalow QLD 4870  
Street Address: Level 1, 50 Scott Street, Bungalow QLD 4870*

*ABN: 86255216480*

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## Mayoral Foreward



On behalf of Kowanyama Aboriginal Shire Council Elected Members, we are pleased that our Annual Operational Budget maintained a surplus for the 2021/22 Financial Year.

We again have received an unmodified Annual Audit which is what all Shire Councils strive to achieve. An Annual Operational Budget maintaining a Surplus, plus the unmodified Annual Audit indicates that Council operations are continuing to follow the direction that Council wants Kowanyama to take; which is good financial management and compliance, which increases opportunities to improve our own-source revenue opportunities, but also indicates to funding bodies that we can spend, maintain and report any grants we receive to operate Council business from them. It can also give confidence to funding bodies to offer more Grants and Funds to us to improve Kowanyama.

2021/22 has been another year full of challenges, but with many successes achieved along the way. COVID19 has again been a prominent theme for this year, with infection running rampant through our community, like many others in the Cape. However, thanks to consistent good messaging from all levels of Government and stakeholders alike, vaccination rates amongst our community were high and we managed to avoid any

COVID19 fatalities. On behalf of Council, I would like to sincerely thank Kowanyama community residents for doing their part in reducing the spread and keeping everyone safe. Please remain vigilant and remain vaccinated as the threat has not yet passed.

Coupled with COVID19, the livestock industry was rocked in early 2022 with the threat of Foot and Mouth Disease (FMD) detected on our region's doorstep in Indonesia and Papua New Guinea. FMD is a highly contagious animal disease that affects cattle, sheep, goats and pigs and can result in mass fatalities of stock. As an operator of a significant cattle business in Kowanyama, Council has had to work closely with regulators and stakeholders to seek to implement measures to reduce the risk of contagion. A continuing Cattle Operation here in Kowanyama can provide critical Biosecurity monitoring on behalf of the Australia and Queensland Governments of disease such as FMD and other exotic diseases and pests. A continuing Cattle Operation can provide sustainable own-source income for Council which ultimately will benefit Kowanyama residents and Traditional Owners in the long term. As Abm Elgoring Ambung RNTBC are the legal entity representing Kowanyama Traditional Owners, it can also provide an opportunity for a sustainable income source to assist with its yearly operational funding needs. A Cattle Operation will provide opportunities to community stakeholders, Traditional Owners as well as employment and training for Kowanyama People. As with Council's Cattle Operations our Ranger Operations has been greatly hampered due to access to Country.

Amongst the COVID19, FMD and land access distractions in 2021/22, Council has continued with its Works program, including the purchase of essential plant and equipment largely from revenue generated by our Road Gang. Major projects have included \$1.2M for Airport Operational Upgrades and \$1M+ for Magnificent Creek Bank Erosion Stabilisation and Roads & Drainage works near the Man Narkrh Street



subdivision. Furthermore, Council has supervised the demolition of the NDB tower on lot 81/98 and will soon be progressing a 24-lot housing subdivision for future housing in 2022/23!

Animal Management has also been a major focus in 2021/22, with 445 dogs/ 51 cats registered. Dogs and cats continue to be desexed during quarterly vet visits. If you would like to have your animal desexed during the net vet visit, please get in touch with Sinker, our Animal Health Officer, who will make arrangements.

The items mentioned were just a few of many great things that have happened in Council operations in 2021/2022.

Cr Robbie Sands

Mayor

Kowanyama Aboriginal Shire Council







“

We are looking to make things work where they haven't before and I want to continue implementing programs that allow all of our residents to have various opportunities and live happy and healthy lives.”

Cr. Elroy Josiah, Kowanyama Aboriginal Shire Council



## Message from CEO



We have welcomed the changes to our AMP and have positioned ourselves to capitalise through State investment in Community Safety Planning. We have secured funding for a Men's Shed Coordinator and the continuation of our Womens Services Program as well as our new night patrol program. All these new programs were highlighted by community throughout the consultation process as Actions for Investment for Kowanyama. Council is in a great position to ensure we continue to deliver best practice council services and continue to build a healthy and safe community, with strong economic opportunities and wellbeing services.

This year has been an excellent year for the council operational team with a major focus on improving effectiveness and efficiency of operations and services whilst continuing to increase revenue, employment opportunities and profitability for council.

Council for the first time in many years has been able to deliver its first major operating surplus thanks majorly to our Carbon Project which council self-managed for the first time developing a full suite of in-house capabilities and workforce development partnership with RISE Ventures. Council continues to build on our amazing regional roads program delivering over \$6million in QRA rural road work. Council has reinvested in yellow fleet this season and have purchased a new 140 cat grader and a new CAT CS78B steel drum roller. Through these successes the operations team has grown from 131 employees to 162.

Kevin Bell  
Chief Executive Officer  
Kowanyama Aboriginal Shire Council

# Structure of the Annual Report

This report has four main sections:

- Section One - Our Council and Country. An overview of Kowanyama Aboriginal Shire Council's history, geography, governance structure and aspirations
- Section Two - Review of Kowanyama Aboriginal Shire Council's Operational Performance
- Section Three - Additional reporting requirements in accordance with the Local Government Act 2009 and Local Government Regulation 2012
- Section Four - Review of Kowanyama Aboriginal Shire Council's Financial Performance including the Community Financial Report and Certified Financial Statements



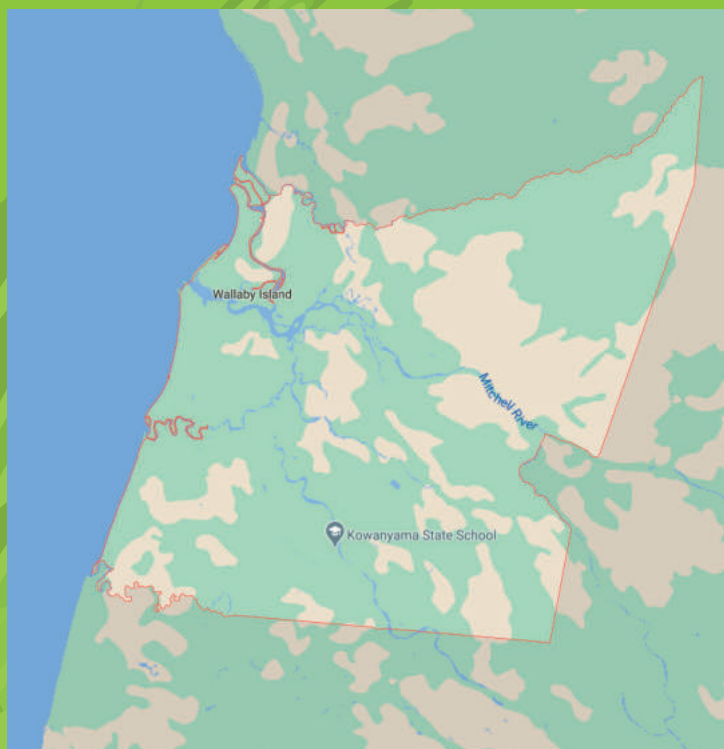


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## Our Council and Country

## Kowanyama Geography

The Kowanyama Aboriginal Shire Council lies 25 km (as the crow flies) from the east coast of the Gulf of Carpentaria in the south-western region of the Cape York Peninsula, and 600 km northwest of Cairns. The total area equals approximately 4,120 square kilometres. The community has a population of approximately 1200 people. The community is based on the banks of Magnificent Creek, which joins the South Mitchell River, which in turn forms part of the Mitchell River Delta. Road access is only available four to five months of the year in the dry season. Weekday flights to and from Cairns service the community throughout the year.



**KOWANYAMA**  
ABORIGINAL SHIRE COUNCIL



## Our Nature and Environment

Kowanyama has a rich abundance of nature and wildlife. Kowanyama consists mainly of wetlands and delta mangroves in the north, extending to forest country of the central peninsula. These unique natural environments are home to a vast array of bird and animal species.

## Community History

In 1903 the Queensland Government declared the Mitchell River an Aboriginal Reserve for the benefit of the Aboriginal peoples of the State. In 1905 the Anglican Trubanamen Mission was established inland on Topsy Creek - this is now known as the old mission.

Aboriginal peoples of the region were gradually drawn from their ancestral lands into the mission settlement.

In 1916 the headquarters of the Anglican Mission moved to Kowanyama and formed the Mitchell

River Mission and the Trubanamen site was abandoned.

Some peoples continued to occupy their traditional lands, moving into Kowanyama as late as the 1940s.

In 1964 a cyclone destroyed the mission; however, the Queensland government funded its rebuilding. In 1967 the Anglican church were no longer able to sustain their activities in the area as a Church Mission and the Department of Aboriginal and Islander Affairs took over the administration of the Mitchell River Mission and Reserve.

In 1987 the State transferred control to the Kowanyama Aboriginal Shire Council via a Deed of Grant in Trust (DOGIT).

Kowanyama is now one of the largest communities in Cape York with approximately 1200 residents.



## Culture

Kowanyama means “place of many waters” in the Yir Yoront language. The Indigenous inhabitants are the direct descendants of Aboriginal groups who inhabited the Lower Mitchell and Alice Rivers and neighbouring areas. The community includes the Kokobera, Yir Yoront (or Kokomnjen) and Kunjen clans.

Kowanyama's Aboriginal people continue to identify strongly with their ancestral countries and with the languages, stories, songs, dances, and histories associated with those countries. Language groups associated with countries in the Kowanyama region are Yir Yoront, Yirk Thangalkl, Koko Bera, Uw Oygangand, and Olkola.

## Council Services

The Kowanyama Aboriginal Shire Council is responsible for local government services such as road construction and maintenance, water infrastructure, sewerage infrastructure and maintenance, environmental health, and parks & gardens.

In addition to these primary functions Council also provides the following services and facilities:

- Enterprises
  - o Vehicle Workshop
  - o Post Office and Bank
  - o Batching Plant
  - o Residential and Commercial Rentals



(L-R) Paddy Yam, Craig Goggleye, Craig Goggle JNR.



- o Training Centre Offices
- o Airport
- o Centrelink Agency
- o Blue Café
- Housing
- Local radio station
- Operation and management of the Purchasing Store
- Management of a cattle operation
- Management of leasehold cattle properties (Oriners and Sefton), including Carbon Farming
- Operation and management of the Aged Care Centre
- Operation and management of the Child Care Centre and Play Group
- Operation and management of the Land & Natural Resources Office
- Aboriginal Community Police Officers, in collaboration with Queensland Police Service
- Sport & Recreation programs and services, including those for young people
- Swimming Pool
- Women's Shelter
- Men's Shed
- Women's and Men's Groups





# Council's Vision and Mission Statement

## VISION Our Goal

“To build a healthy and safe community, with strong economic opportunities and wellbeing services, through innovation and collaboration.”  
Mission – How we will achieve our goal:

## Mission How we will achieve our goal

“To deliver best practice council services, and work with stakeholders to ensure our community members receive first rate services, with a focus on business development, culture, education and wellbeing.”

# OUR VALUES

## Accountability

Our decision making is transparent, fair and in the best interest of the whole community

## Respect

We listen to all views and communicate with our community members, stakeholders and employees with respect and professionalism

## Diversity and Equality

We embrace diversity and treat all people with respect, and fairness, no matter their gender, age, sexual orientation, race or disability

## Innovation

We embrace future technologies and tools and look for new solutions for the benefit of our community

## Maintaining Culture

We embrace our culture and preserve and strengthen it for future generations

## Communication

We understand the importance of clear, regular communication and we will communicate council decisions, projects and activities with our employees, community members and stakeholders

## Partnership

We will work together with our fellow local councils, state and federal government and community groups and services

## Excellence

We will strive to provide the best in everything we do

## Elected Members

Kowanyama Aboriginal Shire Council has an elected body of five Councillors, with specific powers, responsibilities and duties set out in the Local Government Act 2009 (the Act). Elections for the Mayor and Councillors are undertaken every four years, with the last election held on Saturday 28 March 2020 with a by-election to fill a vacancy in the office of a councillor in the Kowanyama Aboriginal Shire Council held on Saturday, 15 January 2022.



### **Cr. Robbie Sands – Mayor**

Mayor Robbie Sands brings several years of experience working within the Kowanyama Aboriginal Shire Council, under the Elders who guided it through its infancy. Employed by the Council in a number of roles since 1992, Mayor Sands worked his way up to the position of Deputy Chief Executive Officer, which he held for seven years. He continues to represent the community through several committees and clubs, including the Sports and Recreation Association and the Kowanyama Rodeo committee. Mayor Sands says he has learnt a great deal from working with these groups and that their guidance, support, and philosophies provide the basis for his objectives and goals.



### **Cr. Cameron Josiah – Deputy Mayor**

Deputy Mayor Cameron Josiah brings a wealth of experience, guidance and drive to his current role in Kowanyama Aboriginal Shire Council. Born in Cairns and growing up in Kowanyama, Cameron finished high school in 2005 and landed a coveted role as an AFL development officer, a position which took him throughout the Cape York region and to Brisbane, Sydney and Melbourne.

It was his early passion for team sports that saw Cameron excel in providing much-needed leadership and support for young players and their respective careers. Cameron also led a number of AusKick programs throughout the Cape York and Cairns region, encouraging the youth to pursue their passions and dreams.

Deputy Mayor Cameron Josiah comes from a long lineage of members of Council, with his father and grandparents serving as chairpersons in Kowanyama. His partner Territa Dick was also



a Deputy Mayor for Kowanyama Aboriginal Shire Council. After working as Kowanyama Aboriginal Shire Council's Sports and Recreation Officer for a number of years, he decided to run as Councillor in 2019 and was elected as Deputy Mayor in 2020. He is incredibly passionate about education opportunities for the young people of Kowanyama, placing a strong emphasis on the completion of school studies or providing traineeships or apprenticeships for students. Deputy Mayor Cameron Josiah also wants to further educate parents on the different career pathways available to their children.

He says he looks forward to a big change in governance across Kowanyama and hopes his strategic goals and vision can be met with a positive reception from the local community. "I have a passion and drive to see many positive changes happen in our community and am enthusiastic to help overcome the issues we face," Mr Josiah says. "We are looking to make things work where they haven't before and I want to continue implementing programs that allow all of our residents to have various opportunities and live happy and healthy lives."



### **Cr. Elroy Josiah**

Cr Josiah was born in Kowanyama and started out his career in Council in infrastructure and main roads, contributing to much of the transportation

and road network throughout the local region. Many of the roads you see travelling into and through Kowanyama were helped built by Cr Josiah, and his experience took him all the way to Hughenden in outback Queensland, where he worked for Flinders Regional Council.

Cr Josiah also worked at the Sports and Recreations Association), where he cemented strong mentoring relationships with families in the area. It was here being a well-known and much-loved member of the community that many suggested he should run for Council.

He is particularly passionate about assisting in the development of the Cattle Company enterprise (which is soon to come back to Council). Cr Josiah holds a Cert.4 in stockyard and cattle work and is keen on supporting local jobs for young people and launching programs to give those a leg up in securing ongoing employment and experience. With his goals firmly rooted in helping young people achieve their aspirations through employment initiatives, social activities and job opportunities, he also has objectives to renovate and expand his local church, improving roads and creating equal opportunity for the residents of Kowanyama. Councillor Josiah says he wants young people of Kowanyama to have access to the same opportunities as he did. "I was fortunate enough to be able to explore new places outside of Kowanyama and through work experience and a variety of roles, I was gifted a unique and broad-ranging skillset" Cr Josiah says. "I'd like to think I'm an important role model for my community and strive to give people the tools to succeed in their chosen field."



### **Cr. Teddy Bernard**

Councillor Teddy Bernard is a Kunjen/Kokoberra/Kokomenjen man from Kowanyama and the proud father of two.

He grew up in Kowanyama, where he attended the State School from pre-school to year 10, before completing years 11-12 at Atherton State High School.

In his youth, Councillor Bernard represented Australia in track and field as part of the 1996 Los Angeles Indigenous Athletics Elite (IAE) program. A graduate of the Cape York Leaders program between 2009 and 2011, Councillor Bernard has been a highly active advocate for Native Title programs for the past 18 years and is a member of the Board of Directors at the Abm Elgoring Ambung Aboriginal Corporation (Kowanyama PBC). The PBC acts as an agent for the Native Title rights and interests of the Kowanyama People in south-west Cape York.

Cr Bernard also participated in the Diplomacy Training Program through the University of NSW. This led to engagements in an Oxfam Australia youth delegation with the United Nations to East Timor in 2011.



### **Cr. David Jack**

Councillor David Jack has resided in Kowanyama for almost 25 years. Cr. Jack has contributed much to the community during his 22-year tenure as the Post Office Master and after a lengthy career as an employee as Kowanyama Aboriginal Shire Council, Cr. Jack has been elected to the councillor role for Kowanyama where he continues to work tirelessly for the Kowanyama community.

Cr Jack brings a wealth of community knowledge and experience to the Council and is responsible for the Housing & Health portfolio with a particular focus on Aged Care, Sport & Recreation, Social Housing and Healthy living. Cr. Jack is a much-valued member of the community and offers valuable experience and expertise to the functions and departments within his portfolio.

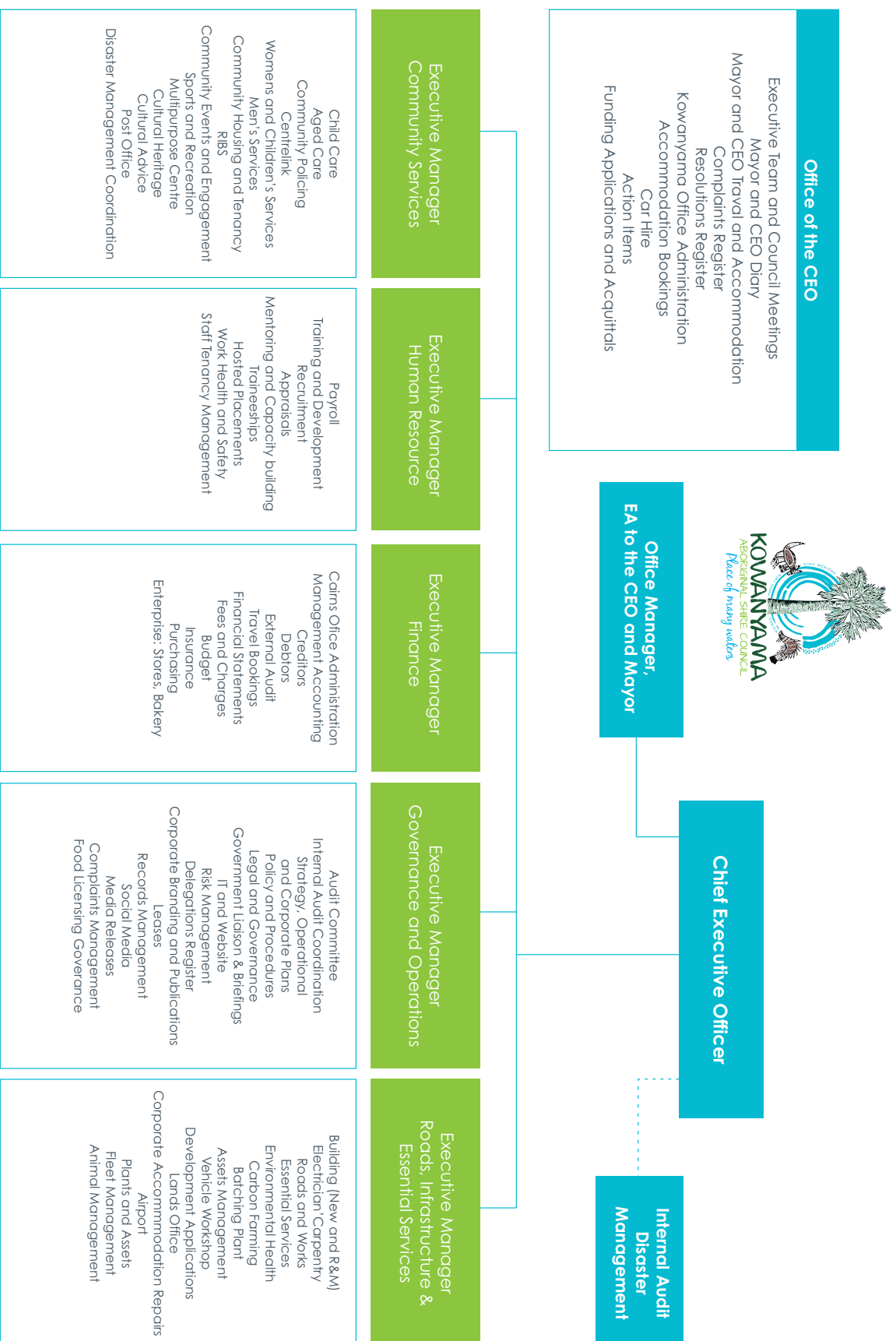




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## Operational Performance

# Corporate Structure





# Strategic Achievements

Council continues to work towards the completion of our five-year Corporate Plan. Our Corporate Plan objectives are:

1. Economic Development
2. Environment
3. Arts, Culture and Recreation
4. Health, Well-being and Social Justice
5. Education and Capacity Building
6. Community Cohesiveness
7. Governance and Performance
8. Disaster Management
9. Infrastructure Development

We work towards the completion of our five-year Corporate Plan through the implementation of our annual Operational Plan goals. A summary of our current achievements towards are strategic goals are listed in the section **Operational Plan Update**.

# Departmental Updates

## Corporate and Financial Services

In addition to ordinary Governance operations, the following key Operational/ Corporate Plan achievements occurred in the Governance section this financial year:

Achievement	Realised Community Benefit
Council's share of enterprise revenue	\$1,121,011.55
PBC share based on Our Revised Offer	\$112,101.16
Project duration	3 months
Total cattle removed from the Aboriginal Land	1480
Indigenous employment target	No less than 5 local employees, or 50% of workforce Indigenous
Indigenous employment achieved	<p>18 locals employed, &gt;90% of workforce Indigenous:</p> <ul style="list-style-type: none"> <li>- Quade Murray</li> <li>- Elijah Kepper</li> <li>- Jade Harold</li> <li>- William Yam</li> <li>- Gibson Frank</li> <li>- Jermaine Butterworth</li> <li>- Brenton Adams</li> <li>- Kyle Gilbert</li> <li>- Derhys Greenwool</li> <li>- Jayden Gilbert</li> <li>- Zane Gilbert</li> <li>- Juan Sambo</li> <li>- Brodie Miller</li> <li>- Chad Raymond</li> <li>- Leroy Greenwool</li> <li>- Sam Raymond</li> <li>- Broydon Gilbert</li> <li>- Patrick George</li> </ul>
Local and Indigenous training	18 employees trained over the program, including in the use of the bionic arm catch technique.
Local enterprise investment	\$25,000 to local businesses
Community Support	<p>Kowanyama Rodeo – arranging, transporting and assembling portable panels. Majority of employees assisted over the two (2) days eg. running the backyards and protection as clowns for bull riders.</p> <p>Provision of complementary beef to local families.</p>





### Other Achievements

- Musterer appointed for 2022 and 2023 cattle muster seasons (via open Tender – 13 tenderers)
- Lot 81/98 housing subdivision funded (24 lots) @ \$4.5M – planning commenced
- Canteen long-term lease with KSRA formalised
- Land Holding Act homeownership achieved
- 6x Audit and Risk Committee meetings facilitated
- New Trustee Advisory Committee established
- New Oriners and Sefton Advisory Committee established
- Bi election (Cr Jack elected) facilitated
- CEO and Executive Delegations Registers finalised

**Chris McLaughlin**  
**Acting Manager**  
**Governance**





### Community Services and Cultural Heritage

Over the past 12 months, the Community Services and Cultural Heritage Department has partnered closely with the Kowanyama Community to ensure that programmes and services are given in accordance with best practice standards and have met the Community's evolving needs. In order to create stronger products and services for the Kowanyama community that focus on culture, education, and wellbeing, Community Services Program areas have effectively collaborated with internal business areas of Council as well as external service providers and stakeholders.

Some highlight from the 2021-22 Financial Year include:

- The Rangers undertaking Fire Training for the Carbon Abatement Project, and the creation of a mobile app that helps them record their activities.
- Partnering with AMRIIC to complete a community-wide dog and cat census to guide Council's Animal Management Plan.
- Collaborating with Births, Deaths and Marriages to hold a birth registration event whereby 37 Kowanyama children had their births registered.
- Undergoing a Women's Shelter audit that ensures they align with the overall governing standards of the Human Services Quality Framework (HSQF).





- The development and subsequent funding of a Night Patrol initiative as part of Council's Community Safety Plan.
- The implementation of a Work Experience Program to engage students in placements across Council's different operational functions.
- The creation of the Business and Employment Expo in partnership with RISE Ventures to create employment, education, and support pathways for Community Members.
- The completion of the 2021 Cattle Muster in collaboration with Kowanyama Traditional Owners and the PBC that saw Council successfully round up 1,480 cattle and employ 18 Kowanyama locals (a 90% Indigenous workforce).

- Working with Queensland Health and the Royal Flying Doctor Service (RFDS) to facilitate 99% of the Kowanyama Community in receiving COVID-19 vaccinations.
- The placement of NDIS Trainees at the Kowanyama Aged Care and Disability Services Centre.
- Hosting the annual Rodeo and Ball in conjunction with the Kowanyama Sports and Recreation Association.

The Community Services Team is pleased with how this year's activities and services have developed and will keep making adjustments to make sure the Community is served to the greatest standard.

**Kate Hams**  
**Acting Manager**  
**Community Services and Cultural Heritage**



### **Roads, Infrastructure and Essential Services**

The Roads, Infrastructure and Essential Services Department has had another busy and exciting year, seeing several major projects completed. Once again, we experienced significant staff turnover within this Department, with the exit of Jacqui Cresswell who, as the Executive Manager of Roads, Infrastructure and Essential Services was responsible for the year in question.

I would like to thank everyone for their contributions towards the Kowanyama Community.

Some of our projects and successes include:

#### **Staff Housing:**



New staff housing completed, containing two one-bedroom properties at 27 Kowanyama Street, Kowanyama.

#### **Social Housing – Lot 278 at Lockup Stage**



Social housing works for 2022-23 are well underway, with Lot 278 approaching lockup stage. Construction on Lot 344 commenced, and Lot 306 is tendered to commence before the end of 2022.

#### **Civil Roadworks Shed Completed**



Cost-benefit analysis has been undertaken on Council's fleet, with the purchase of a grader as part of Council's three-year plan to undertake QRA Roadworks and deliver road improvements across the community.

The purchase of the grader comes after the purchase of a new multi tyre roller last year, the purchase of a new 4x4 crew truck this year, and the trade-in and purchase of a new steel drum roller.



### **Council Carpark**



The Council Car park was sealed and completed in August 2021. All works undertaken with KASC staff members and contractors.

### **Rugby League Grounds**



A toilet block and changing room facility at the Kowanyama Rugby League grounds. This will be followed up with a new roof to be fitted prior to the new season starting.

### **New 140 CAT Grader**



Although a grader is a significant investment to the council, it will provide over 1000 hours of work each year to the roads program and is supported by other equipment and contractors. Hastings will provide training on the new machines as part of the purchase to ensure that the road crew understand all the technical features of the new modern equipment. It also provides the opportunity to train additional road crew staff in plant operations.

### **Waste Management Facility**



Concrete works at the Waste Management Facility commenced and will be setup into five bays and managed by two staff.





### **Kowanyama Airport**

The roads program supports over 20 job roles within council including operators, supervisors, purchasing officers, reporting officers, contractors, and finance staff. The road crew for the last 2 years has been the first council in Queensland to complete our QRA works program which is a great achievement and a credit to everyone involved.

**Ian Boddill**  
**Acting Manager Roads**  
**Infrastructure and Essential Services**







## Operational Plan Updates

The following Operational Plan provides a self-assessment of Concil's progress:

5 Year Corporate Plan Area	Area	Focus	Objective
7 Governance and Performance	Office of the CEO	Advocacy	Advocating Council's strategy objectives to Local, State and Federal government departments and relevant bodies
7 Governance and Performance	Office of the CEO	Advocacy	Advocating Council's strategy objectives to Local, State and Federal government departments and relevant bodies
7 Governance and Performance	Office of the CEO	Budget	Ensure the Office of the CEO department operates in line within the allocated budget.
8 Governance and Performance	Office of the CEO	Community Grants	Administer the Community Grants program
6 Governance and Performance	Office of the CEO	Customer Service	Provide user-friendly, respectful and proactive customer service delivery
8 Disaster Management	Office of the CEO	Disaster Management	Disaster Management Planning
0 Economic Development	Office of the CEO	Enterprises	Recruitment of Enterprise Manager to coordinate effective Enterprise Operations
7 Governance and Performance	Office of the CEO	Funding Applications and Acquittals	Sustainable finances to support operations
7 Governance and Performance	Office of the CEO	Justice	Review of Community Justice Group

	Key Performance Indicators( KPI)	Self Assessment % Completed
	<p>Development of Key Issues and Advocacy Strategy - detailing Council's and community's goals and values in:</p> <ul style="list-style-type: none"> <li>• Housing</li> <li>• Health</li> <li>• Justice</li> <li>• Education</li> <li>• Transport</li> <li>• Infrastructure</li> <li>• Aged care</li> <li>• Disability</li> <li>• Child Care</li> <li>• Family Violence</li> <li>• Tourism</li> <li>• Telecommunications</li> <li>• Local employment, with more stakeholder service providers living in community</li> </ul>	70%
	<ul style="list-style-type: none"> <li>• Briefings on key issues provide to Councillors and Executive</li> <li>• Attendance at key meetings and conferences with feedback to Councillors and the Executive</li> <li>• Written and in person lobbying with Local, State and Federal government departments and relevant bodies</li> <li>• Responses to consultations to advocate Council's strategy</li> </ul>	90%
	Each quarter actual expenditure and revenue to match budgeted.	100%
	<ul style="list-style-type: none"> <li>• Encourage awareness of the Council community grants program</li> <li>• Ensure approve community grants meet eligibility requirements</li> <li>• Ensure grants are acquitted and details provided to monthly council meetings and the Annual Report</li> <li>• Encourage suitable applications to the community grants program</li> <li>• Provide monthly financial reports on Community Grants usage and outcomes</li> </ul>	90%
	<ul style="list-style-type: none"> <li>• Generate and implement complaints management process</li> <li>• Customers are acknowledged within 2 minutes from arriving at reception</li> <li>• Telephones are picked up within 7 rings</li> <li>• Out of Office messages, containing accurate contact information, are used</li> <li>• Telephone answer machine messages are up to date</li> <li>• Telephone message banks are accessible</li> <li>• All external emails are acknowledged within 48 hours</li> </ul>	90%
	<ul style="list-style-type: none"> <li>• Review Disaster Management Plan, including Airport emergency plan</li> <li>• Attendance of Local Disaster Management Group</li> </ul>	100%
		0%
	<ul style="list-style-type: none"> <li>• Submission of high-quality funding applications in line with Council's budget and operational plan</li> <li>• Timely completion of funding and performance acquittals</li> <li>• Ensuring grant funding is expended as per the funding agreements</li> </ul>	85%
	Review Terms of Reference of Community Justice Group and lobby for amendments as necessary	75%

5 Year Corporate Plan Area	Area	Focus	Objective
1 Economic Development	Office of the CEO	Local Economy	Create a productive environment to encourage the growth of the local economy
7 Governance and Performance	Office of the CEO	Performance - CEO	CEO Key Performance Indicators
7 Governance and Performance	Office of the CEO	Performance - Employees	High-quality communication and performance of staff
2 Environment	Governance and Operations	Carbon Farming	Carbon Farming Project
2 Environment	Governance and Operations	Carbon Footprint	Protecting the land for future generations
9 Infrastructure Development	Governance and Operations	Town Planning	Safe, happy, green and healthy community town planning
7 Governance and Performance	Governance and Operations	Audit	Compliance with Local Government Act 2009 Audit Committee requirements and best practice
7 Governance and Performance	Governance and Operations	Budget	Ensure the Governance and Operations department operates in line within the allocated budget.
7 Governance and Performance	Governance and Operations	Compliance	Policies and Procedures
7 Governance and Performance	Governance and Operations	Environmental Health	Food Licencing
7 Governance and Performance	Governance and Operations	Information, Technology and Communication (ITC)	Community WIFI
7 Governance and Performance	Governance and Operations	Information, Technology and Communication (ITC)	Computer assets
4 Health, Well-being and Social Justice	Governance and Operations	Justice	Review of Situational Crime Prevention needs



	Key Performance Indicators( KPI)	Self Assessment % Completed
	<p>Work with community groups, and Local, State and Federal government departments to provide an environment to grow local business and attract private investment, including:</p> <ul style="list-style-type: none"> <li>• A healthy and trained workforce</li> <li>• High-speed telecommunications</li> <li>• A safe working environment</li> <li>• Beautification of community spaces</li> <li>• High-quality roads</li> <li>• Frequent, high-quality cost effective air services</li> <li>• Not to compete with local service providers when business opportunities arise</li> </ul>	85%
	Achievement of CEOs Key Performance Indicators within specified timeframes	80%
	<ul style="list-style-type: none"> <li>• Executive Team meetings, with Agendas, Minutes and Action Items, are held each month</li> <li>• Summary of Executive Team Meeting discussions and key monthly activity provided to all staff and Council in monthly email and notice board updates</li> </ul>	80%
	Coordinate the management of the Carbon Farming Project with Rangers and contractors	100%
	<ul style="list-style-type: none"> <li>• Reduce the carbon footprint of Council - including reduction of carbon omissions, waste, plastic, plus the utilisation of local products and services</li> <li>• Investigate possibilities for implementing Container Refund Scheme - - Containers for Change</li> <li>• Utilisation of renewal energies - such as solar panels</li> </ul>	20%
	<ul style="list-style-type: none"> <li>• Ensuring all new planning works create safe community spaces that promote health and well-being (including BBQs, playgrounds, pathways, cycling lanes, sportsgrounds and exercise facilities)</li> <li>• Ensuring community spaces are well-lit, and are in line with situational crime prevention best practice.</li> <li>• Utilising the latest technologies were resources allow</li> <li>• Provision of basic amenities such as food shops, market gardens, laundromats, library</li> <li>• Ensuring any new infrastructure is in line with best practice</li> <li>• Designing infrastructure using traditional design and incorporating local art</li> </ul>	100%
	<ul style="list-style-type: none"> <li>• Coordination of Internal Audit and Internal Audit Plan</li> <li>• Development of Annual Internal Audit Plan</li> <li>• Audit and Risk Committee Meetings as per Audit and Risk Committee Charter</li> </ul>	100%
	Each quarter actual expenditure and revenue to match budgeted.	100%
	<ul style="list-style-type: none"> <li>• Development and maintenance of Policies and Procedures Register</li> <li>• Ensuring Policies and Procedures are maintained as per the Policies and Procedures Register</li> <li>• Ensuring Policies and Procedures are in line with Council plans, strategies, best practice and current local government best practice and values.</li> </ul>	100%
	• Assist Infrastructure to undertake food licencing	100%
	Investigate the cost and benefit of Community WIFI	50%
	<ul style="list-style-type: none"> <li>• Development IT strategy</li> <li>• Develop and maintain asset register for ITC equipment</li> <li>• Coordinate the repair and purchasing of ITC hardware and software to meet the needs of staff within budget restrictions</li> <li>• Ensure systems have appropriate virus and ransom wear protection</li> </ul>	100%
	Review community's needs in Situational Crime Prevention including CCTV, and with the Grants and Business Development Manager, advocate for funding to meet needs	100%

5 Year Corporate Plan Area	Area	Focus	Objective
9 Infrastructure Development	Governance and Operations	Land Use	Indigenous Land Use Agreement (ILUA)
9 Infrastructure Development	Governance and Operations	Land Use	Development Applications
9 Infrastructure Development	Governance and Operations	Land Use	Mapping
9 Infrastructure Development	Governance and Operations	Land Use	Leases
9 Infrastructure Development	Governance and Operations	Land Use	Administration of the planning scheme to ensure it meets the needs of current and future community members and accords with QLD legislation
7 Governance and Performance	Governance and Operations	Legal	Ensure Council operations are inline with applicable legislation
7 Governance and Performance	Governance and Operations	Local Laws	Adequate local laws
7 Governance and Performance	Governance and Operations	Performance	Completion of Council action items and strategic plan deliverables
7 Governance and Performance	Governance and Operations	Public Affairs	An informed Council and Executive
7 Governance and Performance	Governance and Operations	Publications	Ensure the professional corporate branding and information provision to stakeholder groups to communicate Council's vision, mission, values and progress.
7 Governance and Performance	Governance and Operations	Publications	Intranet and Website
7 Governance and Performance	Governance and Operations	Records Management	Ensure all documentation is stored in accordance with QLD legislation and best practice
7 Governance and Performance	Governance and Operations	Risk Register	Responsible management of risks
7 Governance and Performance	Finance	Assets	Responsible management of assets to support long-term financial sustainability
7 Governance and Performance	Finance	Assets	Revaluation and condition assessment of assets
7 Governance and Performance	Finance	Audit	External Audit



	Key Performance Indicators( KPI)	Self Assessment % Completed
	Progress the development of an ILUA for the township and associated essential infrastructure	100%
	<ul style="list-style-type: none"> <li>• Coordinate assessment of Development Applications (DAs)</li> <li>• Initiate and progress the design of a tailored Council development assessment process</li> <li>• Initiate and progress the development of a formalised Council building certification process</li> </ul>	100%
	Progress development of a township map identifying land use throughout Kowanyama	100%
	<ul style="list-style-type: none"> <li>• Development and ongoing review of lease register</li> <li>• Negotiation and preparation of commercial leases, licences and tenancies</li> <li>• Assist in resolution of Land Holding Act (LHA) Katter Leases</li> </ul>	100%
	<ul style="list-style-type: none"> <li>• Undertaking amendments if necessary</li> <li>• Provision of technical advice on planning and land use matters</li> <li>• Review of Planning Scheme</li> <li>• Communicate Planning Scheme with Councillors and Stakeholders</li> </ul>	100%
	<ul style="list-style-type: none"> <li>• Provision of advice to Council and Executive on Local Government Act 2009 and Regulation 2012 requirements</li> <li>• Coordination of legal advice</li> </ul>	100%
	<ul style="list-style-type: none"> <li>• Review current local laws to ensure they are fit for purpose</li> <li>• Development of a local law register</li> <li>• Development of new or amended Local Laws as required</li> <li>• Development of Delegations Register Council to CEO and CEO to Employee to ensure appropriate staff are delegated as Authorised Officers</li> </ul>	0%
	<ul style="list-style-type: none"> <li>• Capturing, monitoring and completion of Council and committee action items</li> <li>• Monitoring and reporting of Operational Plan and Corporate Plan deliverables and achievements</li> </ul>	100%
	<ul style="list-style-type: none"> <li>• Distribution of relevant media articles to ensure Councillors and Executive are informed of relevant issues</li> <li>• Development of briefings for Council and Executive on relevant issues applicable to Cape York, Indigenous Local Councils and Aboriginal and Torres Strait Islander peoples.</li> </ul>	100%
	<ul style="list-style-type: none"> <li>• Annual Report to be endorsed by Council within one month of certified Financial Statements</li> <li>• 1 x 6 page Newsletter every two months</li> <li>• Social media uploads</li> <li>• Developing social media process and procedures</li> </ul>	100%
	<ul style="list-style-type: none"> <li>• Website is compliant with Local Government legislation</li> <li>• Website and Intranet is user-friendly and reflects the brand of Council</li> </ul>	80%
	<ul style="list-style-type: none"> <li>• Ensuring Sharepoint meets Council needs</li> <li>• Implementation and monitoring of protocol to store Electronic and Physical Records</li> <li>• Implementation and monitoring of enforcement of a protocol for the electronic filing of Records</li> </ul>	80%
	Generation, implementation and monitoring of Risk Register	100%
	Generation, implementation and monitoring of Asset Management Plan 2021	0%
	<ul style="list-style-type: none"> <li>• Appointment of Valuer</li> <li>• Asset condition assessments reviewed by Audit and Risk Committee</li> <li>• Asset register updated by July 2021</li> </ul>	100%
	"Green-Light" from Queensland Audit Office (both timeliness and quality) -2020/21 Year	100%

5 Year Corporate Plan Area	Area	Focus	Objective
7 Governance and Performance	Finance	Budget	Ensure the Finance department operates in line within the allocated budget.
7 Governance and Performance	Finance	Budget and Financial Statements	Strengthen Council's long term financial planning
7 Governance and Performance	Finance	Debt Recovery	Manage debtors through lawful, ethical and culturally sensitive approaches
7 Governance and Performance	Finance	Finance systems	Ensure finance systems meet Council requirements
7 Governance and Performance	Finance	Insurance	Active insurance policies to reduce risk to Council
7 Governance and Performance	Finance	Procurement	Contract Management
7 Governance and Performance	Finance	Procurement	Review Preferred Supplier List
7 Governance and Performance	Finance	Procurement	Purchasing
7 Governance and Performance	Human Resources	Budget	Ensure the Human Resources department operates in line within the allocated budget.
1 Economic Development	Human Resources	Community Capacity Building	Provision of capacity building opportunities for community members
7 Governance and Performance	Human Resources	Council Culture	Communication and collaboration with employees



	Key Performance Indicators( KPI)	Self Assessment % Completed
	Each quarter actual expenditure and revenue to match budgeted.	100%
	<ul style="list-style-type: none"> <li>• Preparation of 2020-2021 Financial Statements</li> <li>• Endorsement of original budget in line with Operational Plan objectives by 30 August 2021</li> <li>• Budget review by 28th February 2022</li> <li>• Monitoring of Departmental Budgets and communication of risks with managers</li> </ul>	100%
	<ul style="list-style-type: none"> <li>• Development and implementation of Debt Recovery Policy</li> <li>• Writing off bad-debts</li> </ul>	100%
	<ul style="list-style-type: none"> <li>• Provision of staff training in Synergy soft</li> </ul>	
	Preparation, market appraisal, assessment and award for 21/22 year	100%
	<ul style="list-style-type: none"> <li>• Development of contracts between Council's and suppliers to ensure high-quality service provision to Council and community adherence to Sound Contracting Principles as detailed in Local Government Act 2009</li> <li>• With EMIREs and HR, ensure construction tenders and contracts include Indigenous Economic Opportunities Plan - and 10% of total labour hours being allocated to Indigenous persons</li> <li>• Include penalties for breaching contract milestones</li> </ul>	100%
	Coordination of preferred supplier list with focus on increasing opportunities for local suppliers and workers and provision of high-quality, respectful service provision	100%
	<ul style="list-style-type: none"> <li>• Implement improved procedures for increased manager awareness and responsibility of departmental budgets, including clear policies and procedures and the use of visual explanations materials (flowcharts)</li> <li>• Procurement of local and regional services and materials</li> <li>• Ensuring the Purchasing Store is sufficiently stocked with appropriate profit margins and reporting systems</li> <li>• Review the community demand for equipment to be supplied from the purchase store</li> </ul>	0%
	Each quarter actual expenditure and revenue to match budgeted.	100%
	<ul style="list-style-type: none"> <li>• Working with Community Services and Infrastructure, Works and Projects, collaborate with local employment services to ensure job seekers are provided with training relevant to current and future Council's and community skill needs.</li> <li>• Collaborating with employment service providers to support both female and male job seekers through: <ul style="list-style-type: none"> <li>* Council placements</li> <li>* Collaboration in Council projects</li> </ul> </li> </ul>	100%
	<ul style="list-style-type: none"> <li>• Promote a collaborative, positive work and corporate environment through development of key procedures, guidelines, staff briefings and team building activities.</li> <li>• Develop a performance culture across Council to promote employee effectiveness, professionalism and delivery of outputs</li> <li>• Review possibilities for an employee survey and report to Council and CEO</li> </ul>	80%

5 Year Corporate Plan Area	Area	Focus	Objective
7 Governance and Performance	Human Resources	Employee Capacity Building	A trained workforce and strong governance
7 Governance and Performance	Human Resources	Employee Health	Promote employee health and well-being for a happy and productive workforce
7 Governance and Performance	Human Resources	Employee Management	Recruitment and management of staff
7 Governance and Performance	Human Resources	Employee Performance	Staff performance and retention
7 Governance and Performance	Human Resources	Employee Tenancy	Safe accommodation
9 Infrastructure Development	Human Resources	Staff Housing	Maintain safe and comfortable staff home environments
7 Governance and Performance	Human Resources	Work, Health and Safety	A safe working environment
4 Health, Well-being and Social Justice	Community Services	Aged Care	Provide high-quality support to Aged Care clients

	Key Performance Indicators( KPI)	Self Assessment % Completed
	<ul style="list-style-type: none"> <li>• Develop a training schedule and support employees to engage in training opportunities</li> <li>• Develop and implement financial and governance training programs for staff to support financial literacy, budget management, fraud control and decision making</li> <li>• In collaboration with the Finance team, develop and implement financial training programs to managers to support budget monitoring, purchasing, use of cost codes, budget development and fraud control.</li> <li>• Provide training programs to managers to support their management of staff</li> <li>• Implement capacity building programs to support staff progressing in Corporate Structure - such as acting arrangements, mentoring and shadowing.</li> <li>• With RISE, provide training to job seekers in community (with essential training in literacy, numeracy and basic computer skills)</li> <li>• Utilise job seekers in Council projects</li> </ul>	90%
	Provision of evidence based health programs for staff, including: <ul style="list-style-type: none"> <li>• Quit smoking support</li> <li>• Mental health, social and emotional well-being support</li> <li>• Stress and anger management programs</li> </ul>	80%
	<ul style="list-style-type: none"> <li>• Roll-out of Human Resource Manual, including recruitment, performance management and performance appraisals</li> <li>• Training to staff on Human Resources procedures as detailed in manual</li> <li>• Development of Induction program including Cultural training</li> <li>• Development of employee Exit process</li> </ul>	50%
	<ul style="list-style-type: none"> <li>• Updating skills audit to ascertain training needs within organisation</li> <li>• Support managers in annual performance reviews</li> <li>• Implement performance review schedule</li> <li>• Review of position descriptions</li> </ul>	90%
	<ul style="list-style-type: none"> <li>• Ensure tenancy agreements are in place for employees</li> <li>• Ensure accommodation meets WHS needs in line with budget</li> <li>• Develop program for employee housing Repair and Maintenance</li> </ul>	70%
	<ul style="list-style-type: none"> <li>• Receive, allocate and program repairs</li> <li>• Maintain up to date inventories</li> <li>• Ensure houses are equipped with furniture, fittings and equipment</li> </ul>	70%
	<ul style="list-style-type: none"> <li>• Provide training in Work, Health and Safety</li> <li>• Supporting a safe and healthy work environment</li> <li>• 4 WD driving training provided to staff using 4WD vehicles</li> </ul>	80%
	Provision of care in accordance with Aged Care guidelines and regulation  Coordination of: <ul style="list-style-type: none"> <li>• Respite care</li> <li>• Allied health and therapy</li> <li>• Personal Care</li> <li>• Social Support</li> <li>• Home medications</li> <li>• Food services - including the promotion of local traditional foods, fresh and nutritious foods</li> <li>• Transport</li> </ul>	75%



5 Year Corporate Plan Area	Area	Focus	Objective
7 Governance and Performance	Community Services	Budget	Ensure the Community Services department operates in line within the allocated budget.
4 Health, Well-being and Social Justice	Community Services	Centrelink	Provision of Centrelink agency services
4 Health, Well-being and Social Justice	Community Services	Childcare	Provision of high-quality service provision in line with funding agreement
4 Health, Well-being and Social Justice	Community Services	Community Safety	A safe and healthy place to live
4 Health, Well-being and Social Justice	Community Services	Community Connections	Men and Women's Shed and Hub
2 Environment	Community Services	Community Environment	Promote beautification of community spaces and a "tidy town"
3 Arts, Culture and Recreation	Community Services	Community Radio	Provision of high-quality service provision in line with funding agreement
4 Health, Well-being and Social Justice	Community Services	Critical Mental Health	Improve the health outcomes of community members

	Key Performance Indicators( KPI)	Self Assessment % Completed
	Each quarter actual expenditure and revenue to match budgeted.	90%
	Provide a high-quality service in line with funding agreement.	80%
	Collaborate with child care providers to provide high-quality, accessible and culturally appropriate services.	90%
	Coordination of implementation of Community Safety Plan recommendations	85%
	Implement and monitor the Men's Shed and Women's space service to ensure service delivery in line with funding agreements	75%
	<p>Collaborate with community groups, and Local, State and Federal government departments, and RISE, to encourage local community pride:</p> <ul style="list-style-type: none"> <li>• Promote local artists to provide community artworks on buildings and structures</li> <li>• Reduce rubbish in public spaces</li> <li>• Promote plants in public spaces</li> <li>• Garden and "tidy town" awards</li> <li>• Community murals and electric poles and rubbish bins artwork</li> <li>• Removal of weeds from fencing</li> </ul>	75%
	<ul style="list-style-type: none"> <li>• Community member interviews</li> <li>• Community news reporting</li> <li>• Promotion of local culture</li> <li>• Promotion of local music</li> <li>• Promotion of local languages</li> <li>• Sponsorship and advertising opportunities</li> </ul>	60%
	<p>1) Collaborate with community groups, and Local, State and Federal government departments to improve access to health services and close the gap in health outcomes, in particular:</p> <ul style="list-style-type: none"> <li>• Suicide prevention and promotion of social and emotional well-being, including: <ul style="list-style-type: none"> <li>* Indigenous Mental Health First Aid training</li> <li>* increasing locally based experienced workforce for mental health, social and emotional well-being, substance abuse and intellectual disability services and programs</li> <li>* provision of "healing on country" programs</li> <li>* Men's, women's and young people's services</li> <li>* Supporting the number of local community members undertaking mental health training /diplomas / degrees</li> </ul> </li> </ul> <p>2) Coordinate a strategic approach, driven by community, across all groups and services, to improve health outcomes and reduce gaps and duplication in service delivery, whilst obtaining value for money. The strategic approach would include:</p> <ul style="list-style-type: none"> <li>• Mental health, social and emotional-well being</li> <li>• Criminal justice interventions using evidence based approaches (including the Justice Reinvestment and diversionary models)</li> <li>• Housing</li> <li>• Education</li> <li>• Disability</li> <li>• Local economy</li> </ul>	90%

5 Year Corporate Plan Area	Area	Focus	Objective
4 Health, Well-being and Social Justice	Community Services	Disability	National Disability Insurance Scheme (NDIS)
5 Education and Capacity Building	Community Services	Education	Harness and celebrate local knowledge, culture and heritage, support our young people to gain the best education.
2 Environment	Community Services	Environment	Protect the Kowanyama environment and reduce the impact of plastic
7 Community Cohesiveness	Community Services	Events	Develop events calendar
4 Health, Well-being and Social Justice	Community Services	Health - Population	Promote evidence based strategies to improve community health promotion (preventive)
4 Health, Well-being and Social Justice	Community Services	Health - Preventative and Support	Women's, Men's and Young people's support groups
4 Health, Well-being and Social Justice	Community Services	Health and enterprise	Community Gardens
4 Health, Well-being and Social Justice	Community Services	Housing	Tenancy management



	Key Performance Indicators( KPI)	Self Assessment % Completed
	<ul style="list-style-type: none"> <li>• With stakeholders, provision of NDIS services</li> </ul>	85%
	<ul style="list-style-type: none"> <li>• Development and implementation of programs to support capturing and recording local knowledge and language</li> <li>• Collaborate with schools to celebrate local knowledge</li> <li>• Collaborate with schools to reduce the number of young people being excluded from schools</li> <li>• Collaborate with schools to increase the school attendance, by implementing programs and services such as breakfast clubs and transport services</li> <li>• Advocate with the Department of Education regarding the low standards of numeracy and literacy of school leavers.</li> </ul>	70%
	<ul style="list-style-type: none"> <li>• Working with Infrastructure, Works and Projects and community groups, reduce the amount of plastic being released in to the Kowanyama environment and water ways - including programs to reduce the use of plastic bags and the release of helium balloons.</li> <li>• Coordinate volunteer "clean-up" activities.</li> </ul>	70%
	Publication of events calendar on website and community notice boards	90%
	<p>Work with community groups, and Local, State and Federal government departments to promote evidence based health promotion programs and service provision for all community members, including:</p> <ul style="list-style-type: none"> <li>• Nutrition</li> <li>• Exercise</li> <li>• Sexual health</li> <li>• Diabetes - including advocating for renal dialysis</li> <li>• Smoking</li> <li>• Dental</li> </ul>	85%
	<p>Work with community groups, and Local, State and Federal government departments to develop mental health, well-being, family violence and support services, including:</p> <ul style="list-style-type: none"> <li>• Establish community lead groups to inform the strategic direction of the services</li> <li>• Women's group space and activities</li> <li>• Men's shed</li> <li>• Young people's group space and activities</li> <li>• Traditional hunting, gathering, cooking, art, song, music, basket weaving, wax collection, language, creating traditional artefacts, bush medicine and sports - harnessing the knowledge of elders</li> </ul>	85%
	<ul style="list-style-type: none"> <li>• Collaborate with community groups, and Local, State and Federal government departments to create and maintain community gardens to increase local food production</li> <li>• Work with local retailers for the supply of local foods in stores</li> <li>• Work with local schools to increase knowledge of nutrition, fresh and local produce.</li> </ul>	60%
	<ul style="list-style-type: none"> <li>• Up to date tenancy agreements - community members</li> <li>• Advocate for sufficient community housing to reduce overcrowding</li> </ul>	70%

5 Year Corporate Plan Area	Area	Focus	Objective
4 Health, Well-being and Social Justice	Community Services	Justice	Promote evidence based strategies to reduce criminal offending
4 Health, Well-being and Social Justice	Community Services	Justice	Inform implementation of revised of Alcohol Management Plan (AMP)
5 Health, Well-being and Social Justice	Community Services	Men's Health	Men's Group
4 Health, Well-being and Social Justice	Community Services	Multi Purpose Centre	Support of Sports and Recreation and Youth Engagement
4 Health, Well-being and Social Justice	Community Services	Sports and Recreation	Support of Sports and Recreation
6 Community Cohesiveness	Community Services	Stakeholders	Community stakeholder relationship building
9 Infrastructure Development	Roads, Infrastructure and Essential Services	Air-conditioning	Working air conditioners in Corporate Buildings
4 Health, Well-being and Social Justice	Roads, Infrastructure and Essential Services	Animal Management	Promote the health of animals in community to reduce risk to community members
7 Governance and Performance	Roads, Infrastructure and Essential Services	Budget	Ensure the Infrastructure, Works and Projects department operates in line within the allocated budget.

	Key Performance Indicators( KPI)	Self Assessment % Completed
	<p>Collaborate with community groups, and Local, State and Federal government departments to promote evidence based criminal justice programs for community members, to reduce offending and improve safety, including:</p> <ul style="list-style-type: none"> <li>• Justice reinvestment models (redirecting money spent on prisons to community-based initiatives)</li> <li>• Pre and post custodial sentence programs (to divert people from the criminal justice system to mental health, drug &amp; alcohol and family violence programs, and support reintegration after release from custody)</li> <li>• Programs for young people to reduce offending behaviours (including school holiday programs, and healing on country programs)</li> <li>• Gender appropriate programs to reduce offending behaviours and improve social and emotional well-being</li> <li>• Indigenous Mental Health First Aid</li> <li>• Mental Health, social and emotional well-being, substance abuse and intellectual disability services</li> <li>• Boarding school support programs (for Council to visit boarders and provide guidance and support)</li> <li>• Driver licensing programs</li> <li>• Town planning in line with situational crime prevention best practice (such as having well lit pathways and community areas)</li> </ul>	85%
	<ul style="list-style-type: none"> <li>• Advocate for implementation of revised AMP, utilising research into the short and long-term social, health and economic impacts of fining and charging community members</li> <li>• Collaborate with community groups, and Local, State and Federal government departments to ensure the AMP meets the needs of community</li> </ul>	90%
	<ul style="list-style-type: none"> <li>• Provide health support</li> <li>• Advocate for the Sexual Health education, including consent, at Men's group</li> </ul>	85%
	<ul style="list-style-type: none"> <li>• Work with the Grants and Business Development Manager to identify funding for MPC activities</li> <li>• Work with other community stakeholders to implement activities for young people, including breakfast and homework clubs and school holiday programs.</li> </ul>	90%
	<ul style="list-style-type: none"> <li>• Active participation in Sports and Recreation Committee</li> <li>• Working with Kowanyama Sports and Recreation Association (KSRA), advocate for sporting facilities, and infrastructure to encourage healthy activities (walking and cycling)</li> </ul>	90%
	<ul style="list-style-type: none"> <li>• Coordination community meetings</li> <li>• Attendance at relevant community group meetings</li> <li>• With CEO and EMGO investigate implementation of focus groups and Council of Elders in line with Thriving Communities Model</li> </ul>	70%
	<ul style="list-style-type: none"> <li>• 12 monthly services undertaken</li> <li>• All rectification works are completed in a timely manner</li> <li>• Development of air-conditioning guidelines to maintain comfortable temperature of areas and reduce energy consumption</li> </ul>	100%
	<ul style="list-style-type: none"> <li>• Scheduling regular vet visits for surgical de-sexing and anti-parasite treatment</li> <li>• Provision of training to animal management workers to provide urgent care to animals (for care in-between vet visits)</li> <li>• Development and implementation of Dog, Cat and Horse health programs</li> <li>• Development and implementation of animal health education programs to community members</li> <li>• Working with local shops to ensure stocking of essential pet supplies - anti parasite treatment</li> </ul>	80%
	Each quarter actual expenditure and revenue to match budgeted.	100%



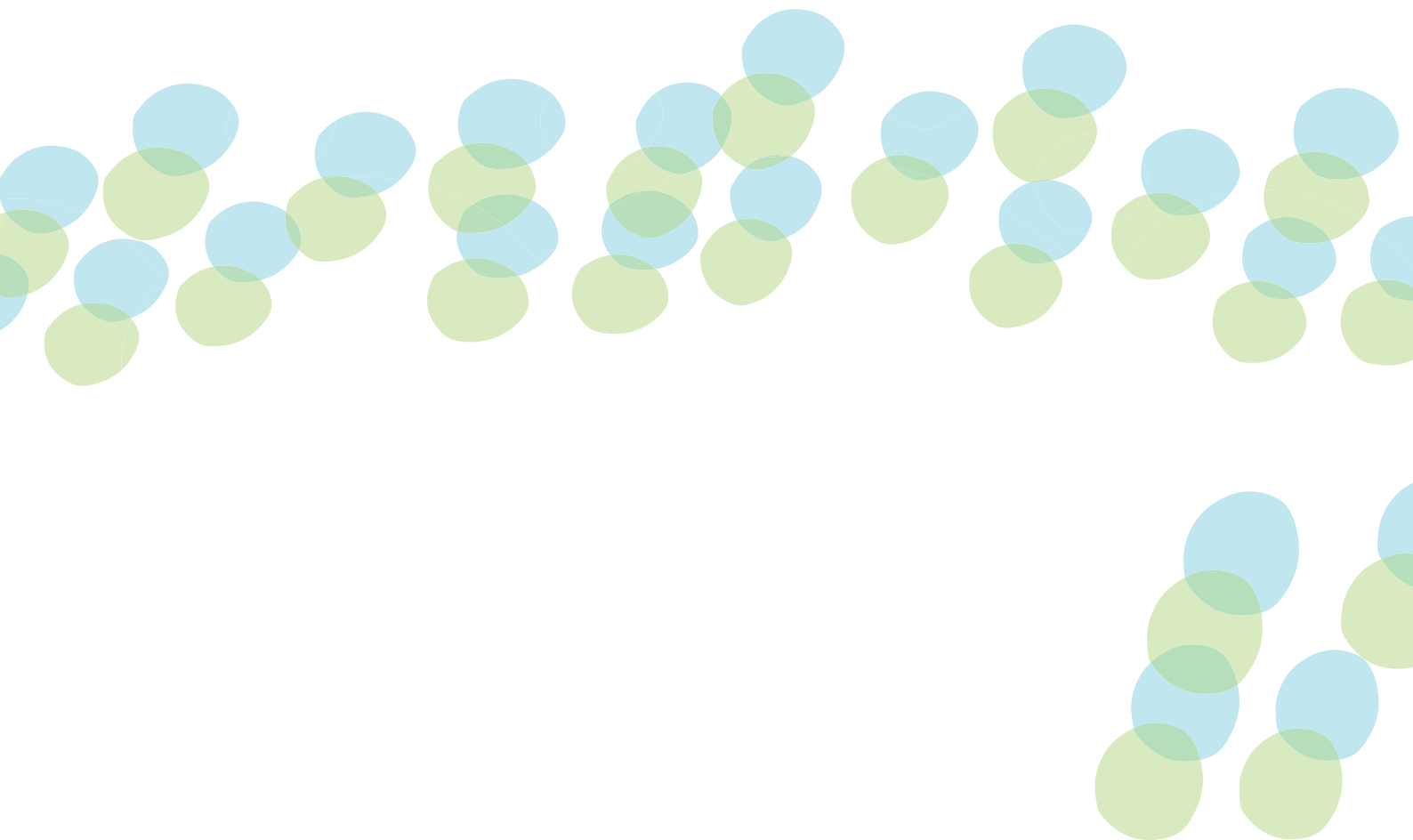
5 Year Corporate Plan Area	Area	Focus	Objective
9 Infrastructure Development	Roads, Infrastructure and Essential Services	Building - New	Responsible management of new assets, compliance with regulator requirement and undertaking of works in line with contracts
9 Infrastructure Development	Roads, Infrastructure and Essential Services	Building - Repairs and Maintenance	Responsible management of repairs and maintenance of existing assets, compliance with regulator requirements and undertaking of works in line with contracts
9 Infrastructure Development	Roads, Infrastructure and Essential Services	Capital Works	Capital Works Program
9 Infrastructure Development	Roads, Infrastructure and Essential Services	Corporate Buildings	Maintain safe and comfortable staff work environments
4 Health, Well-being and Social Justice	Roads, Infrastructure and Essential Services	Environmental Health	Promote the environmental health of community
9 Infrastructure Development	Roads, Infrastructure and Essential Services	Fire safety	Reduce fire hazards
7 Governance and Performance	Roads, Infrastructure and Essential Services	Fleet	Fit for purpose work vehicles in line with budget restrictions
2 Environment	Roads, Infrastructure and Essential Services	Lands and Environment	Rangers Program
2 Environment	Roads, Infrastructure and Essential Services	Parks and Gardens	Provide a clean environment for the enjoyment of community members, stakeholders and tourism
7 Governance and Performance	Roads, Infrastructure and Essential Services	Plant	Fit for purpose plant in line with budget restrictions

	Key Performance Indicators( KPI)	Self Assessment % Completed
	Coordinating new builds ensuring: <ul style="list-style-type: none"> <li>• Adherence to Work Health and Safety Standards</li> <li>• Quoting and tendering within Government timeframes</li> <li>• Complete works, to a high standard, within approved timeframes</li> <li>• Raising of invoices as soon as works are completed</li> <li>• Utilisation of local workforce</li> <li>• Utilisation of local or regional materials</li> <li>• Architecture in line with "green" building standards and in harmony with traditional design and art</li> <li>• Disability and aged care design considerations</li> <li>• Revenue in line with agreed profit margins</li> </ul>	100%
	<ul style="list-style-type: none"> <li>• Receive, allocate and program works within nominated BAS contract timeframes</li> <li>• Timely completion of internal works</li> <li>• Invoice works within 7 days of completion of service</li> <li>• Utilisation of local workforce</li> <li>• Revenue in line with agreed profit margins</li> </ul>	80%
	Develop a Capital Works program in line with prioritisation and Asset Management Plans	100%
	Receive, allocate and program repairs	100%
	Development and implementation of Food Safety, Water Sanitation, and Mosquito Control programs	75%
	<ul style="list-style-type: none"> <li>• 6 and 12 monthly services are undertaken</li> <li>• Rectification works are completed in a timely manner</li> </ul>	100%
	<ul style="list-style-type: none"> <li>• Review of cost / benefits of leasing versus purchasing</li> <li>• Purchasing vehicles in line with operational requirements and budget</li> <li>• Scheduling of repairs and maintenance (reactive and proactive)</li> <li>• Maintaining vehicle register, including condition assessments</li> <li>• Development of strategy for fleet replacement</li> </ul>	50%
	Protect and strengthen Aboriginal cultural heritage, environment and resource management	85%
	Maintain parks and Public spaces: <ul style="list-style-type: none"> <li>• Waste removal</li> <li>• Grounds maintenance</li> </ul>	80%
	Develop and implement Plant Management Plan	75%

5 Year Corporate Plan Area	Area	Focus	Objective
9 Infrastructure Development	Roads, Infrastructure and Essential Services	Projects	Coordination of capital works to ensure high-quality projects in line with budget restrictions
9 Infrastructure Development	Roads, Infrastructure and Essential Services	Roads	Provision of safe and fit for purpose roads
9 Infrastructure Development	Roads, Infrastructure and Essential Services	Sewerage	Provision of fit-for-purpose sewerage services
9 Infrastructure Development	Roads, Infrastructure and Essential Services	Waste	Provision of fit-for-purpose waste services
9 Infrastructure Development	Roads, Infrastructure and Essential Services	Water	Provision of fit for purpose water services
9 Infrastructure Development	Roads, Infrastructure and Essential Services	Water	Essential Services
9 Infrastructure Development	Roads, Infrastructure and Essential Services	Water	Essential Services
7 Governance and Performance	Roads, Infrastructure and Essential Services	Performance	Project approvals and feasibility studies
9 Infrastructure Development	Roads, Infrastructure and Essential Services	Post Office	Fit for purpose building



	Key Performance Indicators( KPI)	Self Assessment % Completed
	<ul style="list-style-type: none"> <li>• Development of Project Management Plans</li> <li>• Tendering for the works in line with Procurement Policy</li> <li>• Ensuring all projects have scope of works and are implemented in accordance with scope of works</li> <li>• Onsite monitoring of works</li> <li>• Works are completed as per Project management Plans</li> <li>• Any alternations to original scope of works are approved by CEO and incorporated within contract</li> <li>• Develop process for contract variations approvals</li> </ul>	100%
	Repair and maintenance of roads in accordance with budget restrictions.	100%
	Maintain and develop sewerage systems and plan for community needs that meet all licensing requirements	100%
	<ul style="list-style-type: none"> <li>• Maintain and develop waste systems and plan for community needs that meet all licensing requirements</li> <li>• Promote recycling to reduce waste creation</li> <li>• Investigate funding opportunities and advocate for: <ul style="list-style-type: none"> <li>*replacement rubbish truck</li> <li>* UV filtration at shed at dam (for use of treated recycled water of new football field irrigation and possible wash down bay for cleaning vehicles</li> <li>* automatic filtration and flow meter install at sewage treatment ponds</li> <li>* oval dam automatic automation</li> </ul> </li> </ul>	80%
	Maintain and develop water systems and plan that meet all licensing requirements Advocate for urgent water infrastructure repair and maintenance to provide water security for current and future community needs.	100%
	Ensure compliance with best practice and relevant legislation: Independent review of our water customer services standards: Drinking water Asset Management Plan Drinking water Drought Management Plan Drinking Water Contingency Plan Drinking Water Cyber Security Risk Assessment Drinking Water SCADA Governance Policy	75%
	Annual review of drinking water quality management plan	90%
	With the Executive Manager Infrastructure, Works and Projects develop systems for the assessment of projects, and endorsement at Council level prior to commencement	50%
	<ul style="list-style-type: none"> <li>• Investigate the options for ensuring the privacy of Post Office clients is supported through building design</li> <li>• Investigate the options for ensuring the disability access for Post Office clients is supported through building design</li> </ul>	50%





# 3

## Additional Reporting

Additional reporting requirements in accordance with the Local Government Act 2009 and Local Government Regulation 2012.



## Councillor Attendance

Councillor	Ordinary	Ordinary	Special	Ordinary	Ordinary	Ordinary	Ordinary	Ordinary	Ordinary	Ordinary	Special	Ordinary	Special	Ordinary
	20-Jul-21	17-Aug-21	24-Aug-21	21-Sep-21	19-Oct-21	16-Nov-21	16-Dec-21	18-Jan-22	15-Feb-22	15-Mar-22	29-Mar-22	12-Apr-22	17-May-22	15-June-22
Robbie Sands	√	√	√	√	√	x	√	√	√	√	√	x	√	√
Cameron Josiah	√	√	√	√	√	x	√	√	√	√	√	√	√	√
Teddy Bernard	√	√	√	√	√	√	x	√	√	√	x	x	√	√
Jacob Elroy Josiah	√	x	√	√	√	√	x	√	√	√	x	√	√	√
Richard Stafford	x	√	x	x	x	x								
David Jack								√	√	√	√	√	√	√

## Councillor Remuneration

Section 186(a) of the Local Government Regulation 2012.

The total remuneration, including superannuation contributions, paid to each councillor during the financial year:

Councillor	Super	Remuneration
Robert Michael Sands	\$10,801.43	\$108,222.14
Cameron Josiah	\$6,231.63	\$62,435.10
Jacob Elroy Josiah	\$1,526.14	\$22,892.76
Teddy Bernard	\$3,600.31	\$54,110.16
David Jack	\$3,600.31	\$54,110.16
Richard Lee Stafford	\$1,380.47	\$18,036.72

## Expense Reimbursement Policy

(ss250(1)/ 185(a) of the Local Government Regulation 2012.

In accordance with Section 250(1) of the Local Government Regulation 2012 (QLD), the expenses reimbursement policy is a policy providing for the following:

- payment of reasonable expenses incurred, or to be incurred, by councillors for discharging their duties and responsibilities as councillors;
- provision of facilities to councillors for that purpose.

Council adopted its Councillor Expense and Reimbursement Policy at the 17 August 2021 Council Meeting.

## Resolutions Threshold for Non-Current Physical Asset to be Treated as an Expense

(ss206(2)/ 185(b) of the Local Government Regulation 2012

- NIL

### Expenditure on Grants to Community Organisations

Kowanyama Aboriginal Shire Council has a Community Grants Policy to support entities and individuals to undertake activities for the benefit of Kowanyama. The following community grants were provided in 2021/22:

- NIL

### Expenditure from Councillor Discretionary Funds

A Councillor may allocate their Councillor Discretionary Funds under section 202 of the Local Government Act 2009 in any of the following ways:

- *For capital works of the local government that are for a community purpose*
- *To a community organisation for a community purpose*
- *For another community purpose*

Council is required to list all allocations of Councillor Discretionary Funds and the purpose of the allocation.

The prescribed amount for Council for the 2021/22 financial year was NIL.

### Expenses Incurred by, and the Facilities Provided to Each Councillor, During the Financial Year, under the Expenses Reimbursement Policy

Section 186(a) of the Local Government Regulation 2012

Councillor	Expenses
Robert Michael Sands	\$8,803.61
Cameron Josiah	\$3,388.77
Jacob Elroy Josiah	\$2,346.70
Teddy Bernard	\$2,855.65
David Jack	\$1,452.20
Richard Lee Stafford	NIL

## Councillor Complaints

Councillor Action Complaints	Details
Orders made under section 150I(2) of the LGA (s186(d)(i) LGR)	NIL
Orders made under section 150AH(1) of the LGA (s186(d)(ii))	1
Decisions, orders and recommendations made under section 150AR(1) of the LGA(s186(d)(iii))	<b>Cr Robbie Sands (2021_16) – No action taken against the Councillor.</b>
The name of each Councillor for whom a decision, order or recommendation under section 150I(2), 150AH(1) or 150 AR(1) of the LGA was made	<b>Cr Robbie Sands (2021_16)</b>
A description of the unsuitable meeting conduct, inappropriate conduct or misconduct engaged in by each of the councillors	Cr Robbie Sands (2021_16) – Inappropriate conduct – Code of Conduct breach (inappropriate advice to public).
A summary of the decision, order or recommendation made for each Councillor	<b>Cr Robbie Sands (2021_16) – No action taken against the Councillor.</b>
Complaints referred to the assessor under section 150P(2)(a) of the LGA by the local government, a Councillor of the local government or the chief executive officer of the local government	5
Matters, mentioned in section 150P(3) of the LGA, notified to the Crime and Corruption Commission	NIL
Notices given under section 150R(2) of the LGA	5
Notices given under section 150R(2) of the LGA	NIL
Decisions made under section 150W(1)(a), (b) and (d) of the LGA	NIL
Referral notices accompanied by a recommendation mentioned in section 150AC(3)(a) of the LGA	1
Occasions information was given under section 150AF(4)(a) of the LGA	NIL
Occasions the local government asked another entity to investigate, under chapter 5A, part 3, division 5 of the LGA for the local government, the suspected inappropriate conduct of a Councillor	NIL
Applications heard by the conduct tribunal <ul style="list-style-type: none"> <li>under chapter 5A, part 3, division 6 of the Act about whether a councillor engaged in misconduct or inappropriate conduct.</li> </ul>	NIL



## Administrative Action Complaints

Administrative Action Complaints	Details
A statement about the local government's commitment to dealing fairly with administrative action complaints	Council is fully committed to dealing fairly with administrative action complaints and has a Complaints Management Policy which sets out the steps lodging and dealing with complaints.
A statement about how the local government has implemented its complaints management process, including an assessment of the local government's performance in resolving complaints under the process.	Council's Complaints Management Policy is available on our website and in hard copy when requested. As part of the complaints management process council actively communicates the ways in which complaints can be made through our newsletters, social media and website. As yet no administrative action complaints have been received, however council has the processes in place to deal with them if and when received.

Administrative Action Complaints	Details
Administrative action complaints made to the local government;	2
Administrative action complaints resolved by the local government under the complaints management process	2
Administrative action complaints not resolved by the local government under the complaints management process; and	NIL
The number of administrative action complaints not resolved by the local government under the complaints management process that were made in a previous financial year.	NIL

## Opportunity in Employment

Council is committed to equal opportunity and endorsed a revised Code of Conduct in June 2018.

### 1.5.2 Non-discriminatory workplace

*Council is committed to creating and maintaining a workplace free from unlawful discrimination. By law, all employees must ensure that discrimination is not part of our workplace or our practices. Employees must not discriminate in matters of recruitment, selection, career progression or treatment in regard to gender, marital status, pregnancy, parental status, sexual orientation, race, impairment, age, religion, trade union activity or political opinion.*

## Senior Management Remuneration

The total of all remuneration packages that are payable (in the year to which the annual report relates) to the senior management of the local government – \$909,838.97

The number of employees in senior management who are being paid each band of remuneration. Each band of remuneration is an increment of \$100,000.

Salary Range	Senior Management Employees
\$1 - \$100,000	NIL
\$100,000 - \$200,000	6
\$200,000 - \$300,000	1

## Investigation Notices

Council did not receive any Investigation Notices from Queensland Competition Authority.

## Internal Audit

The Internal Audit function is legislatively required to assess and evaluate the control measures the organisation has adopted, or plans to adopt, to manage the operational risks to which the Local Government operations are exposed.

The Internal Audit function is an integral part of Kowanyama Aboriginal Shire Council's governance framework.

Internal Audit is managed by Governance and Operations and monitored by the Audit and Risk Committee.

## Beneficial Enterprises (s41 LGA)

Council does not currently have any Beneficial Enterprises.

## Business Activities (s41(a) LGA)

Council has the following business activities:

- Kowanyama Cattle
- Kowanyama Carbon Abatement Project

## Significant Business Activities (s41(b)/(c)/(d) LGA)

Council does not currently have any significant business activities. The competitive neutrality principle was not applied. No new significant business activities.

## Overseas Travel

There was no overseas travel by a Councillor or local government employee in an official capacity during the financial year.

## Invitations to Change Tender

Council did not receive any invitations to change tenders during the financial year.

## Concessions for Rates and Charges granted by Council

Council did not grant concessions on General Rates Equivalent Charges in the 2021-22 financial year.

## Rates and Charges

Council did not levy any special rates or charges in the 2021-22 financial year.

## Registers

- Register of Electoral Gifts
- Register of Interest of each Councillor and Executive Manager
- Register of Interest of persons related to Councillor
- Related Party Transaction Register
- Minutes of Local Government Meetings
- Road Register/Road Maps
- Schedule of Fees and Charges
- Register of Local Laws and Subordinate Local Laws
- Register of Burials
- Register of Regulatory Fees
- Register of Delegations
- Register of Council Policies
- Resolution Register
- Complaints Register
- Contracts Register

## Competitive Neutrality Complaints

A summary of investigation notices given in the financial year under section 49 of the Local Government Regulation for Competitive Neutrality Complaints:	NIL
The Local Government's responses in the financial year on the QCA's recommendations on any complaints under section 52(3) of the Local Government Regulation 2012.	NIL







# 4

## Financial Reporting

- Community Financial Report (s184 LGA)
- Certified Financial Statements (s183 LGA)

# Community Financial Report

The Community Financial Report is a summarised version of the Council's financial results and financial position presented to the community as a part of the Annual report pursuant to section 179 of the Local Government Regulation 2012.

It contains information in the following sections of the Financial Report.

- **Statement of Comprehensive Income (Operating Results)** - This details the total income earned and total expenses incurred during the financial year and whether Council made a surplus or deficit.
- **Balance Sheet (Statement of Financial Position)** - This shows all the assets (the items which Council owns, or is owed) and liabilities (what Council owes to others). The difference between the value of Council's assets and its liabilities is called Community Equity, and the greater the Community Equity, the better financial position the Council is in.
- **Statement of Changes in Equity** - This shows the movements between the elements of Community Equity which are in the Balance Sheet.
- **Statement of Cash Flows** - This shows the nature and amounts of cash inflows/outflows from the activities which Council is engaged in.
- **Financial Sustainability Ratios** - These financial sustainability ratios provide a useful snapshot as to Council's ability to maintain its financial capital and infrastructure capital over the long term.

## Income Statement (Operating Results)

Income Statement shows all sources of revenue the Council has earned and expenditure it has incurred during the financial year as well as net result (i.e. revenue less expenditure) which can be a surplus or a deficit.

Revenue comprises of operating (recurrent) income and capital income which is meant to be spent on replacement or additions to the Council's infrastructure assets (roads, buildings, water, sewer and other non-current assets).

Expenditure comprises of operating (expenditure incurred on day-to-day running of the Council's activities such as payments on utilities, consumables, operating wages, debt servicing, trading stocks, services and asset depreciation due to use) and capital (expenditure incurred on infrastructure and other assets which provide benefits for more than a year).

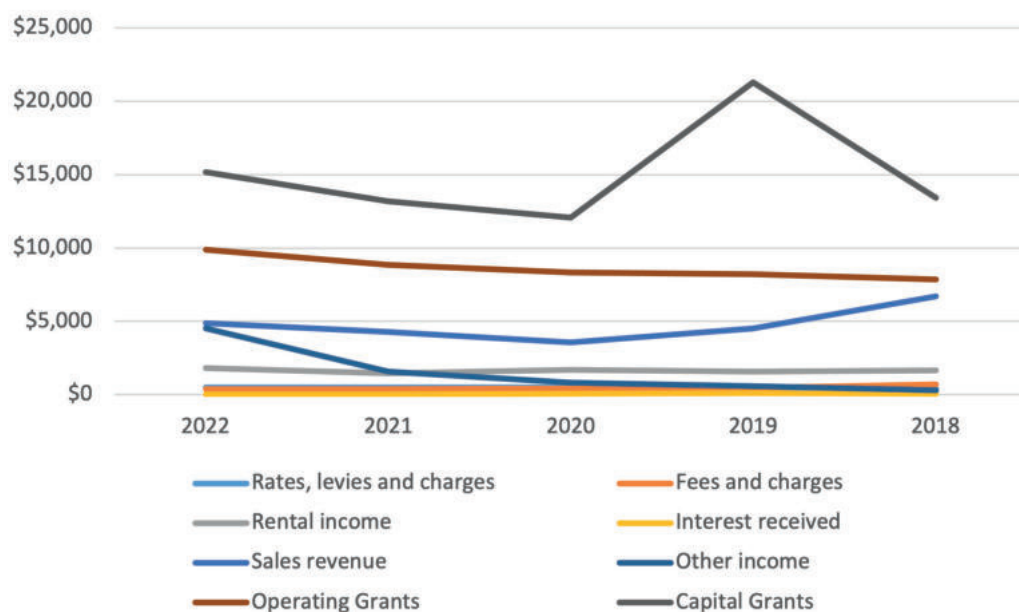
Revenue: As shown by the following table and graph, the total revenue for 2021-22 has increased to \$37.2 million from \$30.2 million in 2021. This net increase is due to:

- increase in sales revenue from \$0.6 million
- increase in other revenue \$2.9 million from finance leases and provisions
- increase in operating grants and contributions of \$1.0 million
- increase in capital grants and contributions of \$2.0 million
- increase in rental income of \$359k

Total recurrent revenue (i.e. total revenue less capital grants, interest received and Rental Income) have increased to \$20.2 million in 2022 from \$15.6 million in 2021.

Source (\$ 000's)	2022	2021	2020	2019	2018
Rates, levies and charges	511	495	492	451	415
Fees and charges	393	383	437	476	690
Rental income	1,816	1,457	1,715	1,597	1,654
Interest received	29	28	80	106	90
Sales revenue	4,884	4,267	3,570	4,517	6,691
Other income	4,532	1,590	821	590	292
Operating Grants	9,869	8,839	8,350	8,211	7,848
Capital Grants	15,164	13,178	12,076	21,270	13,409
<b>Total income</b>	<b>37,198</b>	<b>30,236</b>	<b>27,542</b>	<b>31,089</b>	<b>23,269</b>

Council's Annual Revenue \$000's - last five years



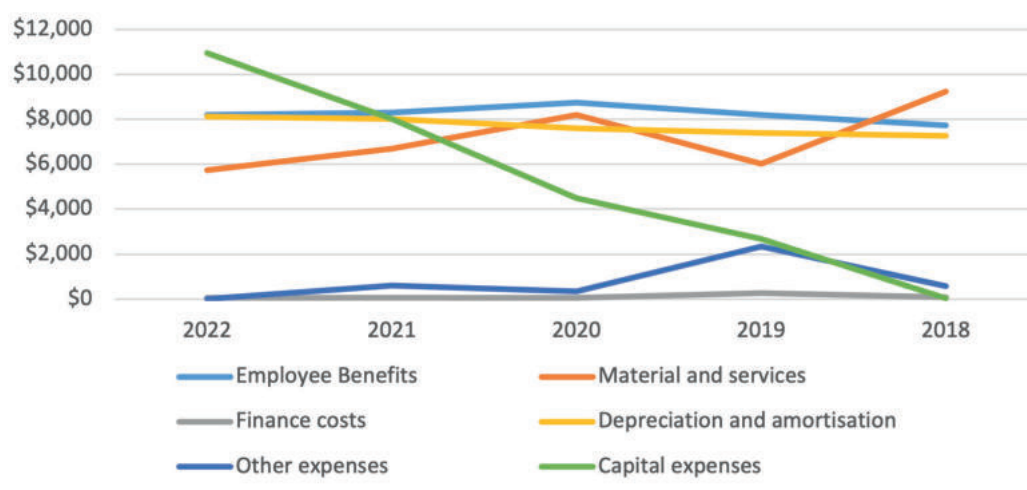


Expenditure: Total expenditure have increased to \$33.1 million in 2022 from \$31.7 million in 2021. This is net increase is due to:

- increase in depreciation and amortisation \$94k
- increase in capital expenses of \$2.9 million for the loss on disposal of assets
- decrease in employment costs \$115k
- decrease in materials and services \$0.9 million
- decrease in other expenses \$0.6 million

The Council's Expenditure base over last five years					
Source (\$ 000's)	2022	2021	2020	2019	2018
Employee Benefits	8,188	8,304	8,758	8,198	7,747
Material and services	5,735	6,708	8,200	6,027	9,243
Finance costs	64	52	65	273	73
Depreciation and amortisation	8,112	8,018	7,606	7,392	7,277
Other expenses	-	606	347	2,344	584
Capital expenses	10,961	8,022	4,499	2,666	18
<b>Total expenses</b>	<b>33,050</b>	<b>31,710</b>	<b>29,474</b>	<b>26,899</b>	<b>24,942</b>

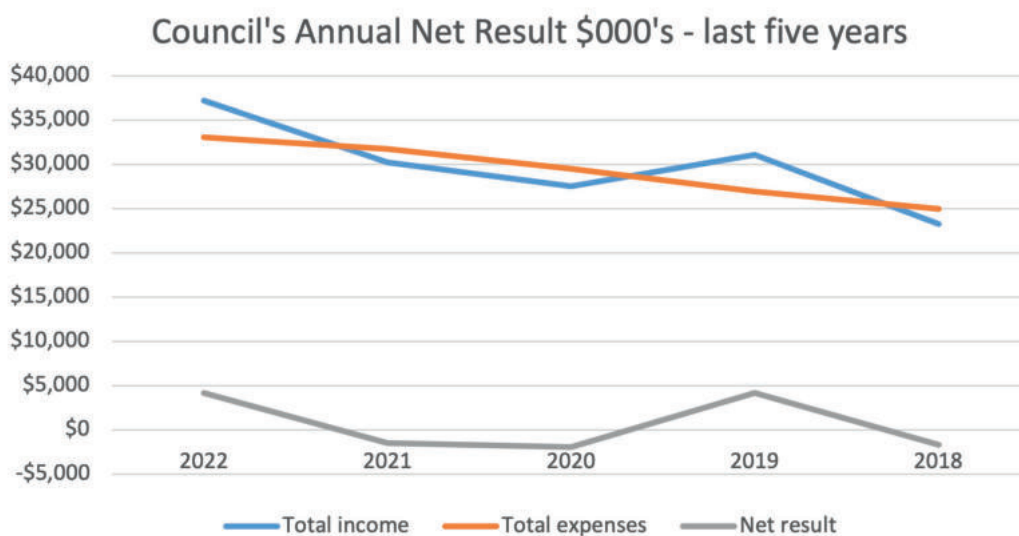
Council's Annual Expenditure \$000's - last five years



Net Result: Council reports a surplus of \$4.1 million for 2022 compared to a deficit in 2021 of \$1.5 million. This is mainly attributable to increases in revenue from capital grants and sales revenue and decreases in expenditure on materials and services.

A snapshot of the Council's revenue, expenditure and net results over the last five years is illustrated by the following table and the graph.

The Council's revenue, expenditure and net result over the last five years					
Elements (\$ 000's)	2022	2021	2020	2019	2018
Total income	37,198	30,236	27,542	31,089	23,269
Total expenses	33,050	31,710	29,474	26,899	24,942
Net result	4,148	-1,474	-1,932	4,190	-1,673



## Balance Sheet (Statement of Financial Position)

The Balance Sheet shows the Council's financial position in terms of assets (the Council owns), liabilities (the Council owes) and the equity (Net worth of the community which is equal to total assets minus total liabilities).

Total assets have increased to \$199m in 2022 from \$179 million in 2021. This is mainly due to:

- increase in cash and cash equivalents \$2.0 million resulting from an increase in restricted cash for unspent government grants
- increase in trade and other receivables \$1.0 million

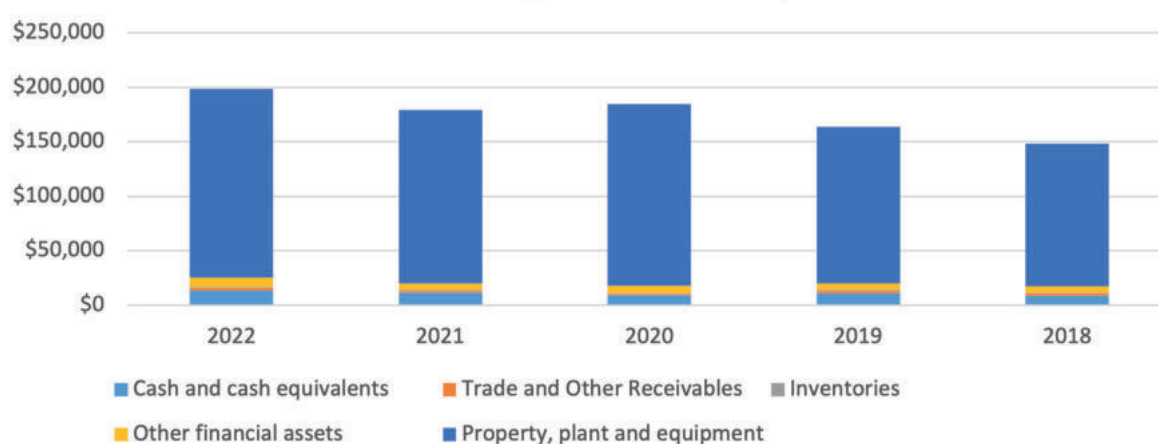
- increase in financial assets \$2.5 million including \$2.6 million in lease receivables
- increase in Property, plant and equipment \$14.5 million

Total liabilities have decreased to \$13.3 million in 2022 from \$15.5 million in 2021, mostly triggered by decreases in contract liabilities and the landfill restoration provision.

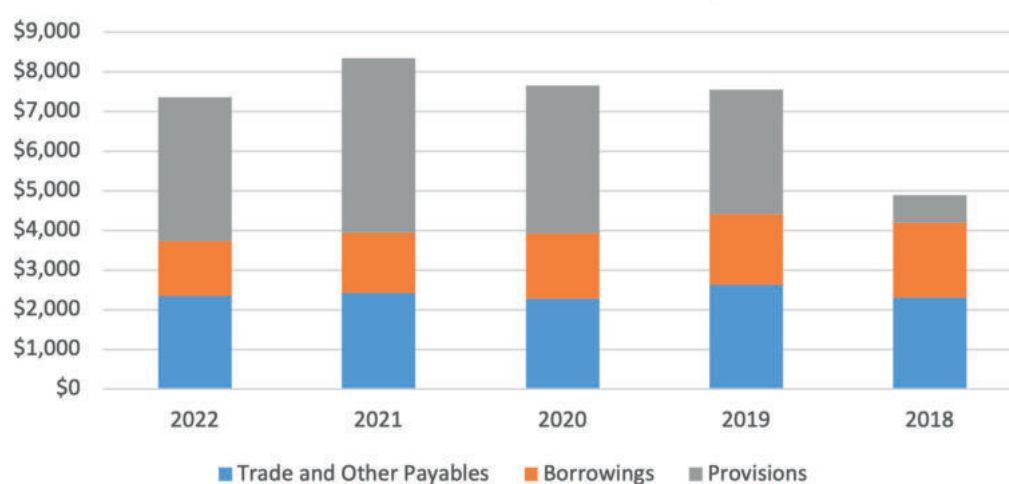
Total Community Equity has increased to \$185 million in 2022 from \$164 million in 2021.

Summarised Balance Sheets over last five years					
Elements (\$ 000's)	2022	2021	2020	2019	2018
Cash and cash equivalents	13,500	11,531	9,173	10,593	8,506
Trade and Other Receivables	2,577	1,625	818	2,490	2,381
Inventories	732	777	677	733	536
Other financial assets	8,318	5,993	7,078	5,852	5,734
Property, plant and equipment	173,599	159,148	166,901	144,026	131,259
<b>Total assets</b>	<b>198,726</b>	<b>179,074</b>	<b>184,646</b>	<b>163,694</b>	<b>148,416</b>
	2022	2021	2020	2019	2018
Trade and Other Payables	2,362	2,427	2,283	2,642	2,308
Borrowings	1,380	1,513	1,642	1,768	1,890
Other Liabilities	5,963	7,142	6,277	-	0
Provisions	3,608	4,399	3,723	3,132	684,571
<b>Total Liabilities</b>	<b>13,313</b>	<b>15,481</b>	<b>13,925</b>	<b>7,542</b>	<b>4,882</b>
<b>Equal to</b>					
Assets revaluation surplus	114,210	96,536	98,126	77,355	75,057
Retained surplus	71,204	67,057	72,595	78,796	68,477
<b>Total community equity</b>	<b>185,414</b>	<b>163,593</b>	<b>170,721</b>	<b>156,152</b>	<b>143,534</b>

Total Assets \$'000's - last five years



Total Liabilities \$'000's - last five years





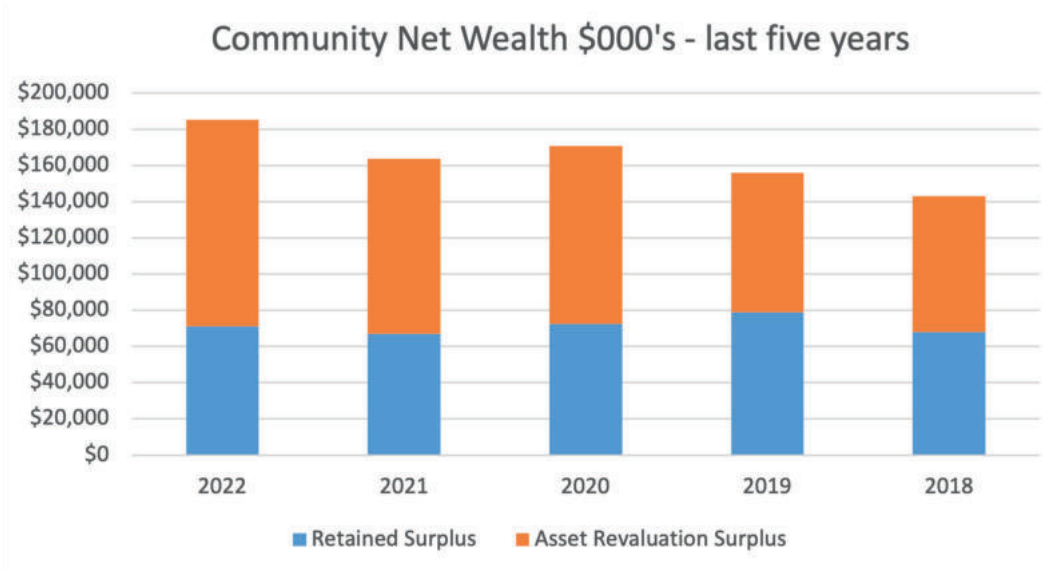
### Statement of Changes in Equity (the net worth of Council)

Movements in community net wealth across financial years depend on annual net result (surplus or deficit) and changes in asset revaluation reserve. The Community Net Wealth had increased by \$21.8 million for 2021-22. This is due to

- net surplus for year \$4.1 million
- increase in asset revaluation \$18.1 million
- decrease in impairment \$0.4 million

The movements in community net wealth are shown in the following table and the graph.

Community Net Wealth over last five years					
Closing Balance (\$ 000's)	2022	2021	2020	2019	2018
Retained Surplus	71,204	67,057	72,595	78,796	68,093
Asset Revaluation Surplus	114,210	96,536	98,126	77,355	75,057
Total expenses	185,414	163,593	170,721	156,152	143,150

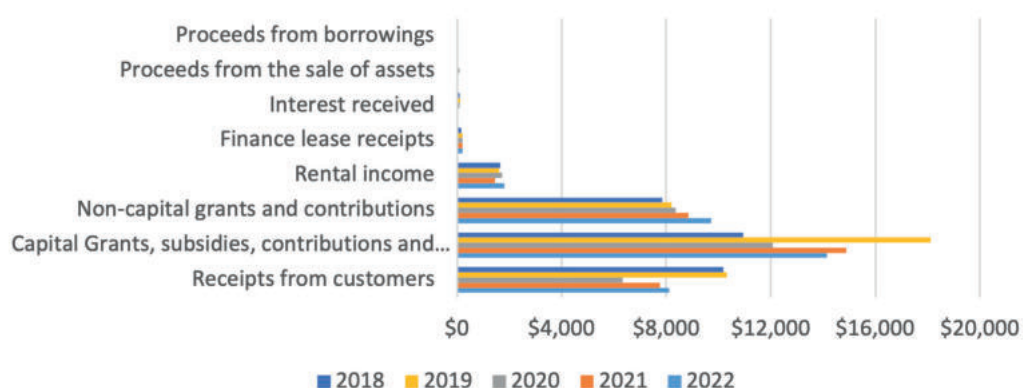


## Statement of Cash Flows

Statement of Cash flows provides an analysis of how the Council generated total funds and how these funds have been expended including movements in remaining cash balances. The following table and the graph show where the funds came in to the Council for 2021-22 financial year.

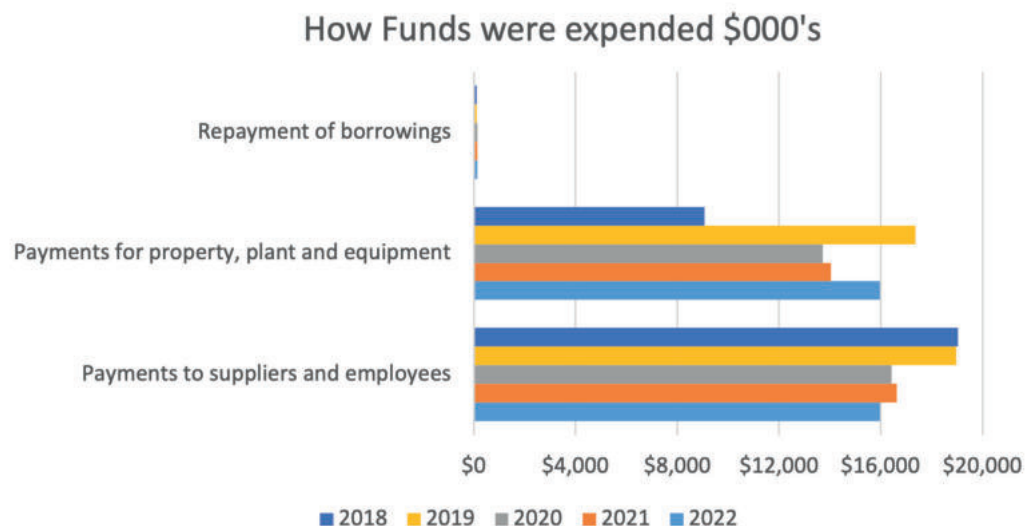
Where Funds came from (\$000's)					
	2022	2021	2020	2019	2018
Receipts from customers	8,122	7,760	6,333	10,321	10,194
Capital Grants, subsidies, contributions and donations	14,143	14,874	12,075	18,106	10,938
Non-capital grants and contributions	9,716	8,839	8,350	8,211	7,848
Rental income	1,816	1,457	1,715	1,598	1,654
Finance lease receipts	207	204	200	197	161
Interest received	29	28	80	106	90
Proceeds from the sale of assets	0	1	94	0	34
Proceeds from borrowings	0	0	0	0	0
<b>Total Funds/earned/received</b>	<b>34,032</b>	<b>33,162</b>	<b>28,847</b>	<b>38,538</b>	<b>30,919</b>

Where Funds came from \$000's



The following table and the graph show how funds were expended for 2021-22 financial year.

How Funds were expended					
	2022	2021	2020	2019	2018
Payment to suppliers and employees	15,959	16,623	16,429	18,967	19,036
Payment for property, plant and equipment	15,972	14,051	13,713	17,362	9,060
Repayment for borrowings	133	129	126	122	119
<b>Total funds expended</b>	<b>32,064</b>	<b>30,803</b>	<b>30,268</b>	<b>36,452</b>	<b>28,215</b>



## Financial Sustainability Ratios

Section 179 (2) [c] of the Local Government Regulations 2012 requires a Local Government to include in its Community Financial Report the relevant Financial Sustainability Ratios for the current financial year. The Department of Local Government, Infrastructure and Planning has published a Financial Management (Sustainability) Guideline to assist Councils to properly calculate and record the Ratios.

These financial sustainability ratios provide a useful snapshot as to Councils ability to maintain its financial capital and infrastructure capital over the long term.

The following three Ratios have been included as part of Councils Annual Financial Statements for 2021-22.

Ratio Types	Purpose of Ratio	Calculation Overview	Target Range	2021-2022	2020-2021
Operating Surplus Ratio	This ratio is a measure of a local government's ability to cover its operational costs and have revenues available for capital funding or other purposes.	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	Between 0% and 10%	-41%	-41%
Asset Sustainability Ratio	This ratio indicates whether a local government is replacing or renewing existing non-financial assets at the same rate that its overall asset stock is wearing out	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense	Greater than 90%	142%	120%
Net financial liabilities Ratio	This ratio is an indicator of the extent to which the net financial liabilities of a local government can be serviced by its operating revenues.	Total liabilities less current assets divided by total operating revenue (excluding capital items)	Not greater than 60%	-19%	3%





# Financials

## Kowanyama Aboriginal Shire Council GENERAL PURPOSE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022



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### **Addendum of associated documents**

*Current-year Financial Sustainability Statement (audited)*

*Independent Auditor's Report*

*Long-term Financial Sustainability Statement (not audited)*

**Kowanyama Aboriginal Shire Council**  
**Statement of Comprehensive Income**  
for the year ended 30 June 2022

	Note	2022 \$	Restated 2021* \$
<b>Income</b>			
<b>Revenue</b>			
<b>Recurrent revenue</b>			
Rates, levies and charges	3(a)	510,831	495,037
Fees and charges	3(b)	392,780	382,608
Sales revenue	3(d)	4,884,132	4,267,360
Other revenue	3(e)	1,339,029	1,588,892
Grants, subsidies, contributions and donations	4(a)	9,869,192	8,838,597
<b>Total recurrent revenue</b>		<u>16,995,964</u>	<u>15,572,494</u>
<b>Capital revenue</b>			
Grants, subsidies, contributions and donations	4(b)	15,164,458	13,177,895
<b>Total capital revenue</b>		<u>15,164,458</u>	<u>13,177,895</u>
Rental income	3(c)	1,816,003	1,456,671
Interest received		28,725	27,654
Other income	14, 17	3,192,801	-
Other capital income	5	-	1,000
<b>Total income</b>		<u>37,197,951</u>	<u>30,235,714</u>
<b>Expenses</b>			
<b>Recurrent expenses</b>			
Employee benefits	6	(8,188,141)	(8,303,528)
Materials and services	7	(5,735,438)	(6,708,344)
Finance costs		(53,827)	(52,111)
Depreciation and amortisation			
Property, plant and equipment	12	(8,042,796)	(7,949,738)
Right of use assets	14	(69,192)	(67,943)
Other expenses	14, 17	-	(606,213)
		<u>(22,089,394)</u>	<u>(23,687,876)</u>
<b>Capital expenses</b>	8	(10,960,918)	(8,022,328)
<b>Total expenses</b>		<u>(33,050,312)</u>	<u>(31,710,204)</u>
<b>Net result</b>		<u>4,147,639</u>	<u>(1,474,490)</u>
<b>Other comprehensive income</b>			
Items that will not be reclassified to net result			
Increase in asset revaluation surplus	12	17,673,134	(1,589,757)
<b>Total other comprehensive income for the year</b>		<u>17,673,134</u>	<u>(1,589,757)</u>
<b>Total comprehensive income for the year</b>		<u>21,820,773</u>	<u>(3,064,247)</u>

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

\* Council has made a retrospective restatement as a consequence of correction of error in accordance with AASB 108 and therefore in accordance with AASB 101 has restated the comparative figures as set out in Note 24.

**Kowanyama Aboriginal Shire Council**  
**Statement of Financial Position**  
as at 30 June 2022

		2022	Restated 2021*	1 July 2020*
	Note	\$	\$	\$
<b>Current assets</b>				
Cash and cash equivalents	9	13,499,722	11,531,247	9,172,964
Receivables	10	2,559,904	1,607,225	800,161
Inventories	11	732,289	776,998	676,922
Contract assets	13	529,259	809,979	1,676,047
Lease receivables	14	230,637	207,003	203,500
<b>Total current assets</b>		<b>17,551,811</b>	<b>14,932,453</b>	<b>12,529,594</b>
<b>Non-current assets</b>				
Receivables	10	17,500	17,500	17,500
Lease receivables	14	7,558,441	4,975,956	5,197,973
Property, plant and equipment	12	172,785,688	158,605,150	162,217,451
Right of use asset	14	812,928	542,722	619,721
<b>Total non-current assets</b>		<b>181,174,557</b>	<b>164,141,328</b>	<b>168,052,645</b>
<b>Total assets</b>		<b>198,726,368</b>	<b>179,073,781</b>	<b>180,582,239</b>
<b>Current liabilities</b>				
Payables	15	2,361,533	2,426,742	2,282,993
Contract liabilities	13	5,291,057	6,746,624	5,806,050
Borrowings	16	136,570	132,808	129,150
Lease liabilities	14	78,205	74,637	74,158
Provisions	17	823,104	774,299	699,729
<b>Total current liabilities</b>		<b>8,690,469</b>	<b>10,155,110</b>	<b>8,992,081</b>
<b>Non-current liabilities</b>				
Borrowings	16	1,243,009	1,379,731	1,512,687
Lease liabilities	14	594,218	320,898	396,919
Provisions	17	2,784,965	3,625,108	3,023,368
<b>Total non-current liabilities</b>		<b>4,622,192</b>	<b>5,325,737</b>	<b>4,932,975</b>
<b>Total liabilities</b>		<b>13,312,661</b>	<b>15,480,847</b>	<b>13,925,056</b>
<b>Net community assets</b>		<b>185,413,708</b>	<b>163,592,935</b>	<b>166,657,183</b>
<b>Community equity</b>				
Asset revaluation surplus	12	114,209,549	96,536,415	98,126,173
Retained surplus		71,204,159	67,056,520	68,531,010
<b>Total community equity</b>		<b>185,413,708</b>	<b>163,592,935</b>	<b>166,657,183</b>

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

\* Council has made a retrospective restatement as a consequence of correction of error in accordance with AASB 108 and therefore in accordance with AASB 101 has restated the comparative figures as set out in Note 24.



**Kowanyama Aboriginal Shire Council**  
**Statement of Changes in Equity**  
for the year ended 30 June 2022

	Asset revaluation surplus	Retained surplus	Total
Note	\$	\$	\$
<b>Balance as at 1 July 2021</b>	96,536,415	67,056,520	163,592,935
Net result	-	4,147,639	4,147,639
Other comprehensive income for the year			
Increase in asset revaluation surplus	17,673,134	-	17,673,134
<b>Total comprehensive income for the year</b>	<b>17,673,134</b>	<b>4,147,639</b>	<b>21,820,773</b>
<b>Balance as at 30 June 2022</b>	<b>114,209,549</b>	<b>71,204,159</b>	<b>185,413,708</b>
<b>Balance as at 1 July 2020</b>	98,126,173	72,595,110	170,721,283
Opening balance adjustment on residential housing assets	-	(4,064,100)	(4,064,100)
Restated balances as at 1 July 2020	98,126,173	68,531,010	166,657,183
Net result	-	(1,474,491)	(1,474,491)
Other comprehensive income for the year			
Decrease in asset revaluation surplus	(1,589,757)	-	(1,589,757)
<b>Total comprehensive income for the year</b>	<b>(1,589,757)</b>	<b>(1,474,491)</b>	<b>(3,064,248)</b>
<b>Balance as at 30 June 2021</b>	<b>96,536,415</b>	<b>67,056,520</b>	<b>163,592,935</b>

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

*\* Council has made a retrospective restatement as a consequence of correction of error in accordance with AASB 108 and therefore in accordance with AASB 101 has restated the comparative figures as set out in Note 24.*

**Kowanyama Aboriginal Shire Council**  
**Statement of Cash Flows**  
for the year ended 30 June 2022

	Note	2022 \$	2021 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		8,121,789	7,759,883
Payments to suppliers and employees		(15,958,869)	(16,623,250)
		(7,837,080)	(8,863,367)
Interest received		28,725	27,654
Rental income		1,816,003	1,456,671
Non-capital grants and contributions		9,715,584	8,838,597
<b>Net cash inflow from operating activities</b>	21	<b>3,723,232</b>	<b>1,459,554</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment	12	(15,972,020)	(14,050,773)
Proceeds from sale of property plant and equipment	5	-	1,000
Finance lease receipts	14	207,003	203,500
Grants, subsidies, contributions and donations		14,143,220	14,874,302
<b>Net cash (outflow) from investing activities</b>		<b>(1,621,797)</b>	<b>1,028,029</b>
<b>Cash flows from financing activities</b>			
Repayment of borrowings	16	(132,960)	(129,298)
<b>Net cash (outflow) from financing activities</b>		<b>(132,960)</b>	<b>(129,298)</b>
<b>Net (decrease)/increase in cash and cash equivalents held</b>		<b>1,968,475</b>	<b>2,358,283</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>		<b>11,531,247</b>	<b>9,172,964</b>
<b>Cash and cash equivalents at end of the financial year</b>	9	<b>13,499,722</b>	<b>11,531,247</b>

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

**Kowanyama Aboriginal 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* and the *Local Government Regulation 2012*.

These financial statements comply with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB). Council is a not-for-profit entity for financial reporting purposes and these financial statements comply 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 certain current and non-current assets which are measured at fair value.

**1.b Constitution**

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

**1.c Date of authorisation**

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

**1.d New and revised Accounting Standards**

Kowanyama Aboriginal Shire Council adopted all standards which became mandatorily effective for annual reporting periods beginning on 1 July 2021, none of the standards had a material impact on reported position, performance and cash flows.

**1.e Standards issued by the AASB not yet effective**

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2022. These standards have not been adopted by Council and will be included in the financial statements on their effective date. Where the standard is expected to have a significant impact for Council then further information has been provided in this note.

The following list identifies the new Australian Accounting Standards that were issued but not yet effective at the time of preparing these financial statements that could be applicable to Council.

	Effective for NFP annual report periods beginning on or after:
AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current and associated standards (amended by AASB 2020-6)	1 January 2023
AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments	1 January 2022
AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates (amended by AASB 2021-6)	1 January 2023

**Kowanyama Aboriginal Shire Council**  
**Notes to the financial statements**  
for the year ended 30 June 2022

**1.f Estimates and judgements**

Council has made 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:

Valuation and depreciation of property, plant and equipment- Note 12  
Provisions - Note 17  
Valuation of finance leases - Note 14  
Contingent liabilities - Note 19  
Revenue recognition - Note 3

**1.g Rounding and comparatives**

The Council uses the Australian dollar as its functional currency and its presentation currency and rounds to the nearest dollar.

Comparative information is generally restated for reclassifications, errors and changes in accounting policies unless permitted otherwise by transition rules in a new Accounting Standard. Comparative information is prepared on the same basis as prior year.

**1.h Financial assets and financial liabilities**

Council recognises a financial asset or a financial liability in its Statement of Financial Position when, and only when, Council becomes a party to the contractual provisions of the instrument.

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

Financial assets

Cash and cash equivalents - measured at amortised cost (Note 9)  
Receivables - measured at amortised cost (Note 10)  
Other financial assets (finance leases) - measured at fair value through profit or loss (Note 14)

Financial liabilities

Payables - measured at amortised cost (Note 15)  
Borrowings - measured at amortised cost (Note 16)

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

**1.i Taxation**

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

**1.j COVID-19**

Council's operational activities for the year ended 30 June 2022 have been impacted by the COVID-19 pandemic.

The impact of Covid has been significant at an operational level as supply issues have continued to be challenging in relation to the completion of certain capital projects. Council has also experienced a high level of absenteeism related to sick leave as a result of Covid. The financial impact it is not considered to be material.

There have not been any other significant adverse operational or financial impacts as a result of the COVID-19 pandemic to date and it is confirmed that any known impacts have been reflected in the financial statements.



**Kowanyama Aboriginal 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 :

**Office of CEO**

The objective of the Office of the CEO is for Council to be open, accountable, transparent and deliver value for money community outcomes. This function includes setting strategic and operational planning and support for community. The Mayor, Councillors and Chief Executive Officer are included in the Office of the CEO. Key operational control along with revenue generation including accommodation and car hire are managed by this department.

This function includes:

Accommodation and car hire  
Mayor and Councillors  
Disaster management

**Community services**

Community services and facilities include cultural, health, welfare and recreational services.

This function includes:

Post Office agency  
Management of the home and community care program  
Recreation services  
Childcare centre  
Centrelink agency  
Women's shelter

**Corporate governance**

Corporate governance's role is to ensure that Council is open, accountable and transparent for the community. This function includes strategic planning around governance, advocacy and stakeholder relationships. It manages internal audit and strategic risk management as well as legal, document management and administrative support.

This function includes:

Internal Audit & Audit Committee  
Policy & Procedures  
Advocacy  
Legal and Governance  
Information Technology and Website  
Risk Management  
Records Management

**Finance**

Finance provides professional finance services across all of Council. This function includes budget support, financial and management accounting services. The goal of this function is to provide accurate, timely and appropriate information to support sound decision making and meet statutory requirements.

This function includes:

Finance  
Cairns administration  
Purchasing and stores  
Blue Cafe (closed November 2021)

**Kowanyama Aboriginal 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 (Continued)**

**Human resources**

Human resources provides professional human resource services across all of Council. This function includes recruitment, ongoing support to staff via training and payroll services.

This function includes:

Human Resources

Payroll

Workplace, health and safety

**Infrastructure and projects**

Provision of critical infrastructure and public housing within the DOGIT area.

This function includes:

Workshop

Building services

Providing and maintaining local and access roads and drainage

Animal and Environment management programs

Providing water supply services

Providing sewerage services

Providing refuse collection and disposal services

Airport

2 Analysis of results by function

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

Year ended 30 June 2022

Functions	Gross program income				Total income	Gross program expenses		Total expenses	Net result from recurrent operations	Net Result	Assets	
	Recurrent		Capital			Recurrent	Capital					
	Grants	Other	Grants	Other								
	2022	2022	2022	2022								2022
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	2022	\$
Office of CEO	652,582	7,585,372	-	-	8,416,335	(11,846,039)	(10,980,918)	(22,806,567)	(3,427,705)	(14,368,822)	-	-
Community Services	3,514,329	751,897	-	-	4,266,226	(3,796,073)	-	(3,796,073)	470,153	470,153	-	-
Corporate Governance	-	-	-	-	-	(715,456)	-	(715,456)	(715,456)	(715,456)	883,651	-
Finance	4,858,215	132,219	-	-	5,030,434	(1,374,089)	-	(1,374,089)	3,656,345	3,656,345	25,940,880	-
Human Resources	-	117,835	-	-	117,835	(256,138)	-	(256,138)	(138,303)	(138,303)	-	-
Infrastructure and Projects	603,686	3,596,976	15,164,458	-	19,365,121	(4,101,600)	-	(4,101,600)	99,062	15,263,521	171,902,037	-
Total Council	9,808,192	12,164,298	15,164,458	-	37,197,551	(22,089,354)	(10,980,918)	(33,050,312)	(55,903)	4,147,839	196,726,368	-

Year ended 30 June 2021

Functions	Gross program income				Total income	Gross program expenses		Total expenses	Net result from recurring operations	Net Result	Assets
	Recurring		Capital			Recurring	Capital				
	Grants	Other	Grants	Other							
	2021	2021	2021	2021							
	\$	\$	\$	\$	2021	2021	2021	2021	2021	2021	2021
Office of CEO	780,680	4,050,957	-	1,000	4,832,617	(11,771,248)	(6,022,328)	(19,793,576)	(6,939,631)	(14,960,955)	-
Community Services	3,210,260	863,522	47,840	-	4,121,622	(3,833,704)	-	(3,833,704)	240,078	287,918	-
Corporate Governance	-	2,155	-	-	2,155	(731,505)	-	(731,505)	(729,350)	(729,350)	604,683
Finance	4,254,207	606,679	-	-	4,900,886	(2,082,529)	-	(2,082,529)	2,818,357	2,818,357	20,468,631
Human Resources	-	126,500	-	-	126,500	(428,824)	-	(428,824)	(302,324)	(302,324)	-
Infrastructure and Projects	553,470	2,568,409	13,130,055	-	16,251,934	(4,840,066)	-	(4,840,066)	(1,718,187)	11,411,868	158,000,468
Total Council	8,838,597	8,218,221	13,177,895	1,000	30,235,714	(23,887,878)	(6,022,328)	(31,710,205)	(6,831,056)	(1,474,490)	179,073,761

**Kowanyama Aboriginal Shire Council**  
**Notes to the financial statements**  
for the year ended 30 June 2022

	Note	2022 \$	2021 \$
<b>3 Revenue</b>			
<b>(a) Rates, levies and charges</b>			
Rates		510,831	495,037
		<u>510,831</u>	<u>495,037</u>

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 and annual charges are recognised as a financial liability until the beginning of the rating period.

<b>(b) Fees and charges</b>			
Aged care home		-	2,023
Bank, post office, commissions		92,964	114,210
Airport landing fees		195,424	180,660
Others		104,392	85,715
		<u>392,780</u>	<u>382,608</u>

Revenue arising from fees and charges is recognised at the point in time when the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

The performance obligation relates to the specific 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 the provision of the service. There is no material obligation for Council in relation to refunds or returns.

Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than the term of the licence.

<b>(c) Rental income</b>			
Contractors camp		358,654	136,379
Donga accommodation		610,847	424,101
Canteen		(56,567)	51,000
Housing and Public Works		591,397	490,540
Other rent		311,672	354,651
		<u>1,816,003</u>	<u>1,456,671</u>

Rent from housing and other property is recognised on a straight-line basis over the lease term.

<b>(d) Sales revenue</b>			
<b>Rendering of services</b>			
Contract and recoverable works - building & maintenance teams		1,556,045	1,563,978
Contract and recoverable works - other		681,943	518,441
		<u>2,237,988</u>	<u>2,082,419</u>
<b>Sale of goods</b>			
Carbon credits		532,665	680,000
Aviation fuel		319,107	292,807
Post office		43,310	127,409
Bakery		-	171,555
Blue Café		2,759	326,703
Fuel sales		217,114	40,170
Cement, sand and gravel		80,318	351,420
Power card sales		53,009	88,736
Cattle		1,272,164	-
Others		125,698	106,141
		<u>2,646,144</u>	<u>2,184,941</u>
<b>Total sales revenue</b>		<u>4,884,132</u>	<u>4,267,360</u>

Sale of goods revenue is recognised at the point in time that the customer obtains control of the goods, generally at delivery. Revenue from services is recognised when the service is rendered.



**Kowanyama Aboriginal Shire Council**  
**Notes to the financial statements**  
for the year ended 30 June 2022

**3 Revenue (Continued)**

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

	Note	2022 \$	2021 \$
(e) Other revenue			
Trainee and apprentice subsidies		117,835	126,500
Cost recoveries		8,726	97,007
Insurance recoveries		28,273	52,745
Other income		1,184,195	1,312,640
		<u>1,339,029</u>	<u>1,588,892</u>

Other income includes \$1,136,700 (2021: \$1,099,754) income from RISE Ventures Agreement recognised under AASB 9.

**4 Grants, subsidies, contributions and donations**

**(a) Operating**

State government subsidies and grants	4,115,495	4,224,032
Commonwealth government subsidies and grants	5,734,947	4,613,565
Other subsidies and grants	18,750	1,000
	<u>9,869,192</u>	<u>8,838,597</u>

**(b) Capital**

State government subsidies and grants	13,449,693	10,495,524
Commonwealth government subsidies and grants	26,186	431,603
Other grants - Capital	1,688,579	2,250,767
	<u>15,164,458</u>	<u>13,177,895</u>

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

		2022		2021	
	Note	Revenue recognised at a point in time \$	Revenue recognised over time \$	Revenue recognised at a point in time \$	Revenue recognised over time \$
Grants, subsidies, contributions and donations	4	10,231,969	14,801,681	7,720,145	14,297,236

**Grant income under AASB 15**

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligations is satisfied.

The performance obligations vary in each agreement but include events, disability support services, purchase of a property, plant and equipment, etc. 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.

**Kowanyama Aboriginal Shire Council**  
**Notes to the financial statements**  
for the year ended 30 June 2022

**4 Grants, subsidies, contributions and donations (Continued)**

**Grant income under AASB 1058**

Assets arising from grants in the scope of AASB 1058 are recognised at the asset's fair value when the asset is received. Council 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**

Where council receive funding under an enforceable contract to acquire or construct a specified item of property, plant and equipment which will be under Council's control on completion, revenue is recognised 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.

**Donations and contributions**

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.

Donations and contributions are generally recognised on receipt of the asset since there are no enforceable performance obligations.

Where grants are received that are reciprocal in nature, revenue is recognised as the various performance obligations under the funding agreement are fulfilled.

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

Physical assets contributed to Council by developers in the form of road works, stormwater, water and wastewater infrastructure and park equipment are recognised as revenue when Council obtains control of the asset and there is sufficient data in the form of drawings and plans to determine the approximate specifications and values of such assets. All non-cash contributions are recognised at the fair value of the contribution received on the date of acquisition.

**Kowanyama Aboriginal Shire Council**  
**Notes to the financial statements**  
for the year ended 30 June 2022

**5 Capital income**

	Note	2022 \$	2021 \$
Gain on disposal of non-current assets			
Proceeds from the sale of property, plant and equipment		-	1,000
Total capital income		-	1,000

**6 Employee benefits**

Employee benefit expenses are recorded when the service has been provided by the employee.

Total staff wages and salaries		7,135,895	7,109,972
Councillors' remuneration		319,807	333,575
Termination benefits		12,851	30,838
Annual, sick and long service leave entitlements		724,362	705,212
Superannuation	20	839,968	792,751
		9,032,883	8,972,348
Other employee related expenses		264,326	347,170
		9,297,209	9,319,518
Less: Capitalised employee expenses		(1,109,068)	(1,015,990)
		8,188,141	8,303,528

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

Total Council employees at the reporting date:	Number	Number
Elected members	5	5
Administration staff	20	16
Council and Community Services	94	99
Total full time equivalent employees	119	120

**7 Materials and services**

	Note	2022 \$	2021 \$
Expenses are recorded on an accruals basis as Council receives the goods or services.			
Audit of annual financial statements by the Auditor-General of Queensland*		83,500	83,000
Audit fees - others		87,296	51,730
Administration supplies and other expenditure		267,948	192,000
Contractors and services providers		2,951,442	3,161,293
Grants refunded		12,977	5,143
Hire of plant and equipment		6,830	10,207
Insurance		1,011,653	949,431
Other materials and services		117,823	569,033
Rates, taxes and utilities		656,991	695,369
Rent		30,102	6,246
Repairs and maintenance		96,842	473,182
Reversal of provision for doubtful debts		(129,716)	(10,878)
Travel costs		331,998	270,621
Vehicle and plant operating costs		209,752	251,967
		5,735,438	6,708,344

Total audit fees quoted by the Queensland Audit Office relating to the 2021-22 financial statements are \$83,500 (2021: \$83,000).

**Kowanyama Aboriginal Shire Council**  
**Notes to the financial statements**  
for the year ended 30 June 2022

**8 Capital expenses**

	Note	2022 \$	2021 \$
<b>Loss on disposal of non-current assets</b>			
Book value of disposed property, plant and equipment	12	9,364,914	7,176,053
Work in progress written off	12	422,493	-
		<u>9,787,407</u>	<u>7,176,053</u>
<b>Loss on transfer via 40 year finance lease</b>			
Book value of residential housing transferred	12	209,464	-
Work in progress written off	12	337,840	-
Less: initial recognition of lease	14	(460,902)	-
		<u>86,402</u>	<u>-</u>
<b>Loss on transfer of housing assets</b>			
Book value of housing assets transferred to beneficiaries under Land Holding Act Leases (LHA Leases)	12	1,087,109	846,275
Less: settlement price		-	-
		<u>1,087,109</u>	<u>846,275</u>
<b>Total capital expenses</b>		<u><u>10,960,918</u></u>	<u><u>8,022,328</u></u>

In the 2021-22 financial year, a new finance lease agreement was signed into with the Department of Housing and Public Works for 40-year lease housing assets and an initial recognition of finance leases has been reported. Some of the houses included in the lease are still in the process of being constructed at the date agreement was signed. As Council had a signed agreement in place, and the Department commenced lease payments for these properties, the lease receivable was recognised as at 30 June 2022. The cost of the construction to date has been written off as a capital expense during the year ended 30 June 2022 with the remaining costs to be written off in future years, as incurred.

**9 Cash and cash equivalents**

Cash at bank		13,342,658	11,422,936
Cash on hand		155,596	106,850
Deposits at call		1,468	1,461
Balance per Statement of Financial Position / Cash Flows		<u>13,499,722</u>	<u>11,531,247</u>
<b>Cash and cash equivalents</b>		13,499,722	11,531,247
Less: Externally imposed restrictions on cash	(i)	(10,530,982)	(8,597,078)
Unrestricted cash		<u>2,968,740</u>	<u>2,934,169</u>

Council's 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 the reporting date to the following cash assets:**

Unspent government grants and subsidies	(10,530,982)	(8,597,078)
Total unspent restricted cash	<u>(10,530,982)</u>	<u>(8,597,078)</u>

Cash and cash equivalents in the statement of cash flows includes cash on hand, all cash and cheques receipted but not banked at the year end and deposits held at call with financial institutions.

The Council may be exposed to credit risk through its investments in the QTC Cash Fund or other financial institutions in Australia. The QTC Cash Fund is an asset management portfolio that invests with a wide range of high credit rated counterparties. Deposits with the QTC Cash Fund are capital guaranteed. Other bank accounts are held with financial institutions, which are rated AA- based on rating agency Fitch Ratings, and whilst not capital guaranteed, the likelihood of a credit failure is assessed as remote. All investments are required to have a minimum credit rating of "A-", therefore the likelihood of the counterparty having capacity to meet its financial commitments is strong.

Cash and cash equivalents are held with Australian financial institutions - Commonwealth Bank and National Australia Bank, which are rated AA- by rating agency S&P, Aa3 by Moodys' and A+ by Fitch, whilst not capital guaranteed, the likelihood of a credit failure is assessed as remote.



**Kowanyama Aboriginal Shire Council**  
**Notes to the financial statements**  
for the year ended 30 June 2022

	Note	2022 \$	2021 \$
<b>10 Receivables</b>			
<b>Current</b>			
Trade debtors		1,846,007	1,188,657
Less impairment		(81,964)	(222,617)
Accrued revenue		774,940	622,350
Prepayments		20,921	18,835
		<u>2,559,904</u>	<u>1,607,225</u>
<b>Non-current</b>			
Security deposits		17,500	17,500
		<u>17,500</u>	<u>17,500</u>

Receivables are amounts owed to Council at year end. They are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase price / contract price. Settlement of these amounts is required within 30 days from invoice date.

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

All known bad debts were written-off at 30 June. The Council uses an allowance matrix to measure the expected credit losses of trade receivables from individual customers.

No interest is charged on trade and other receivables.

A summary of the Council's exposure to credit risk for trade receivables is as follows:

	2022 Not credit- impaired \$	2022 Credit-impaired \$	2021 Not credit- impaired \$	2021 Credit-impaired \$
Not past due	1,628,945	-	825,769	-
Past due 31-60 days	95,166	-	25,938	-
Past due 61-90 days	1,081	-	98,062	1,070
More than 90 days	38,851	81,964	16,271	221,547
Total gross carrying amount	<u>1,764,043</u>	<u>81,964</u>	<u>966,040</u>	<u>222,617</u>
Loss allowance	<u>-</u>	<u>(81,964)</u>	<u>-</u>	<u>(222,617)</u>
	<u>1,764,043</u>	<u>-</u>	<u>966,040</u>	<u>-</u>

Movement in accumulated impairment losses (other debtors) is as follows:

	2022	2021
Opening balance at 1 July	222,617	234,824
Less: Debts written off during the year	(10,937)	(1,328)
Additional impairments (reversed) / recognised	<u>(129,716)</u>	<u>(10,878)</u>
Closing balance at 30 June	<u>81,964</u>	<u>222,617</u>

**Expected credit loss assessment**

The Council uses an allowance matrix to measure the expected credit losses of all other trade receivables from individual customers, which comprise a large number of small balances. Council believes the impact to be not material due to the current impairments of the trade receivables balance.

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

**Kowanyama Aboriginal Shire Council**  
**Notes to the financial statements**  
for the year ended 30 June 2022

**10 Receivables (Continued)**

By the nature of the Council's operations, there is some geographical concentration of risk in the Council's area of Far North Queensland.

The Council does not require collateral in respect of trade and other receivables.

The exposure to credit risk for trade receivables by type of counterparty was as follows:

	Note	2022 \$	2021 \$
Corporate organisation		449,436	170,620
Community organisation		115,312	173,293
Other - Government		1,281,259	844,744
Total		<u>1,846,007</u>	<u>1,188,657</u>

**11 Inventories**

**Inventories held for sale**

Aviation fuel	56,913	53,016
Blue Café	-	20,671
Power cards	9,245	6,718
Other trading stocks	<u>16,678</u>	<u>33,482</u>
	<u>82,836</u>	<u>113,887</u>

**Inventories held for distribution**

Diesel fuel	86,686	23,124
Plant and equipment stores	462,553	600,741
Batching plant	<u>130,966</u>	<u>94,024</u>
	<u>680,205</u>	<u>717,890</u>

**Impairment**

Impairment	<u>(30,752)</u>	<u>(54,776)</u>
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**Total inventories**

<u>732,289</u>	<u>776,998</u>
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Stores and raw materials held for resale are valued at the lower of cost and net realisable value and include, where applicable, direct material, direct labour and an appropriate portion of variable and fixed overheads. Costs are assigned on the basis of weighted average cost.

Inventories held for distribution are:

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

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

12 Property, plant and equipment  
30 June 2022

Basis of measurement  
Fair value less depreciation

Asset revaluation

Opening gross value as at 1 July 2021

Additions

Disposals

Revaluation adjustment to asset revaluation surplus

Write-off of work in progress

Closing gross value as at 30 June 2022

Accumulated depreciation and impairment

Opening balance as at 1 July 2021

Depreciation expense

Depreciation on disposals

Revaluation adjustment to asset revaluation surplus

Impairment adjustment to asset revaluation surplus

Accumulated depreciation as at 30 June 2022

Total written down value as at 30 June 2022

Range of estimated useful life in years

Asset revaluation surplus

Opening balance 1 July 2021

Asset revaluation movement - Revaluation

Impairment adjustment to asset revaluation surplus

Closing balance 30 June 2022

	Buildings	Residential housing	Plant & equipment	Motor vehicles and heavy	Furniture and fixtures	Roads, drainage and culverts	Water	Sewerage	Other infrastructure	Work in progress	Total
	Fair value Level 3	Fair value Level 3	Cost	Cost	Cost	Fair value Level 3	Fair value Level 3	Fair value Level 3	Fair value Level 3	Cost	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening gross value as at 1 July 2021	43,650,425	27,064,445	5,073,062	3,253,054	170,405	17,325,517	5,250,957	9,024,734	17,232,257	2,983,593	256,741,915
Additions	-	-	-	-	-	-	-	-	-	14,503,440	14,503,440
Disposals	4,145,365	1,370,848	451,077	-	6,862	5,405,770	-	-	31,615	15,568,757	11,377,848
Revaluation adjustment to asset revaluation surplus	(115,062)	(2,051,203)	(170,180)	(22,303)	-	(8,402,957)	-	-	52,805	(4,664,906)	(13,996,504)
Write-off of work in progress	6,625,504	10,057,507	-	-	-	9,385,705	748,778	759,874	1,159,704	-	31,057,865
Closing gross value as at 30 June 2022	51,055,279	31,740,395	5,550,360	3,230,751	177,267	12,702,425	10,440,746	10,784,608	18,444,776	5,972,842	339,254,390
Accumulated depreciation and impairment											
Opening balance as at 1 July 2021	20,354,797	19,876,655	2,468,706	1,657,404	470,493	55,148,856	3,329,951	6,481,608	3,257,807	-	117,136,466
Depreciation expense	1,281,199	3,290,464	172,804	252,103	-	2,138,328	244,034	386,842	258,247	-	8,042,195
Depreciation on disposals	(132,613)	(2,354,611)	(170,180)	(22,303)	-	-	-	-	-	-	(2,680,113)
Revaluation adjustment to asset revaluation surplus	3,251,490	7,895,820	-	-	-	4,270,909	280,824	648,115	254,097	-	16,096,800
Impairment adjustment to asset revaluation surplus	-	-	-	-	-	417,559	-	-	-	-	417,559
Accumulated depreciation as at 30 June 2022	24,754,773	21,312,929	2,468,740	1,931,197	470,493	61,958,692	3,854,809	7,516,565	3,511,153	-	135,234,712
Total written down value as at 30 June 2022	26,300,506	10,427,466	3,081,620	1,300,554	176,774	6,743,733	6,585,937	3,268,043	14,933,623	5,972,842	203,999,678
Range of estimated useful life in years	1-48	2-45	0-30	0-10	0-5	0-99	4-64	0-38	3-145	-	-
Asset revaluation surplus											
Opening balance 1 July 2021	26,752,645	46,172,617	-	-	-	12,042,783	27,841,171	1,757,695	6,886,605	-	88,099,815
Asset revaluation movement - Revaluation	3,273,674	8,246,777	-	-	-	5,015,550	457,865	245,205	852,915	-	18,096,735
Impairment adjustment to asset revaluation surplus	-	-	-	-	-	(417,559)	-	-	-	-	(417,559)
Closing balance 30 June 2022	29,996,319	54,419,394	-	-	-	16,640,784	28,349,036	2,002,900	7,739,520	-	106,208,985

(i) The net adjustment of 541,759 relates to movements on the impairment adjustment for road damage in 2020-21 of 58,605,511 combined with the recognition of additional impairment of 58,154,566 for 2022 weather events offset by capital expenditure completed during the year of 17,720,266

12 Property, plant and equipment

30 June 2021

Basis of measurement

Fair value accounting

Asset values

Opening gross value as at 1 July 2020

Adjustment to opening gross value

Additions

- Renewals

- Other additions

Disposals

Revaluation adjustment to asset revaluation surplus

Written off work in progress

Closing gross value as at 30 June 2021

Accumulated depreciation and impairment

Opening balance as at 1 July 2020

Adjustment to opening accumulated depreciation

Depreciation expense

Depreciation disposals

Revaluation adjustment to asset revaluation surplus

Impairment adjustment to asset revaluation surplus

Accumulated depreciation as at 30 June 2021

Total written down value as at 30 June 2021

Range of estimated useful life in years

Asset revaluation surplus

Opening balance 1 July 2020

Asset revaluation movement - Revaluation

Impairment adjustment to asset revaluation surplus

Closing balance 30 June 2021

	Buildings	Asphalt paving	Plant & equipment	Motor vehicles and heavy equipment	Furniture and fixtures	Roads, drainage and culverts	Water	Sewerage	Other infrastructure assets	Work in progress	Total
	Fair value Level 3	Fair value Level 3	Cost	Cost	Cost	Fair value Level 3	Fair value Level 3	Fair value Level 3	Fair value Level 3	Cost	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening gross value as at 1 July 2020	41,650,190	55,580,160	2,609,145	2,604,369	470,493	11,579,331	8,453,680	9,586,540	13,682,100	4,808,157	253,621,358
Adjustment to opening gross value	-	(8,689,640)	-	-	-	-	-	-	-	-	(8,689,640)
Additions	-	-	-	-	-	-	-	-	-	14,000,113	14,000,113
- Renewals	-	2,251,172	-	-	-	6,203,802	509,490	134,277	-	(8,214,629)	-
- Other additions	1,385,215	-	297,650	650,170	-	406,388	97,650	96,725	-	(2,760,631)	-
Disposals	(1,259,787)	(8,881,311)	-	-	-	(9,255,420)	(175,710)	(120,100)	-	-	(14,072,727)
Revaluation adjustment to asset revaluation surplus	1,074,775	3,086,876	-	-	-	2,849,435	254,016	287,598	346,556	(107,251)	8,510,107
Written off work in progress	-	-	-	-	-	-	-	-	-	(107,251)	(107,251)
Closing gross value as at 30 June 2021	43,096,425	50,006,445	3,009,698	3,254,639	470,493	11,725,317	9,286,466	9,924,139	14,228,656	6,680,585	280,741,618
Accumulated depreciation and impairment											
Opening balance as at 1 July 2020	19,351,191	40,816,619	2,200,031	1,991,125	470,493	51,287,319	3,107,054	6,980,113	2,990,625	-	127,041,803
Adjustment to opening accumulated depreciation	-	(2,834,510)	-	-	-	-	-	-	-	-	(2,834,510)
Depreciation expense	1,263,205	3,314,215	218,155	290,976	-	2,082,590	219,216	373,364	251,815	-	7,945,735
Depreciation disposals	(1,137,598)	(8,081,724)	-	-	-	(7,204,771)	(141,995)	(87,113)	-	-	(9,653,996)
Revaluation adjustment to asset revaluation surplus	826,170	1,612,025	-	-	-	1,133,567	101,125	190,452	50,114	-	3,444,254
Impairment adjustment to asset revaluation surplus	-	-	-	-	-	6,605,511	-	-	-	-	6,605,511
Accumulated depreciation as at 30 June 2021	20,094,197	39,816,605	2,459,016	1,652,404	470,493	56,148,506	3,329,052	6,451,605	3,232,887	-	127,156,465
Total written down value as at 30 June 2021	23,158,225	48,077,705	507,052	1,652,404	-	5,576,811	5,957,414	3,472,534	10,995,769	6,680,585	153,585,153
Range of estimated useful life in years	1-42	2-25	0-30	0-10	0-5	0-99	4-24	2-38	3-145	-	-
Asset revaluation surplus											
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening balance 1 July 2020	23,834,138	46,028,085	-	-	-	18,160,217	2,330,490	1,658,802	6,422,262	-	98,125,173
Asset revaluation movement - Revaluation	942,105	2,051,255	-	-	-	1,515,517	159,002	67,114	290,215	-	5,053,254
Impairment adjustment to asset revaluation surplus	-	-	-	-	-	(9,955,511)	-	-	-	-	(9,955,511)
Closing balance 30 June 2021	24,776,243	48,079,340	-	-	-	18,720,223	2,489,492	1,725,916	6,712,477	-	98,125,173

(i) The adjustment of \$6,605,511 relates to road damage as a result of weather events in early 2021. As at 30 June 2021, the level of damage has been assessed by the Queensland Reconstruction Authority but the work has not yet been undertaken to restore the road.



**Kowanyama Aboriginal Shire Council**  
**Notes to the financial statements**  
for the year ended 30 June 2022

**12 Property, plant and equipment (Continued)**

**(a) Recognition**

Purchases of property, plant and equipment are recognised as assets unless they are below the asset recognition threshold or maintenance expenditure.

Individual assets valued below the asset recognition threshold are recognised as an asset if connected to a larger network, for example the components of parks.

Acquisition of assets

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

Property, plant and equipment received in the form of contributions, are recognised as assets and revenues at fair value by Council valuation where that value exceeds the recognition thresholds for the respective asset class. Fair value means the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Capital and operating expenditure

Direct labour and materials and an appropriate proportion of overheads incurred in the acquisition or construction of assets are treated as capital expenditure. Assets under construction are not depreciated until they are completed and commissioned, at which time they are reclassified from work in progress to the appropriate class of property, plant and equipment.

Deed of Grant in Trust Land

The Council is located on land assigned to it under a Deed of Grant in Trust (DOGIT) under Section 341 of the *Land Act 1994*. It comprises an area of approximately 252,000 hectares.

The land is administered by the Department of Natural Resources and Mines and the Council has restricted use of this land for the benefit of shire inhabitants. The DOGIT land has not been taken up in the Council's assets as it cannot be reliably measured.

A portion of the DOGIT land (2,477 m<sup>2</sup>) is leased to the State Government pursuant to the Indigenous Housing Arrangement (40 year lease).

**(b) 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 less, where applicable, any accumulated depreciation and accumulated impairment loss.

Cost is determined as the fair value of consideration plus costs incidental to the acquisition. Direct labour, materials and an appropriate portion of overheads incurred in the acquisition or construction of assets are also included as capital costs.

Property, plant and equipment received in the form of contributions, for significantly less than fair value or as offsets to infrastructure charges are recognised as assets and revenue at fair value.

Capital work in progress

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

**(c) Depreciation**

Assets are depreciated from the date of acquisition or when an asset is ready for use.

Depreciation, where applicable, is calculated on a straight-line basis such that the cost of the asset less its residual value is recognised progressively over its estimated useful life to Council. Management believe that the straight-line basis appropriately reflects the pattern of consumption of all Council assets.

Where assets have separately identifiable components, these components have separately assigned useful lives.

**Kowanyama Aboriginal Shire Council**  
**Notes to the financial statements**  
for the year ended 30 June 2022

**12 Property, plant and equipment (Continued)**

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.

**Key judgments and estimates:**

Straight line depreciation is used as that is consistent with the even consumption of service potential of these assets over their useful life to the Council.

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

**(d) Impairment**

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

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

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

**(e) Valuation**

**Key judgments and estimates:**

Some of the Council's assets and liabilities are measured at fair value for financial reporting purposes.

In estimating the fair value of an asset or a liability, the Council uses market-observable data to the extent it is available and other inputs as necessary.

Buildings, residential housing and all infrastructure assets are measured on the revaluation basis, at fair value, in accordance with AASB 116 *Property, Plant & Equipment* and AASB 13 *Fair Value Measurement*. Other plant and equipment, motor vehicles and heavy equipment, furniture and fittings and work in progress are measured at cost.

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

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

Council considers the carrying amount of its property, plant and equipment on an annual basis compared to fair value and makes adjustment where these are materially different. This is achieved by engaging independent, professionally qualified valuers to determine the fair value for each class of property, plant and equipment assets at least once every five years. This process involves the valuer physically sighting a representative sample of Council assets across all asset classes and making their own assessments of the condition of the assets at the date of inspection.

In the intervening years, management engage independent, professionally qualified valuers to perform a "desktop" valuation. A desktop valuation involves management providing updated information to the valuer regarding additions, deletions and changes in assumptions such as useful life, residual value and condition rating. The valuer then determines suitable indices which are applied to each of these asset classes.

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

**Kowanyama Aboriginal Shire Council**  
**Notes to the financial statements**  
for the year ended 30 June 2022

**12 Property, plant and equipment (Continued)**

Revaluation increases are recognised in the asset revaluation surplus unless they are reversing a previous decrease which was taken through the income statement, in that case the increase is taken to the income statement to the extent of the previous decrease.

Revaluation decreases are recognised in the asset revaluation surplus, where there is sufficient amount available in the asset revaluation surplus relating to that asset class. Where there isn't sufficient amount available in the surplus, the decrease is recognised in the statement of comprehensive income.

Where the class of asset has previously decreased in value and this reduction was recognised as an expense, an increase in the value of the class is recognised in the statement of comprehensive income.

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.

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

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.

Details of valuers and methods of valuations are disclosed in Note 12.

**Kowanyama Aboriginal Shire Council**  
**Notes to the Financial Statements**  
**for the year ended 30 June 2022**

**12 Property, plant and equipment (Continued)**

**Fair value measurement**

**(i) Recognised fair value measurements**

Fair values are classified into three levels as follows:

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

The fair values of the assets are determined using valuation techniques which maximise the use of observable data, where it is available, and minimise the use of entity specific estimates. If all significant inputs required to fair value an asset are observable, the asset is included in level 2. If one or more of the significant inputs is not based on observable market data, the asset is included in level 3. This is the case for Council buildings and infrastructure assets, which are of a specialist nature for which there is no active market for similar or identical assets. These assets are valued using a combination of observable and unobservable inputs.

Accordingly all Council assets included in property, plant and equipment classes shown at fair value are categorised as level 3 (2021: 100% level 3). There were no transfers between categories during the year (2021: Nil). Council's policy is to recognise transfers in and out of the fair value hierarchy as at the end of the reporting period.

**(ii) Valuation techniques used to derive fair values for level 3 valuations**

Council reviews the valuation methodology annually to ensure compliance with the requirements of AASB13 *Fair Value Measurement*.

Specific valuation techniques used to value Council assets comprise:

Asset class and fair value hierarchy	Valuation approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in index recognised this year)
Buildings and residential housing (level 3)	Current replacement cost (CRC)	30-Jun-20	Jones Lang LaSalle (JLL)	<p>Council's buildings are of a specialist nature and there is no active market as they are held to provide essential services to the community. The majority of building and other structure asset values have been based on the current replacement cost method of valuation. This involves determining a replacement cost for the asset and making an assessment on the condition, age and remaining life of the asset.</p> <p>Replacement costs are determined by using Rawlinson's Australian Construction Handbook. This guide outlines construction costs for a wide range of assets and locations. Construction costs are based on published construction cost guides and construction costs provided by the Department of Housing and Public Works of homes built within remote communities in recent years. Considerations in the calculations have been the type and the size of the structure, construction materials used, level of finish, fixtures installed within, and the location of the asset. Where buildings in the Kowanyama Shire have recently been constructed, the construction cost has also been taken into consideration. Rawlinson's Construction Handbook provides capital city replacement cost rates and regional loading percentages.</p>	<p>An increase of 15.00% for the Buildings - Corporate class and an increase of 19.00% for Residential Housing has been adopted.</p> <p>This is based on composite price movements in labour, materials and overheads relevant to typical Council buildings over the period. Reference has been made to published indices including Rawlinson's Building Cost Index Brisbane, house construction PPI (Queensland), building construction PPI (Queensland), other residential building construction PPI (Queensland) and non-residential building construction PPI (Queensland).</p> <p>Council considered the indices recommended by the external valuer and incorporated the most up to date available information at the time of preparing the financial statements. The significant increases in the for the final quarter of the 2021-22 financial year have been reflected in the indexation percentages applied.</p>



12 Property, plant and equipment (Continued)

Asset class and fair value hierarchy	Valuation approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in index recognised this year)
Roads, drainage and culverts (level 3)	Current replacement cost (CRC)	30-Jun-20	Jones Lang LaSalle (JLL)	<p>There is no market for Council's infrastructure assets as these are held to provide essential services to the community. For the purpose of assessing the fair value for financial reporting purposes value has been determined primarily by using the written down current replacement cost methodology. Considerations in the calculations have been the type and the size of the individual infrastructure assets, construction materials used, level of finish, fixtures installed within, and the location of the assets. As the subject assets are located in a regional area, somewhat removed from the nearest provincial city of Cairns, and far removed from Queensland's capital city of Brisbane, a cost increase over and above that applicable to the nearest provincial city or in relation to a Brisbane cost index is necessary to account for the increase in replacement cost due to transportation of labour and materials from the nearest supply centre, and also the cost of specialised labour and contractors necessary for the construction work.</p> <p>Unit rates have been developed by summing each component which goes into producing a unit (be it metres, square metres, tonnes, etc.) of an asset. The major components of any asset are the raw materials, plant, labour and intangibles. These unit costs have then been applied to known measurements of the assets to produce a replacement cost, which is then depreciated to estimate the fair value.</p> <p>The road network has been segmented into individually significant components. Unit rates are applied to the individual road components base, pavement, surface and kerb of each road in order to determine the replacement cost.</p>	An increase of 8.0% has been adopted for roads and other infrastructure. These movements reflect the movements in unit rate/tender pricing for materials, labour and overheads and general consensus of price movements for projects within Cape York. Also, reference has been made to the published index of road and bridge construction PPI (Queensland).
Water and sewerage (level 3)	Current replacement cost (CRC)	30-Jun-20	Jones Lang LaSalle (JLL)	<p>The water and sewerage assets are segregated into active and passive assets; passive assets are not further componentised and consist primarily of mains. Unit rates are applied based on similar recent project costs from other entities, unit rate databases, indices, Rawlinson's Construction rates and quotations.</p> <p>Consistent with roads, it is assumed that environmental factors such as soil type, climate and topography are consistent across each segment and that a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials. Where assets are located underground and physical inspection is not possible, the age, size and type of construction material, together with current and planned maintenance records are used to determine the fair value at reporting date.</p>	An increase of 8.00% has been adopted for water & sewer assets. These movements reflect the movements in unit rate/tender pricing for materials, labour and overheads and general consensus of price movements for projects within Cape York. Also, reference has been made to the published index of other heavy and civil construction PPI (Queensland).
Other infrastructure assets (level 3)	Current replacement cost (CRC)	30-Jun-20	Jones Lang LaSalle (JLL)	The replacement cost of all assets which as a group represent other infrastructure assets has been estimated through first principles, namely summing together the costs of materials, labour and overheads which were established through contact with suppliers. Council and having reference to recently constructed project costs and publicly available reference material, having regard to the location and condition.	An increase of 8.0% has been adopted for roads and other infrastructure. These movements reflect the movements in unit rate/tender pricing for materials, labour and overheads and general consensus of price movements for projects within Cape York. Also, reference has been made to the published index of other heavy and civil construction PPI (Queensland).

(iii) Valuation processes

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

**Kowanyama Aboriginal Shire Council**  
**Notes to the financial statements**  
**for the year ended 30 June 2022**

**13 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 the grantor. Where Council has invoiced the customer or the grantor amounts in excess of what it has incurred in relation to a contract or in constructing an asset, this gives rise to a contract liability.

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.

	2022	2021
	\$	\$
<b>a Contract assets</b>	<u>529,259</u>	<u>809,979</u>
<b>b Contract liabilities</b>		
Funds received upfront to construct Council controlled assets	5,272,751	6,614,003
Non-capital performance obligations not yet satisfied	<u>18,306</u>	<u>132,621</u>
	<u>5,291,057</u>	<u>6,746,624</u>
Current contract liabilities	<u>5,291,057</u>	<u>6,746,624</u>
	<u>5,291,057</u>	<u>6,746,624</u>
Revenue recognised that was included in the contract liability balance at the beginning of the year		
Funds to construct Council controlled assets	4,310,625	5,783,662
Non-capital performance obligations not yet satisfied	<u>120,497</u>	<u>22,388</u>
	<u>4,431,122</u>	<u>5,806,050</u>
<b>c Significant changes in contract balances</b>		

Decrease in contract liabilities was due to the completion of Works for Queensland 2020-21 and DRFA REPA 2020 projects and ongoing progress on the Interim Remote Capital Program (Housing) project.

**14 Leases**

**Council as a lessee**

Council has a lease in place over one building and two pastoral leases for land. Council has applied the exception to lease accounting for leases of low-value assets and short-term leases.

Where Council assesses that an agreement contains a lease, a right of use asset and lease liability is recognised on inception of the lease. Council does not separate lease and non-lease components for any class of assets and has accounted for lease payments as a single component.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives received. The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

The lease liability is initially recognised at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Council's incremental borrowing rate for a similar term with similar security is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is re-measured whether there is a lease modification, or change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI).

Where the lease liability is re-measured, the right-of-use asset is adjusted to reflect the re-measurement.

**Terms and conditions of leases**

**Building**

Council leases one building which is used for offices and storage. The lease is for 7 years and contains a renewal option which is considered reasonably certain to be exercised at Council's discretion. During the year, the Council availed of the renewal option and the contract amendment contains another 5 year renewal option available to the Council.

The lease includes a fixed annual increase and is subject to annual CPI increases.

**Land**

Council has two pastoral leases for Oriners - Crown Plan CTH804427 Lot 29 expiring on 31 December 2049 and Seftons- Crown Plan CTH804427 - Lot12 expiring 31 December 2055.

**Kowanyama Aboriginal Shire Council**  
**Notes to the financial statements**  
for the year ended 30 June 2022

**14 Leases (Continued)**

**Right of use assets**

	<b>Pastoral Leases</b>	<b>Building - Office Space</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at 1 July 2021	175,558	367,164	542,722
Additions to right-of-use assets	-	300,819	300,819
Net adjustment due to remeasurement of lease liabilities	-	36,579	36,579
Depreciation charge	(5,600)	(63,592)	(69,192)
Balance at 30 June 2022	169,958	642,970	812,928
Balance at 30 June 2020	181,158	438,563	619,721
Depreciation charge	(5,600)	(62,343)	(67,943)
Net adjustment due to remeasurement of lease liabilities	-	(9,056)	(9,056)
Balance at 30 June 2021	175,558	367,164	542,722

**Lease liabilities**

The table below shows the maturity analysis of the lease liabilities based on contractual cashflows and therefore the amounts will not be the same as the recognised lease liability in the statement of financial position.

	<b>&lt; 1 year</b>	<b>1 to 5 years</b>	<b>&gt; 5 years</b>	<b>Total</b>	<b>Total per statement of financial position (\$)</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>2022</b>	78,205	391,025	286,752	755,982	672,423
<b>2021</b>	74,637	348,306	-	422,943	395,535

**Amounts included in the statement of comprehensive income related to leases**

The following amounts have been recognised in the statement of comprehensive income for leases where Council is the lessee:

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Interest on lease liabilities	13,018	7,640
Depreciation of right of use assets	69,192	67,943
	<u>82,210</u>	<u>75,583</u>
<b>Total cash outflows for leases</b>	<b>75,529</b>	<b>74,125</b>

**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.

If the lease contains lease and non-lease components the non-lease components are accounted for in accordance with *AASB 15 Revenue from Contracts with Customers*.

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

**Finance lease:**

Leases of property under which the Council as lessor transfers substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are classified as finance leases.

Council has leased 70 (2021: 66) dwellings as lessor to the Queensland Government for 40 years. The total lease payment per dwelling in the current year was \$2,800 for 4 properties under a first lease agreement entered into in the current year, \$3,415 (2021: \$3,358) for 6 properties under a first lease agreement entered into in 2010/11, \$3,229 (2021: \$3,174) for 32 properties under a second lease agreement entered into in 2013/14 and \$2,971 (2021: \$2,921) for 28 properties under a third lease agreement entered into in 2017/18. These lease payments are required to be adjusted each year by the change in the Consumer Price Index (All Groups) for Brisbane. As the gross lease payments are insufficient to cover the fair value (depreciated replacement cost) of the leased properties, there is no interest rate implicit in the leases and therefore no finance income will arise from the leases. Consequently, the leases are recognised at the present value of the expected future lease payments receivable (fair value).

**Kowanyama Aboriginal Shire Council**  
**Notes to the financial statements**  
for the year ended 30 June 2022

**14 Leases (Continued)**

	2022	2021
Note	\$	\$
Lease receivables- current		
Finance leases receivable	230,637	207,003
	<u>230,637</u>	<u>207,003</u>
Lease receivables - non-current		
Finance leases receivable	7,558,441	4,975,956
	<u>7,558,441</u>	<u>4,975,956</u>
A reconciliation between the gross investment in the lease and the fair value of lease payments is as follows:		
Gross minimum lease payments receivable:		
Not later than one year	230,637	207,003
Later than one year but not later than five years	922,547	828,010
Later than five years	6,457,738	5,930,299
	<u>7,610,922</u>	<u>6,965,312</u>
Add: Estimated contingent rent	5,842,422	2,860,497
Less: Present value adjustment	(5,664,266)	(4,642,850)
Fair value of lease payments	<u>7,789,078</u>	<u>5,182,959</u>
The fair value of lease payments is receivable as follows:		
Not later than one year	230,637	207,003
Later than one year but not later than five years	925,850	789,621
Later than five years	6,632,590	4,186,335
	<u>7,789,077</u>	<u>5,182,959</u>
Movements in finance leases were as follows:		
Opening balance	5,182,959	5,401,473
Add: Initial recognition of new leases	460,902	-
Less: Lease receipts	(207,003)	(203,500)
Add: (Loss) / gain on revaluation	2,352,220	(15,014)
Closing balance	<u>7,789,078</u>	<u>5,182,959</u>

Whilst the lease payment amounts are documented in the lease agreements (level 2), the calculation of the fair value of these assets is at the net present value incorporating an average annual CPI increase and discount rate which are both unobservable inputs (level 3). It is considered that these other inputs are significant to the valuation therefore the overall valuation has been classified as level 3.

Finance leases are recognised at the present value of the expected future lease payments receivable (fair value).

The calculation of fair value includes annual CPI increases of 3.28% based on an estimated average of RBA's forecast and target inflation rate (2021: 2.0% RBA's target inflation rate) and discounted using Commonwealth Government Bond yield rates averaging 3.13% (2021: Milliman G100 discount rate mid point 3.96%).

Finance leases are to the State of Queensland, represented by the Department of Housing and Public Works. The likelihood of this counterparty not having capacity to meet its financial commitments is considered low.

**Kowanyama Aboriginal Shire Council**  
**Notes to the financial statements**  
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**14 Leases (Continued)**

Movements on revaluation of finance lease assets are recognised as other income/expenses.

Rent from Council's building assets is recognised as income on a periodic straight line basis over the lease term.

	2022	2021
	\$	\$
Property income (excluding variable lease payments not dependent on an index or rate)	-	51,000

The prior year property incomes relates to rental charges where a credit note has been issued during the 2021-22 year with no additional property income charged.

There is nil unearned finance income, unguaranteed residual values accruing to the benefit of Council or accumulated allowance for uncollectible minimum lease payments receivable recognised as income applicable to the leases.

**15 Payables**

	2022	2021
	\$	\$
<b>Current</b>		
Creditors and accruals	2,150,919	2,179,971
GST payable	97,619	141,396
Time off in lieu of overtime (TOIL)	20,410	43,417
Other payables	17,643	22,878
Security deposit	74,942	39,080
	<u>2,361,533</u>	<u>2,426,742</u>

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

**Salaries and wages**

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

**16 Borrowings**

	2022	2021
	\$	\$
<b>Current</b>		
Loans - Queensland Treasury Corporation	136,570	132,808
	<u>136,570</u>	<u>132,808</u>
<b>Non Current</b>		
Loans - Queensland Treasury Corporation	1,243,009	1,379,731
	<u>1,243,009</u>	<u>1,379,731</u>
<b>Loans - Queensland Treasury Corporation</b>		
Opening balance at beginning of financial year	1,512,539	1,641,837
Principal repayments	(132,960)	(129,296)
Book value at end of financial year	<u>1,379,579</u>	<u>1,512,539</u>

The QTC loan market value at the reporting date was \$1,307,378. This represents the value of the debt if Council repaid it at that date.

In accordance with the *Local Government Regulation 2012* Council adopts an annual debt policy that sets out Council's planned borrowings for the next nine years. Council's current policy is to only borrow for capital projects and for a term no longer than the expected life of the asset. Council also aims to comply with the Queensland Treasury Corporation's borrowing guidelines and ensure that sustainability indicators remain within acceptable levels at all times. All borrowing costs are expensed in the period in which they are incurred. No borrowing costs are capitalised on qualifying assets.



**Kowanyama Aboriginal Shire Council**  
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**17 Provisions**

	<b>2022</b>	<b>2021</b>
<b>Note</b>	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Long service leave	264,095	214,511
Annual leave	559,009	559,788
	<u>823,104</u>	<u>774,299</u>
<b>Non-current</b>		
Landfill restoration	2,674,933	3,515,514
Long service leave	110,032	109,594
	<u>2,784,965</u>	<u>3,625,108</u>
<b>Landfill restoration</b>		
Balance at beginning of financial year	3,515,514	2,924,315
Increase (decrease) in provision due to change in discount rate or unit cost	(840,581)	591,199
Balance at end of financial year	<u>2,674,933</u>	<u>3,515,514</u>

Landfill restoration provision

A provision is made for the cost of rehabilitation of assets and other future restoration costs where it is probable Council will be liable, or required, to incur costs on the cessation of use of these facilities.

The provision represents the present value of the anticipated future costs associated with the closure of landfill sites in accordance with environmental licence conditions. The calculation of this provision requires assumptions such as application of environmental legislation, site closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from amounts currently provided. Because of the long-term nature of the liability, the most significant uncertainty in estimating the provision is the costs that will be incurred. The provision recognised for landfill sites is reviewed at least annually and updated based on the facts, estimates and circumstances available at the time.

The expected closure date of the current landfill site has been assessed as at 30 June 2036.

The total projected cost of \$2,799,005 is expected to be incurred between 2036 and 2065. The figure excludes rehabilitating landfill cells on existing sites that are yet to be constructed or used, but which are in the current site plan.

The calculation of fair value includes annual CPI increases of 3.28% based on an estimated average of RBA's forecast and target inflation rate (2021: 2.0% RBA's target inflation rate) and discounted using Commonwealth Government Bond yield rates (2021: Milliman G100 discount rates).

Long service leave

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

Where employees have met the prerequisite length of service and Council does not have an unconditional right to defer this liability beyond 12 months, long service leave is classified as a current liability. Otherwise it is classified as non-current.

Annual leave

A liability for annual leave is recognised. Amounts expected to be settled within 12 months are calculated on current wage and salary levels and include related employee on-costs, and are discounted to present values, if considered material. As Council does not have an unconditional right to defer this liability beyond 12 months annual leave is classified as a current liability. This liability represented an accrued expense and is reported as a provision.

**18 Commitments for expenditure**

**Contractual commitments**

Contractual commitments at the end of the financial year but not recognised in the financial statements are as follows:

Within one year	8,013,565	1,731,661
	<u>8,013,565</u>	<u>1,731,661</u>

Capital commitments relate to scheduled capital projects and construction.

**19 Contingent liabilities**

**Local Government Workcare**

The Council is a member of the Queensland local government worker's compensation self-insurance scheme, Local Government Workcare. Under this scheme the Council has provided an indemnity towards a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled and there was insufficient funds available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise. At 30 June 2022 the Council's maximum exposure to the bank guarantee is \$261,107 (2021: \$234,724).

**Kowanyama Aboriginal Shire Council**  
**Notes to the financial statements**  
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**20 Superannuation**

Council contributes to the Brighter Super (previously know as LGIA Super). Brighter Super is a Multiemployer Plan as defined in Australian Accounting Standard AASB 119 Employee Benefits. 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 funds and so is not exposed to the obligations, assets or costs associated with these funds. Council has employees who are members of the accumulated benefits fund.

		2022	2021
	Note	\$	\$
Superannuation contributions made to the LGIA Accumulated Benefits Fund		710,116	573,808
Other superannuation contributions to other Accumulated Benefits Funds		129,852	218,943
Total superannuation contributions paid by Council for employees:	6	<u>839,968</u>	<u>792,751</u>

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

**21 Reconciliation of net result for the year to net cash inflow (outflow) from operating activities**

		2022	2021
	Note	\$	\$
Net result		4,147,639	(1,474,490)
Non-cash items:			
Depreciation and amortisation - property, plant and equipment	12	8,042,796	7,949,736
Depreciation and amortisation - right of use assets	14	69,192	67,943
Reversal of impairment of trade and other receivables	10	(140,653)	(12,207)
Interest on lease liabilities	14	13,018	7,640
Loss/(gain) on revaluation of finance leases	14	(2,352,220)	15,014
		<u>5,632,133</u>	<u>8,028,128</u>
Investing and development activities:			
Net loss on disposal of non-current assets	8	10,661,487	8,022,328
Write off of work in progress	12	760,333	101,251
Capital income	5	-	(1,000)
Capital grants and contributions	4(b)	<u>(15,164,458)</u>	<u>(13,177,895)</u>
		<u>(3,742,638)</u>	<u>(5,055,316)</u>
Changes in operating assets and liabilities:			
(Increase) / decrease in receivables		(812,026)	(794,857)
(Increase) / decrease in contract assets		(39,293)	-
(Increase) / decrease in inventory		44,709	(100,076)
(Increase) / decrease in lease receivables	8	(460,902)	-
(Increase) / decrease in right of use asset		(339,398)	9,056
(Increase) / decrease in other assets		-	-
Increase/(decrease) in payables		(65,209)	143,749
Increase/(decrease) in contract liabilities		(114,315)	110,234
Increase/(decrease) in lease liabilities		263,870	(83,182)
Increase/(decrease) in other provisions		<u>(791,338)</u>	<u>676,310</u>
		<u>(2,313,902)</u>	<u>(38,766)</u>
Net cash inflow / (outflow) from operating activities		<u><u>3,723,232</u></u>	<u><u>1,459,554</u></u>

**Kowanyama Aboriginal Shire Council**  
**Notes to the financial statements**  
for the year ended 30 June 2022

**22 Reconciliation of liabilities arising from finance activities**

	As at 30 June 2021	Change in accounting policy	Cash flows	Non-cash changes	As at 30 June 2022
<b>2022</b>					
Borrowings	1,512,539	-	(132,960)	-	1,379,579
Lease liabilities	395,535	-	(75,529)	352,417	672,423
	<u>1,908,074</u>	<u>-</u>	<u>(208,489)</u>	<u>352,417</u>	<u>2,052,002</u>
<b>2021</b>					
	As at 30 June 2020	Change in accounting policy	Cash flows	Non-cash changes	As at 30 June 2021
Borrowings	1,641,838	-	(129,298)	-	1,512,539
Lease liabilities	471,078	-	(74,125)	(1,418)	395,535
	<u>2,112,916</u>	<u>-</u>	<u>(203,423)</u>	<u>(1,418)</u>	<u>1,908,074</u>

**23 Events after the reporting period**

To the best of Council's knowledge at the date of this financial report, there are no post balance date events that are likely to have a material impact on the financial statements.

**24 Correction of errors**

**Residential housing transferred to beneficiaries under Katter Leases**

It has been identified that a number of residential houses have been transferred to beneficiaries under the Land Holding Act 2013 "the Act" (intended to protect and continue all perpetual leases under the Aborigines and Torres Strait Islander (Land Holding) Act 1985 or "Katter Leases"). The transfers were completed on various dates over the period from 2017 until the current time.

Under the arrangement, the correct accounting treatment for the residential houses transferred under the Act should be the removal of the houses from the Council assets register. As these transfers had not previously been identified the houses have remained in the balance of property, plant and equipment.

The impact of this error results in an overstatement of property, plant and equipment, depreciation expense, revaluation reserve and opening retained earnings as at 1 July 2020 and an understatement of capital expenses as a result of the disposal of residential housing assets. The adjustments are as follows:

**Reconciliation of restated comparatives as at 30 June 2021**

	Previous 2021 \$	Correction \$	Restated 2021 \$
<b>Statement of Comprehensive Income</b>			
<b>Expenses</b>			
Depreciation expense	(8,233,928)	284,190	(7,949,738)
<b>Total recurrent expenses</b>	<u>(23,972,066)</u>	<u>284,190</u>	<u>(23,687,876)</u>
<b>Capital expenses</b>	(7,176,053)	(846,275)	(8,022,328)
<b>Total expenses</b>	<u>(31,148,119)</u>	<u>(562,085)</u>	<u>(31,710,204)</u>
<b>Net result</b>	<u>(912,405)</u>	<u>(562,085)</u>	<u>(1,474,490)</u>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to net result</b>			
Increase in asset revaluation surplus	(1,385,466)	(204,291)	(1,589,757)
<b>Total comprehensive income for the year</b>	<u>(2,297,871)</u>	<u>(766,376)</u>	<u>(3,064,247)</u>

**Kowanyama Aboriginal Shire Council**  
**Notes to the financial statements**  
for the year ended 30 June 2022

	Previous 2021 \$	Correction \$	Restated 2021 \$
<b>Statement of Financial Position</b>			
<b>Non-current assets</b>			
Property, plant and equipment	163,435,625	(4,830,475)	158,605,150
<b>Total non-current assets</b>	<b>168,971,803</b>	<b>(4,830,475)</b>	<b>164,141,328</b>
<b>Total assets</b>	<b>183,904,256</b>	<b>(4,830,475)</b>	<b>179,073,781</b>
<b>Net community assets</b>			
<b>168,423,410</b>	<b>(4,830,475)</b>	<b>163,592,935</b>	
<b>Community equity</b>			
Asset revaluation surplus	96,740,706	(204,291)	96,536,415
Retained surplus	71,682,704	(4,626,184)	67,056,520
<b>Total community equity</b>	<b>168,423,410</b>	<b>(4,830,475)</b>	<b>163,592,935</b>
<b>Reconciliation of restated balances as at 1 July 2020</b>			
	Previous 2020 \$	Correction \$	Restated 1 July 2020 \$
<b>Statement of Financial Position</b>			
<b>Non-current assets</b>			
Property, plant and equipment	166,281,551	(4,064,100)	162,217,451
<b>Total non-current assets</b>	<b>172,116,745</b>	<b>(4,064,100)</b>	<b>168,052,645</b>
<b>Total assets</b>	<b>184,646,340</b>	<b>(4,064,100)</b>	<b>180,582,239</b>
<b>Net community assets</b>	<b>170,721,283</b>	<b>(4,064,100)</b>	<b>166,657,183</b>
<b>Community equity</b>			
Asset revaluation surplus	98,126,173	-	98,126,173
Retained surplus	72,595,110	(4,064,100)	68,531,010
<b>Total community equity</b>	<b>170,721,283</b>	<b>(4,064,100)</b>	<b>166,657,183</b>

**Kowanyama Aboriginal Shire Council**  
**Notes to the financial statements**  
For the year ended 30 June 2022

**25 Financial instruments and financial risk management**

**Financial assets and financial liabilities**

Kowanyama Aboriginal Shire Council has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

**Risk management framework**

Kowanyama Aboriginal Shire Council is responsible for the establishment and oversight of the risk management framework, together with developing and monitoring risk management policies.

Council's Audit and Risk committee approves policies for overall risk management, as well as specifically for managing credit, liquidity and market risk.

Council's risk management policies are established to identify and analyse the risks faced, to set appropriate limits and controls and to monitor these risks and adherence against limits. The Council aims to manage volatility to minimise potential adverse effects on the financial performance of the Council.

Council's Audit and Risk Committee oversees how management monitors compliance with the Council's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Council. The Council Audit and Risk Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit and risk committee.

Kowanyama Aboriginal Shire Council does not enter into derivatives.

**Credit risk**

Credit risk is the risk of financial loss if a counterparty to a financial instrument fails to meet its contractual obligations. These obligations arise principally from the Council's investments and receivables from customers.

Exposure to credit risk is managed through regular analysis of credit counterparty ability to meet payment obligations. The carrying amount of financial assets represents the maximum credit exposure.

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



**Kowanyama Aboriginal Shire Council**  
**Notes to the financial statements**  
For the year ended 30 June 2022

**25 Financial instruments and financial risk management (Continued)**

**Liquidity risk**

Liquidity risk is the risk that the Council will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Council's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Council's reputation

*Exposure to liquidity risk*

Kowanyama Aboriginal Shire Council is exposed to liquidity risk through its normal course of business and through its borrowings with QTC.

Council manages its exposure to liquidity risk by maintaining sufficient cash deposits and undrawn facilities, both short and long term, to cater for unexpected volatility in cash flows. These facilities are disclosed in note 16.

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Overdraft - QTC working capital facility	2,150,000	2,150,000
Available at 30 June	770,421	637,460

The following table sets out the liquidity risk in relation to financial liabilities excluding lease liabilities held by the Council. It represents the remaining contractual cashflows (principal and interest) of financial liabilities at the end of the reporting period, excluding the impact of netting agreements:

	<b>0 to 1 year</b>	<b>1 to 5 years</b>	<b>Over 5 years</b>	<b>Total contractual cash flows</b>	<b>Carrying amount</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>2022</b>					
Trade and other payables	2,150,919	-	-	2,150,919	2,150,919
Loans - QTC	173,769	695,074	695,074	1,563,917	1,379,579
	<u>2,324,688</u>	<u>695,074</u>	<u>695,074</u>	<u>3,714,836</u>	<u>3,530,498</u>
<b>2021</b>					
Trade and other payables	2,179,971	-	-	2,179,971	2,179,971
Loans - QTC	173,769	695,074	868,843	1,737,686	1,512,539
	<u>2,353,740</u>	<u>695,074</u>	<u>868,843</u>	<u>3,917,657</u>	<u>3,692,510</u>

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

**Kowanyama Aboriginal Shire Council**  
**Notes to the financial statements**  
For the year ended 30 June 2022

**25 Financial instruments and financial risk management (Continued)**

**Market risk**

Market risk is the risk that changes in market prices, such as interest rates, will affect Council's income or the value of its holdings of financial instruments.

*Interest rate risk*

Kowanyama Aboriginal Shire Council is exposed to interest rate risk through investments and borrowings with QTC, National Australia Bank and Commonwealth Bank Australia.

Council has access to a mix of variable and fixed rate funding options through QTC so that interest rate risk exposure can be minimised.

*Sensitivity*

Sensitivity to interest rate movements is shown for variable financial assets and liabilities based on the carrying amount at reporting date.

Council does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss, therefore a change in interest rates at the reporting date would not affect profit or loss.

The following interest rate sensitivity analysis depicts what effect a reasonably possible change in interest rates (assumed to be 1%) would have on the result and equity, based on the carrying values at the end of the reporting period. The calculation assumes that the change in interest rates would be held constant over the period.

	Net carrying amount	Effect on Net Result		Effect on Equity	
		1% increase	1% decrease	1% increase	1% decrease
	\$	\$	\$	\$	\$
<b>2022</b>					
Cash at bank	13,342,658	133,427	(133,427)	133,427	(133,427)
QTC cash fund	1,468	15	(15)	15	(15)
Loans - QTC	(1,379,579)	(13,796)	13,796	(13,796)	13,796
<b>Net total</b>		119,645	(119,645)	119,645	(119,645)

	Net carrying amount	Effect on Net Result		Effect on Equity	
		1% increase	1% decrease	1% increase	1% decrease
	\$	\$	\$	\$	\$
<b>2021</b>					
Cash at bank	11,422,936	114,229	(114,229)	114,229	(114,229)
QTC cash fund	1,461	15	(15)	15	(15)
Loans - QTC	(1,512,539)	(15,125)	15,125	(15,125)	15,125
<b>Net total</b>		99,119	(99,119)	99,119	(99,119)

**Fair value**

The fair value of trade and other receivables and payables is assumed to approximate the value of the original transaction, less any allowance for impairment.

The fair value of borrowings with QTC is based on the market value of debt outstanding. The market value of a debt obligation is the discounted value of future cash flows based on prevailing market rates and represents the amount required to be repaid if this was to occur at balance date. The market value of debt is provided by QTC and is disclosed in Note 16.

QTC applies a book rate approach in the management of debt and interest rate risk, to limit the impact of market value movements to clients' cost of funding. The book value represents the carrying value based on amortised cost using the effective interest method.

**Kowanyama Aboriginal Shire Council**  
**Notes to the financial statements**  
for the year ended 30 June 2022

**26 Transactions with related parties**

**(a) Transactions with key management personnel (KMP)**

KMP include the Mayor, Councillors, Council's Chief Executive Officer and some executive management. The compensation paid to KMP comprises:

Transactions with KMP	2022	2021
	\$	\$
Short-term employee benefits	1,164,246	1,227,352
Post-employment benefits	121,505	130,142
Termination benefits	55,437	15,000
<b>Total</b>	<b>1,341,188</b>	<b>1,372,494</b>

Detailed remuneration disclosures are provided in the annual report.

**(b) Transactions with other 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:

Details of Transaction	Additional information	2022	2021
		\$	\$
Sale of goods and services to related parties	26(b)(i)	21,250	8,461
Employee expenses of close family members of KMP	26(b)(ii)	105,308	176,304
Key management personnel services provided by a related entity	26(b)(iii)	241,949	-
Rental and accommodation revenue from entities controlled by related party	26(b)(iv)	550	32,327

(i) Sales generated from key management personnel, close family member of KMP and jointly controlled entity of KMP were on an arm's length basis in accordance with Council's standard terms and conditions.

(ii) 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.

Council employs 210 (2021: 183) staff of which only 3 (2021: 4) are close family members of key management personnel.

(iii) Payment made to Culturev8 for the services provided as acting Executive Manager Governance, legal and other consultancy services.

(iv) Rental and accommodation generated from entities controlled by a related party were at arm's length and in accordance with standard terms and conditions.

**Kowanyama Aboriginal Shire Council**  
**Notes to the financial statements**  
for the year ended 30 June 2022

**26 Transactions with related parties (Continued)**

**(c) Outstanding balances**

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

**Year ended 30 June 2022**

Receivables	Amounts owed by KMP	Amounts owed by entities controlled by KMP	Amounts owed by close family member of KMP
	\$	\$	\$
Current	2,335	2,967	-
Past due 31-60 days	-	-	-
Past due 61-90 days	-	-	-
More than 90 days overdue	-	38,667	-
<b>Total Owing</b>	<b>2,335</b>	<b>41,633</b>	<b>-</b>

During the year, Council has issued credit note and reversed the provision of \$62,400 on doubtful debts amount owed by entities related parties.

**Year ended 30 June 2021**

Receivables	Amounts owed by KMP	Amounts owed by entities controlled by KMP	Amounts owed by close family member of KMP
	\$	\$	\$
Current	-	106	-
Past due 31-60 days	1,199	-	-
Past due 61-90 days	-	-	-
More than 90 days overdue	-	162,881	-
<b>Total Owing</b>	<b>1,199</b>	<b>162,987</b>	<b>-</b>

**(d) Loans and guarantees to/from related parties**

Council does not make loans to or receive loans from related parties. No guarantees have been provided.

**(e) Commitments to/from other related parties**

Council does not have any commitment to/from related parties.

**(f) Transactions with related parties that have not been disclosed**

The majority of the entities and people that are related parties of Council live and operate within the Kowanyama community. Therefore, on a regular basis ordinary citizen transactions occur between Council and its related parties. The payment by community residents of fees and charges are considered to be ordinary citizen transactions.

Council has not included these types of transaction in its disclosure as they are made on the same terms and conditions available to the general public.

**Kowanyama Aboriginal Shire Council**  
**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, present a true and fair view, in accordance with Australian Accounting Standards, of the council's transactions for the financial year and financial position at the end of the year.



Mayor  
Robert Sands

Date: 6, 10, 22



Acting Chief Executive Officer

Date: 6, 10, 22



**Kowanyama Aboriginal 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 key financial ratios and targets:			
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	(0%)	Between 0% and 10%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	142%	greater than 90%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	(19%)	not greater than 60%

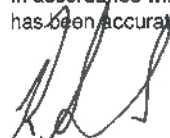
**Note 1 - Basis of Preparation**

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 30 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 Section 212(5) of the Regulation we certify that this current-year financial sustainability statement has been accurately calculated.



Mayer  
Robert Sands

Date: 06 / 10 / 22



Chief Executive Officer

Date: 06 / 10 / 22

**Kowanyama Aboriginal Shire Council**  
**Long-Term Financial Sustainability Statement (unaudited)**  
For the year ended as at 30 June 2022

Measures of Financial Sustainability	Measure	Target	Actuals at 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
Council													
Operating surplus ratio	Net result divided by total operating revenue	Between 0% and 10%	(0%)	(29%)	(26%)	(25%)	(27%)	(27%)	(27%)	(27%)	(27%)	(28%)	(28%)
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	greater than 90%	142%	98%	21%	25%	26%	26%	25%	25%	26%	26%	26%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue	not greater than 60%	(19%)	(34%)	(32%)	(33%)	(35%)	(37%)	(38%)	(40%)	(41%)	(42%)	(43%)

**Kowanyama Aboriginal 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's financial management strategy is prudent and that its long-term financial forecast shows a sound financial position but both are dependent on on-going State and Commonwealth Government support. Provided this support is ongoing council will be able to meet the community's current and future needs.

**Kowanyama Aboriginal Shire Council**  
**Long-Term Financial Sustainability Statement**  
For the year ended as at 30 June 2022

**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.

  
\_\_\_\_\_  
Mayor

**Robert Sands**

Date: 06 / 10 / 22

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

Date: 06 / 10 / 22

**Kowanyama Aboriginal 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 key financial ratios and targets:			
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	(0%)	Between 0% and 10%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	142%	greater than 90%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	(19%)	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 30 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 Section 212(5) of the Regulation we certify that this current-year financial sustainability statement has been accurately calculated.



Mayor  
Robert Sands

Date: 06 / 10 / 22



Chief Executive Officer

Date: 06 / 10 / 22

## INDEPENDENT AUDITOR'S REPORT

To the councillors of Kowanyama Aboriginal Shire Council

### Report on the current-year financial sustainability statement

#### Opinion

I have audited the accompanying current-year financial sustainability statement of Kowanyama Aboriginal Shire Council for the year ended 30 June 2022, comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with s.212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current-year financial sustainability statement of Kowanyama Aboriginal Shire Council for the year ended 30 June 2022 has been accurately calculated.

#### Basis of opinion

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

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

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

#### Emphasis of matter – basis of accounting

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

#### Other Information

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

At the date of this auditor's report, the available other information in Kowanyama Aboriginal Shire Council's annual report for the year ended 30 June 2022 was the general purpose financial statements and long-term financial sustainability statement.

The councillors are responsible for the other information.

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



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

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

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

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

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

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

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

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

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

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

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



Lisa Fraser  
as delegate of the Auditor-General

11 October 2022

Queensland Audit Office  
Brisbane

**Kowanyama Aboriginal Shire Council**  
**Long-Term Financial Sustainability Statement (unaudited)**  
For the year ended as at 30 June 2022

Measures of Financial Sustainability	Measure	Target	Actuals at 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	
Council														
Operating surplus ratio	Net result divided by total operating revenue	Between 0% and 10%	(0%)	(29%)	(26%)	(25%)	(27%)	(27%)	(27%)	(27%)	(27%)	(26%)	(26%)	(26%)
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	greater than 90%	142%	98%	21%	25%	26%	26%	25%	25%	26%	26%	26%	26%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue	not greater than 60%	(19%)	(34%)	(32%)	(33%)	(35%)	(37%)	(38%)	(40%)	(41%)	(42%)	(43%)	(43%)

**Kowanyama Aboriginal 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's financial management strategy is prudent and that its long-term financial forecast shows a sound financial position but both are dependent on on-going State and Commonwealth Government support. Provided this support is ongoing council will be able to meet the community's current and future needs.

Kowanyama Aboriginal Shire Council  
Long-Term Financial Sustainability Statement  
For the year ended as at 30 June 2022

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.

  
Mayor

Robert Sands

Date: 06 / 10 / 22

  
Acting Chief Executive Officer

Date: 06 / 10 / 22

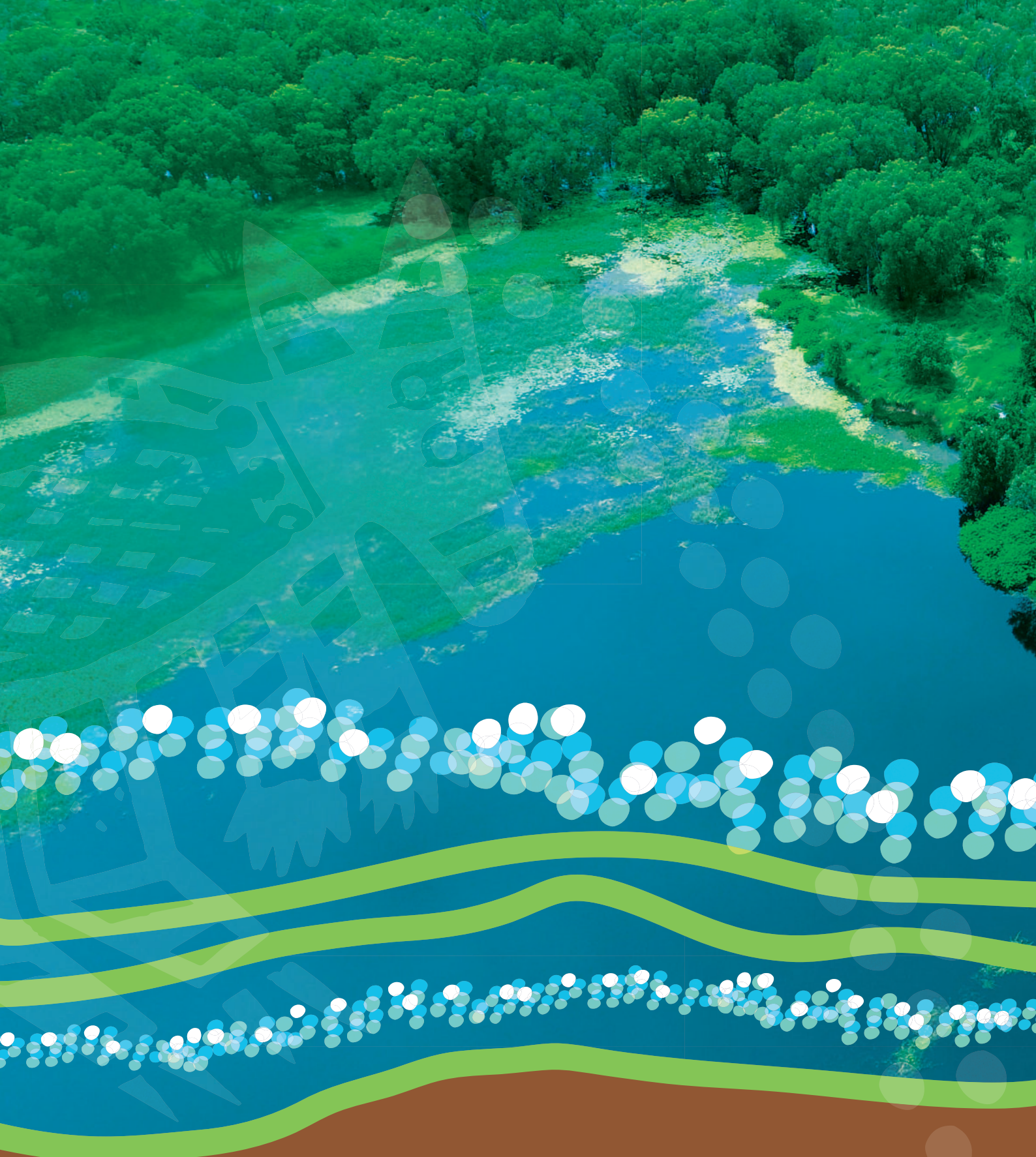












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